

KENTUCKY HORSE RACING COMMISSION

August 20, 2019

AGENDA

Location: Central Kentucky Riding for Hope
Conference Room
4185 Walt Robertson Dr
Lexington, KY 40511

Time: 1:30 pm

I. Call to Order and Roll Call

II. New Business

1. Minutes from June 18, 2019
2. Keeneland's 2019 Fall Meet KTDF Purse Structure
3. Churchill Downs' 2019 Fall Meet KTDF Purse Structure
4. Churchill Downs' Proposed Backside Improvement Request
5. Derby City Gaming's Request for Additional Ainsworth Game Technology Historical Horse Racing Pari-Mutuel Wagering Pools and Entertaining Game Themes
6. Kentucky Downs' Request for Additional Exacta Systems Historical Horse Racing Pari-Mutuel Wagering Pools and Entertaining Game Themes
7. Keeneland Red Mile Request for PariMAX Version 3.16
8. Churchill Downs, Keeneland, and Kentucky Downs Request to Amend Payout Format for Pick-3 Wager
9. Ratification of the Executive Director Approval of Added Race Date for Ellis Park
10. Penalty Classification for Ethamsylate
11. Keeneland's Proposed 2019 Fall Race Meet Officials & Date Preference System
12. Churchill Downs' Proposed 2019 Fall Race Meet Officials and Date Preference System
13. Reports
 - a. Thoroughbred Rulings
 - b. Standardbred Rulings
 - c. Veterinary Division
 - d. Pari-Mutuel Wagering Division

III. Executive Session

During the meeting on August 20, 2019 the Commission will go into closed session pursuant to KRS 61.810(1) (C) to discuss pending litigation

IV. Adjournment

KENTUCKY HORSE RACING COMMISSION
MINUTES OF THE MEETING

Date: June 18, 2019 at 1:30 PM

Place: Turfway Park, 7500 Turfway Road, Florence, KY 41042

Members Present: Chairman Franklin S. Kling, Jr.; Vice-Chairman Mark Simendinger; Commissioner Larry Bisig; Commissioner Stuart E. Brown, II, DVM; Commissioner Kiki Courtelis; Commissioner Pat Day; Commissioner Douglas A. Hendrickson; Commissioner Kenneth A. Jackson; Commissioner Brereton C. Jones, Jr.; Commissioner Foster Northrop, DVM; and Commissioner J. David Richardson, M.D.

Ex-officio Members Present: Leigh Powers, by proxy and on behalf of Secretary Don Parkinson, Tourism, Arts & Heritage Cabinet; Secretary K. Gail Russell, Public Protection Cabinet

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Deputy Executive Director and Director of Division of Incentives and Development; John L. Forgy, General Counsel; Shawn D. Chapman, Deputy General Counsel; Steve May, Director of Pari-Mutuel Wagering and Compliance; Mary Scollay, DVM, Equine Medical Director; Bruce Howard, DVM, Chief Racing Veterinarian; and Barbara Borden, Chief State Steward

Others Participating: Mike Ziegler, Executive Director of Racing, Churchill Downs, Inc.; Katherine McKee, Director of Racing Administration, Keeneland; Ron Winchell, Chief Executive for Kentucky Downs; Ted Nicholson, General Manager for Kentucky Downs; Sherry Wessel, Senior Vice-President and General Manager of Caesars Entertainment on behalf of Bluegrass Downs; Shannon Cobb, Chief Operating Financial Officer for The Red Mile; Robert Beck, counsel for Ellis Entertainment, LLC; and Ken Mimmack, a board manager for Ellis Entertainment, LLC

| <i>AGENDA ITEM</i> | <i>TRANSCRIPT PAGE NUMBER(S)</i> | <i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i> | <i>ACTION TAKEN</i> |
|---|----------------------------------|--|--|
| I. Call to Order and Roll Call | 4 – 5 | Meeting called to order and roll call performed by Chairman Kling. A quorum was recognized. | No action taken. |
| II. New Business Tab 1 Minutes from April 16, 2019 | 5 – 83 5 – 6 | Chairman Kling requested a motion from the Commission to address the request submitted by KHRC staff to approve the proposed minutes of the April 16, 2019 Commission meeting. Motion by Commissioner Courtelis. Second by Commissioner Bisig. | Chairman Kling called for a vote to approve the proposed minutes as presented. Motion carried with no objections or abstentions. |

| AGENDA ITEM | TRANSCRIPT PAGE NUMBER(S) | DISCUSSION / CONCLUSIONS / RECOMMENDATIONS | ACTION TAKEN |
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| | | <p>Ms. Eads presented the proposed minutes of the April 16, 2019 Commission meeting as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC staff.</p> | |
| <p>Tab 2 Ratification of KHRC Executive Director Approval of Increased KTDF Distributions During the Spring Meet at Churchill Downs</p> | <p>6 – 7</p> | <p>Chairman Kling requested a motion from the Commission to address the ratification of the Commission Executive Director’s conditional approval of the request submitted by Churchill Downs Racetrack LLC to increase the Kentucky Thoroughbred Development Fund (KTDF) purse distribution for the second condition book of their Spring meet. Motion by Commissioner Day. Second by Commissioner Richardson.</p> <p>Ms. Eads presented Churchill Downs’ initial request dated May 24, 2019, as outlined in the agenda materials. Due to an increase in dollars generated at Derby City Gaming and a nearly \$230,000 beginning surplus, Churchill Downs’ requests to increase KTDF distributions for the remainder of the Spring 2019 meet.</p> <p>Ratification of the Executive Director’s conditional approval was recommended by KHRC staff.</p> | <p>Chairman Kling called for a vote to ratify the KHRC’s Executive Director’s conditional approval of the request as presented. Motion carried with no objections or abstentions.</p> |
| <p>Tab 3 Churchill Downs’ Request for Additional Ainsworth Game Technology Historical Horse Racing Wagering Pools</p> | <p>7 – 10</p> | <p>Chairman Kling requested a motion from the Commission to address the request submitted by Churchill Downs Racetrack LLC, by and through its wholly owned subsidiary, Derby City Gaming LLC (Churchill Downs/Derby City), to approve 11 additional Ainsworth Game Technology (AGT) historical horse racing (HHR) pari-mutuel wagering pools, 15 related entertaining game themes, 5 additional entertaining game themes based on AGT’s HHR pari-mutuel pools previously approved by the Commission, and 3 updates of their AGT/HHR system. Motion by Commissioner Hendrickson. Second by Commissioner Brown.</p> | <p>Chairman Kling called for a vote to approve the requests as presented and contingent upon completion of the requirements outlined in the agenda materials. Motion carried with no objections or abstentions.</p> |

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| | | <p>Mr. May presented Churchill Downs/Derby City's request dated May 31, 2019, as outlined in the agenda materials.</p> <p>Approval was recommended by the KHRC staff.</p> | |
| <p>Tab 4 Keeneland Red Mile and Kentucky Downs Request for Additional Exacta Systems Historical Horse Racing Wagering Pools</p> | <p>10</p> | <p>Chairman Kling announced that Agenda Item 4 had been withdrawn from the agenda.</p> | <p>No action taken.</p> |
| <p>Tab 5 Keeneland Red Mile Request to Approve PariMAX Version 3.15.1</p> | <p>10 – 13</p> | <p>Chairman Kling requested a motion from the Commission to address the request submitted by KRM Wagering (KRM) to offer PariMAX HHR version 3.15.1 pari-mutuel system exotic wagering pools. Motion by Commissioner Brown. Second by Commissioner Northrop.</p> <p>Mr. May presented the KRM's request dated May 28, 2019, as outlined in the agenda materials.</p> <p>Approval of the request was recommended by KHRC staff.</p> | <p>Chairman Kling called for a vote to approve the request as presented and contingent upon completion of the requirements as outlined in the agenda materials. Motion carried with no objections or abstentions.</p> |
| <p>Tab 6 Presentations by Racetracks of Proposed Capital Improvements</p> | <p>13 – 39 13 – 14 14 – 19 19 – 21</p> | <p>Chairman Kling announced that the racetracks would make presentations on proposed capital expenditures. He noted that no action would be required from the Commission and the presentations were informational only.</p> <p>Mr. Ziegler presented on behalf of Churchill Downs.</p> <p>Ms. McKee presented on behalf of Keeneland.</p> | <p>Informational item only. No action taken.</p> |

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| | <p>21 – 25</p> <p>25 – 30</p> <p>30 – 38</p> <p>38</p> <p>38 – 39</p> | <p>Messrs. Winchell and Nicholson presented on behalf of Kentucky Downs.</p> <p>Ms. Wessel presented on behalf of Players Bluegrass Downs.</p> <p>Ms. Cobb presented on behalf of The Red Mile.</p> <p>Chairman Kling noted that Turfway Park declined to present at this time and that they anticipate having a presentation to him in the next month or so.</p> <p>Chairman Kling noted that Ellis Park will address their proposed capital improvements presentation under Agenda Item #7.</p> | |
| <p>Tab 7 Consideration of Ellis Entertainment LLC's Proposed Purchase of Ellis Park Racetrack and Application for a License to Conduct Horse Racing, Simulcasting and Pari-Mutuel Wagering</p> | <p>39 – 66</p> <p>39 – 43</p> | <p>Chairman Kling requested a motion from the Commission to address the requests submitted by Ellis Entertainment, LLC (Ellis Entertainment) to approve: 1) the proposed purchase of Ellis Park Race Course, LLC; 2) the application for a license to conduct horse racing, simulcasting, and pari-mutuel wagering; and 3) authorization to operate 1,200 HHR racing machines. Motion by Commissioner Hendrickson. Second by Commissioner Jackson.</p> <p>Mr. Forgy presented the requests of Ellis Entertainment as outlined in the agenda materials. Mr. Forgy stated that approval of Ellis Entertainment's license would be contingent upon the following: 1) the surrender of the current license issued to Ellis Park Race Course, LLC; and 2) the successful closing of the asset purchase. He further noted that if the asset purchase did not take place, the license would remain in the hands of Ellis Park Race Course, LLC and a license would not be issued to Ellis Entertainment.</p> | <p>Chairman Kling called for a vote to approve the requests as presented and contingent upon the requirements as outlined by Mr. Forgy. Motion carried with no objections or abstentions.</p> |

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| | 43 – 45 | Mr. Beck addressed the Commission and introduced Mr. Mimmack to present details of Ellis Park Race Course, LLC's proposed application and requests. | |
| | 45 – 64 | Mr. Mimmack addressed the Commission and answered questions from the Commissioners. | |
| Tab 8 WKY Development's Request to Amend Section O of its 2019 Application to Conduct Live Horse Racing, Simulcasting and Pari-Mutuel Wagering to Shift Race Dates | 66 – 69 | <p>Chairman Kling requested a motion from the Commission to address the request submitted by WKY Development to approve a proposed amendment to the 2019 association license application. Motion by Commissioner Richardson. Second by Commissioner Northrop.</p> <p>Mr. Forgy presented the request submitted by WKY Development dated May 31, 2019 as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC staff.</p> | <p>Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.</p> |
| Tab 9 Churchill Downs' Request to Amend Section P of Its 2019 Application to Add to the Track a Non-Contiguous Leased Facility at the Louisville Thoroughbred Society and to Offer Simulcast Pari-Mutuel Wagering at the Leased Facility | 69 – 73 | <p>Chairman Kling requested a motion from the Commission to address the request submitted by Churchill Downs to approve a proposed amendment to their 2019 association licensing application. Motion by Commissioner Courtelis. Second by Commissioner Jackson.</p> <p>Mr. Forgy presented the request submitted by Churchill Downs dated May 31, 2019 to approve the request as outlined in the agenda materials. Mr. Forgy noted that if the proposal is approved by the Commission, the approval will be contingent upon the completion of acceptable background checks.</p> <p>Approval was recommended by KHRC staff.</p> | <p>Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.</p> |
| Tab 10 Kentucky Downs' Request for Earlier Post Times at their 2019 Race Meet | 73 – 74 | <p>Chairman Kling requested a motion from the Commission to address the request submitted by Kentucky Downs to approve a proposed</p> | <p>Chairman Kling called for a vote to approve the request as presented.</p> |

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| | | <p>amendment to their 2019 association licensing application. Motion by Commissioner Day. Second by Commissioner Hendrickson.</p> <p>Ms. Borden presented Kentucky Downs' request dated May 31, 2019 as outlined in the agenda materials. She explained that Kentucky Downs had requested approval to change their post time for the 2019 meet to 12:15 PM.</p> <p>Approval was recommended by KHRC staff.</p> | <p>Motion carried with no objections or abstentions.</p> |
| <p>Tab 11 Kentucky Downs' Proposed 2019 Race Meet Officials and Date Preference System</p> | <p>74 – 76</p> | <p>Chairman Kling requested a motion from the Commission to address the request submitted by Kentucky Downs to approve the proposed roster of racing officials and the STAR preference system for the 2019 meet. Motion by Commissioner Northrop. Second by Commissioner Richardson.</p> <p>Ms. Borden presented Kentucky Downs' request dated May 21, 2019 as outlined in the agenda materials. All listed officials are ROAP accredited and have previously performed the duties for which they are listed and will be licensed before the meet opening.</p> <p>Approval was recommended by KHRC staff.</p> | <p>Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.</p> |
| <p>Tab 12 Churchill Downs' Proposed 2019 September Race Meet Officials and Date Preference System</p> | <p>76 – 77</p> | <p>Chairman Kling requested a motion from the Commission to address the request submitted by Churchill Downs to approve the proposed roster of racing officials and dates preference system for the 2019 September meet. Motion by Commission Day. Second by Commissioner Northrop.</p> <p>Ms. Borden presented Churchill Downs' request dated May 30, 2019 as outlined in the agenda materials. All listed officials are ROAP accredited and have previously performed the duties for which they are listed and will be licensed before the meet opening.</p> | <p>Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions.</p> |

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| | | Approval was recommended by KHRC staff. | |
| Tab 13 The Red Mile's Proposed 2019 Race Meet Officials | 77 – 78 | <p>Chairman Kling requested a motion from the Commission to address the request submitted by The Red Mile to approve the proposed roster of racing officials for their 2019 meet. Motion by Commissioner Jackson. Second by Commissioner Northrop.</p> <p>Ms. Borden presented The Red Mile's request dated May 31, 2019 as outlined in the agenda materials. All listed officials are ROAP accredited and have previously performed the duties for which they are listed and will be licensed before the meet opening.</p> <p>Approval was recommended by KHRC staff.</p> | Chairman Kling called for a vote to approve the request as presented. Motion carried with no objections or abstentions. |
| Tab 14 Reports a. Thoroughbred Rulings b. Standardbred Rulings c. Veterinary Division d. Pari-Mutuel Wagering Division e. Confidential – Litigation and Regulations | 78 – 83 78 – 79 79 79 – 81 81 – 83 83 | <p>a. Ms. Borden presented the thoroughbred rulings report as outlined in the agenda materials.</p> <p>b. Chairman Kling noted that there was no Standardbred ruling activity to report.</p> <p>c. Drs. Howard and Scollay presented the veterinary division report as outlined in the agenda materials.</p> <p>d. Mr. May presented the pari-mutuel wagering division report as outlined in the agenda materials.</p> <p>e. Litigation and Regulation report is for informational purposes only.</p> | No action taken. Informational items only. |
| III. Executive Session | 83 – 88 | Chairman Kling requested a motion from the Commission to go into closed session to deliberate, in its role as a judicial or quasi-judicial | 1) Chairman Kling called for a vote to adopt the |

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| <p>During the meeting on June 18, 2019 the Commission will go into closed session pursuant to KRS 61.810(1)(C) to discuss pending litigation</p> | | <p>body, regarding adjudications as permitted under KRS 61.810(1)(j) and proposed or pending litigation against or on behalf of the agency as permitted by KRS Chapter 61.810(1)(c) . Motion by Commissioner Hendrickson. Second by Commissioner Northrop.</p> <p style="text-align: center;"><u>EXECUTIVE SESSION</u></p> <p>Chairman Kling requested a motion from the Commission to return from closed session to open session. Motion by Commissioner Richardson. Second by Commissioner Jones.</p> <p style="text-align: center;"><u>RETURN TO PUBLIC SESSION</u></p> <p>Upon returning to public session, Chairman Kling requested the following motions from the Commission:</p> <p>1) In the administrative matter of <u>Mountain Pleasure Horse Association v. Kentucky Horse Racing Commission</u>, Administrative Action No. KHRC-18-NR-007, to adopt the Findings of Fact, Conclusions of Law and Recommended Order of the hearing officer, including the recommendation that the Mountain Pleasure Horse Association (MPHA) be reinstated to participate in the Kentucky Horse Breeders’ Incentive Fund (KHBIF) with a total of 857 horses. Motion by Commissioner Courtelis. Second by Commissioner Day.</p> <p>2) In the administrative matter of <u>Kentucky Mountain Saddle Horse Association v. Kentucky Horse Racing Commission</u>, Administrative Action No. KHRC-19-NR-001, to approve the agreement between the Kentucky Mountain Saddle Horse Association (KMSHA) and the Kentucky Horse Racing Commission that the KMSHA would dismiss</p> | <p>hearing officer’s Findings of Fact, Conclusions of Law and Recommended Order regarding <u>MPHA v. KHRC</u> as presented. Motion carried with no objections or abstentions.</p> <p>2) Chairman Kling called for a vote to approve the agreement between the KMSHA and the KHRC as presented. Motion carried with no objections or abstentions.</p> |

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| | | its administrative action and would be reinstated to participate in the KHBIF with a total of 6,354 horses. Motion by Commissioner Richardson. Second by Commissioner Simendinger. | |
| IV. Adjournment | 88 | Chairman Kling requested a motion to adjourn. Motion by Commissioner Brown. Second by Commissioner Day. Meeting adjourned. | Chairman Kling called for a vote to adjourn. Motion carried with no objections or abstentions. |

NOTE: The Agenda materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.

DRAFT



MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

FRANKLIN S. KLING, JR.
CHAIRMAN

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
KENTUCKY HORSE RACING COMMISSION
ESTABLISHED 1906
4063 IRON WORKS PKWY., BLDG. B
LEXINGTON, KENTUCKY 40511
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039
WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

TO: ALL COMMISSION MEMBERS
FROM: Jamie H. Eads, KHRC
DATE: August 8, 2019
SUBJECT: KTDF PURSE STRUCTURE – KEENELAND FALL MEET

On August 6, 2019, the KTDF Advisory Committee considered the following request from Keeneland with its KTDF purse structure for the 2019 fall meet.

KHRC staff confirms that at the end of the 2019 spring meet, Keeneland had a deficit of \$207,435. The deficit was paid off on July 14 from KTDF earnings on wagers at KRM. Keeneland is proposing KTDF purses of approximately \$937,100. Keeneland’s projections are based on a payout of 86% of the amount carded, daily earnings of \$18,708 and earnings from wagers on historical horse racing.

Keeneland will pay out KTDF funds through last place and in the event of a dead heat, the KTDF portion will be handled the same as the purse.

The KTDF Advisory Committee recommends approval.

COMMISSION ACTION

_____ Approved
_____ Deferred
_____ Denied





Keeneland Association, Inc. July 31, 2019

1201 Versailles Road
Lexington, KY 40510
P.O. Box 16901
Lexington, KY 40588-1690
859 254-3412 Tel.
800 456-3412
859 288-4347 Fax
www.keeneland.com

KTDF Committee of the
Kentucky Horse Racing Commission
4063 Iron Works Parkway
Lexington, KY 40511

Dear Committee Members:

Keeneland has reviewed our KTDF data and would like to offer approximately \$937,100 in KTDF money for our upcoming October meet.

1. Assuming handle remains flat, we are projecting approximate daily earnings of \$18,708;
2. We have a deficit of \$207,435 following the Spring 2019 race meeting;
3. We are assuming a payout percentage of approximately 86% of the amount carded;
4. We are projecting total KRM earnings of approximately \$570,072;
5. We anticipate that KTDF purses will be approximately 16.2% of the purses for the races that are eligible for KTDF.

We remain committed to offering competitive purses while also prudently manage our KTDF funds available. To that end we will continue our strategy of offering a reduced amount of KTDF funds due to our overpayment status, while increasing the amount of association funds, yielding a net growth in average daily purses.

Keeneland will continue to pay out KTDF funds through last place. A table containing the payout percentage by field size is attached. In the event there is a dead heat for finish positions 1 thru 5, the KTDF percentage payout for each position will be aggregated and paid equally to each horse included in the dead heat. If a non-KTDF eligible horse is involved in a dead heat, those funds will revert to the fund.

We will evaluate the earnings and payout percentages several days into our race meet and may need to make adjustments if our actual earnings and payout percentages are significantly different from our assumptions.

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

Sincerely,

Robert N. Elliston
Vice President of Racing and Sales



Keeneland KTDF Split Structure

| Finish | # Starters | | | | | | | | | | |
|--------|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | |
| 1st | 62.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% |
| 2nd | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% |
| 3rd | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| 4th | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 5th | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| 6th | | 2.00% | 1.00% | 0.67% | 0.50% | 0.40% | 0.34% | 0.29% | 0.25% | 0.23% | 0.22% |
| 7th | | | 1.00% | 0.67% | 0.50% | 0.40% | 0.34% | 0.29% | 0.25% | 0.22% | 0.22% |
| 8th | | | | 0.66% | 0.50% | 0.40% | 0.33% | 0.29% | 0.25% | 0.22% | 0.22% |
| 9th | | | | | 0.50% | 0.40% | 0.33% | 0.29% | 0.25% | 0.22% | 0.22% |
| 10th | | | | | | 0.40% | 0.33% | 0.28% | 0.25% | 0.22% | 0.22% |
| 11th | | | | | | | 0.33% | 0.28% | 0.25% | 0.22% | 0.22% |
| 12th | | | | | | | | 0.28% | 0.25% | 0.22% | 0.22% |
| 13th | | | | | | | | | 0.25% | 0.22% | 0.22% |
| 14th | | | | | | | | | | 0.25% | 0.22% |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

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 AUG 01 2019
 KENTUCKY HORSE
 RACING COMMISSION



MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

FRANKLIN S. KLING, JR.
CHAIRMAN

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EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
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4063 IRON WORKS PKWY., BLDG. B
LEXINGTON, KENTUCKY 40511
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

TO: ALL COMMISSION MEMBERS
FROM: Jamie H. Eads, KHRC
DATE: August 8, 2019
SUBJECT: KTDF PURSE STRUCTURE – CHURCHILL DOWNS’ SEPTEMBER MEET

On August 6, 2019, the KTDF Advisory Committee considered the following request from Churchill Downs with its KTDF purse structure for the 2019 September meet.

KHRC staff confirms that at the end of the 2019 spring meet, Churchill Downs had a surplus of \$898,929. Churchill Downs is proposing KTDF purses of approximately \$1-\$1.2 million. Churchill Downs’ projections are based on a payout of 86% of the amount carded and daily earnings of \$168,078, which includes earnings from wagers on historical horse racing at Derby City Gaming.

Churchill Downs will pay out KTDF funds through last place and in the event of a dead heat, the KTDF portion will be handled the same as the purse.

The KTDF Advisory Committee recommends approval.

COMMISSION ACTION

_____ Approved
_____ Deferred
_____ Denied





CHURCHILL DOWNS

July 31, 2019

KTDF Advisory Committee of the
Kentucky Horse Racing Commission
4063 Iron Works Parkway
Building B
Lexington, Kentucky 40511

Committee Members:

Churchill Downs has reviewed our purses and would like to card KTDF purses in the range of \$1.0 million to \$1.5 million for our upcoming September Meet. We have based the range on the following information:

1. Churchill Downs had a surplus balance of \$898,929 at the end of our 2019 Spring Meet.
2. Our 2019 September Meet will consist of 11 racing days, consistent with the 2015, 2016, 2017, and 2018 meet. We are projecting daily earnings of \$168,078 which is significantly higher than the \$29,743 earned in 2018. The primary driver is the anticipated pari-mutuel wagering expected at Derby City Gaming LLC ("Derby City") from July 1, 2019 through the end of the September Meet.
3. For September 2019, we are assuming a KTDF payout percentage of 86% with anticipated KTDF disbursements of \$1.2 million which is significantly higher than the \$121,996 paid during the September 2018 Meet. The primary driver of the increase is due to the estimated pari-mutuel wagering at Derby City.
4. To encourage participation during the September Meet, we are again planning to pay KTDF purses from first to last to all eligible horses.

Please contact either of us should you have any questions or need additional information.

Sincerely,

Ben Huffman
Vice President, Racing & Racing Secretary

Thomas Minnici
Senior Director of Finance

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JUL 31 2019

KENTUCKY HORSE
RACING COMMISSION



Additional Information Required for Approval of KTDF in 2019

In response to the KTDF Advisory Board's request for information, Churchill Downs Racetrack has made the following updates and efforts to increase Thoroughbred Development Fund generation:

- **Live Racing**
 - Nearly \$170 million in major capital improvements from 2010 through 2018 to enhance the customer experience
 - 2010 - Permanent Lighting for Track
 - 2013 - Paddock Plaza and The Mansion
 - 2014 - Big Board and Grandstand Pavilion
 - 2015 - Winners Circle Suites and The Courtyard
 - 2016 - Stakes Room and Turf Club
 - 2017 - Loft at Aristides Lounge and 2nd Floor Clubhouse
 - 2018 - Starting Gate Suites and Colonnade, Parking, and Transportation Project
 - 2018 – 2019 Improvements ... \$13.3 million capital investment
 - Starting Gate Suites Rooftop Lounge
 - New Infield Gate
 - Completion of Colonnade Wall from Paddock Gate to Clubhouse Gate
 - Results for the 2019 Spring Meet
 - Thanks to robust business from state-of-the-art historical racing machines at nearby Derby City Gaming, purses were supercharged for the 2019 Spring Meet, and a record \$32.2 million was paid to horsemen during the 38-days of live racing (April 27-June 29). It was a significant 44.7% or \$9.9 million increase from the \$22.2 million paid over last year's Spring Meet.
 - Churchill Downs lured 3,148 starters for its 372 races for a strong average of 8.5 horses per race, an 8.8% increase from the 7.8 starters-per-race average at the 2018 Spring Meet.
 - With increased purses, quality and field size, all-sources wagering on Churchill Downs' Spring Meet races soared to \$499.8 million, a \$51.0 million jump from 2018's \$448.8 million. The double-digit 11.4% increase marked the fifth straight annual gain in Spring Meet betting from the prior year.
- **Simulcasting**
 - 2012 – Invested over \$4 million in the Parlay which is our dark time simulcast facility
 - 2017 - \$16 million capital investment in the 2nd Floor Clubhouse and refresh of the Aristides Lounge which is our live racing simulcast facility
 - From the end of Fall 2018 Meet through the beginning of the Spring 2019 Meet, wagering on thoroughbred racing was \$12.4 million which has generated \$247,618 in KTDF

RECEIVED

JUL 31 2019

KENTUCKY HORSE
RACING COMMISSION

- Compared to last year and adjusting for the one day difference (108 days vs. 109 days last year), our daily average wagering is \$3,780 (or 3.4%) higher than prior year
- Historical Horse Racing
 - Invested \$65 million in Derby City Gaming facility
 - From opening day in September 2018 through July 21, 2019, Derby City Gaming has generated \$5.5 million in KTDF
 - Average daily handle at Derby City Gaming has grown from \$1.35 million in September to \$2.93 million in June 2019 (118% growth)
 - Here is the average daily handle by month since its opening
 - September 2018 - \$1.35 million (20 days)
 - October 2018 - \$1.45 million
 - November 2018 - \$1.66 million
 - December 2018 - \$1.87 million
 - January 2019 - \$1.92 million
 - February 2019 - \$2.69 million
 - March 2019 - \$2.99 million
 - April 2019 - \$2.76 million
 - May 2019 - \$2.99 million
 - June 2019 - \$2.93 million
 - July 2019 - \$3.09 million (21 days into the month)

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JUL 31 2019

KENTUCKY HORSE
RACING COMMISSION



CHURCHILL DOWNS

July 31, 2019

KTDF Advisory Committee of the Kentucky Horse Racing Commission
 4063 Iron Works Parkway
 Building B
 Lexington, Kentucky 40511

Committee Members:

The following information will be included in Churchill Downs' 2019 September Condition Book related to the Kentucky Thoroughbred Development Fund (KTDF).

**CHURCHILL DOWNS RACE TRACK
 KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF)
 ALLOCATION OF FUND BASED ON NUMBER OF STARTERS AND FINISH**

For those horses that are registered and eligible according to the condition listed above, fund monies will be divided as follows: 60% to the winner, 20% to the second, 10% to the third, 5% to the fourth, 3% to the fifth and the remaining 2% to be divided equally among sixth through last.

| Finish | Number of Starters | | | | | | | | | |
|--------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 1st | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% | 60.00% |
| 2nd | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% |
| 3rd | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| 4th | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| 5th | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| 6th | | 2.00% | 1.00% | 0.67% | 0.50% | 0.40% | 0.34% | 0.29% | 0.25% | 0.23% |
| 7th | | | 1.00% | 0.67% | 0.50% | 0.40% | 0.34% | 0.29% | 0.25% | 0.23% |
| 8th | | | | 0.66% | 0.50% | 0.40% | 0.33% | 0.29% | 0.25% | 0.22% |
| 9th | | | | | 0.50% | 0.40% | 0.33% | 0.29% | 0.25% | 0.22% |
| 10th | | | | | | 0.40% | 0.33% | 0.28% | 0.25% | 0.22% |
| 11th | | | | | | | 0.33% | 0.28% | 0.25% | 0.22% |
| 12th | | | | | | | | 0.28% | 0.25% | 0.22% |
| 13th | | | | | | | | | 0.25% | 0.22% |
| 14th | | | | | | | | | | 0.22% |
| Total | 98.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Example:

| Date | Race | # of Starters | KTDF Offered |
|-----------|------|---------------|--------------|
| 6/25/2017 | 10 | 11 | \$7,400.00 |

| KTDF: | Finish | | | | | | | | | | |
|----------|-------------------------|------------|----------|----------|----------|---------|---------|--------|---------|---------|---------|
| | 1st | 2nd | 3rd | 4th | 5th | 6th | 7th | 8th | 9th | 10th | 11th |
| Eligible | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes | Yes |
| Payout | \$4,440.00 | \$1,480.00 | \$740.00 | \$370.00 | \$222.00 | \$25.16 | \$25.16 | \$0.00 | \$24.42 | \$24.42 | \$24.42 |
| | KTDF Reverts \$24.42 | | | | | | | | | | |

RECEIVED

JUL 31 2019 Page | 1

KENTUCKY HORSE RACING COMMISSION



CHURCHILL DOWNS

Example: Dead Heat for 2nd between an eligible and non-eligible horse using the above example.

| | | | | |
|--------|---------------|----------------|--------------|---|
| | <u>2nd</u> | <u>3rd</u> | <u>Total</u> | |
| KTDF: | | | | |
| Payout | \$1,480.00 | \$740.00 | \$2,220.00 | ----> Eligible horse would receive 50% of the Total for 2nd and 3rd pla |
| | <u>KTDF</u> | <u>KTDF</u> | | |
| | <u>Payout</u> | <u>Reverts</u> | | |
| | \$1,110.00 | \$1,110.00 | | |

THE KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF)

Horsemen with Kentucky-sired Kentucky-breds have over \$10 million more in purse money to run for in designated stakes, handicap, allowance, non-claiming maiden races, and allowance optional claiming races with a claiming price of not less than twenty-five thousand dollars (\$25,000) contested at Thoroughbred racetracks in Kentucky.

Eligible races can be readily recognized in the stakes and condition books by the Kentucky Thoroughbred Development Fund seal, which will appear next to each race in the stakes and condition books.

In accordance with KRS 230.400(5) (d), it is mandatory for a horse to be registered prior to time of entry to be eligible to participate in the distribution of Kentucky Thoroughbred Development Fund monies. Registration is only complete once the application is approved and payment has been received.

All horses of racing age that are both Kentucky-bred and sired by a Kentucky stallion which stood in Kentucky the entire breeding season the year the horse was conceived are eligible to be registered. Owners of horses of racing age are responsible for registering their horses. Stallion owners are responsible for registering their stallions.

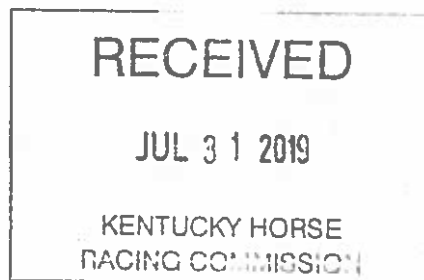
Registration applications may be obtained from the official registrar, the Kentucky Thoroughbred Owners and Breeders, by contacting:

Mrs. Jenny McGaughey, Registrar
Kentucky Thoroughbred Owners and Breeders
4079 Iron Works Parkway
Lexington, Kentucky 40511
Phone: 859-259-1643
Mobile: 859-361-6002

Registration may be completed online at www.kta-ktob.com. The Horse Identifier can check registration status of a horse.

For those horses that are registered and eligible according to the conditions listed above, fund monies will be divided as follows:

- 60%.....to the winner
 - 20%.....to second
 - 10%.....to third
 - 5%.....to fourth
 - 3%.....to fifth
- Remaining 2% divided evenly among starters.





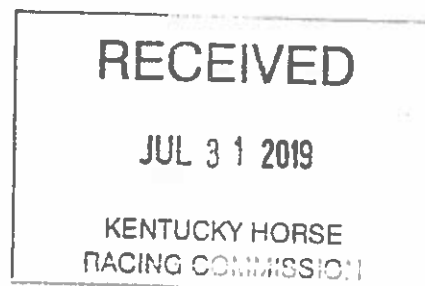
Unearned fund monies revert to the Kentucky Thoroughbred Development Fund. Additionally, if a non-KTDF eligible horse is involved in a dead heat, those funds will revert to the fund.

If you have any questions or need additional information, please reach out to me or Ben Huffman.

Sincerely,

Thomas Minneci
Senior Director, Finance
Churchill Downs Race Track
700 Central Avenue
Louisville, KY 40208
Office: 502-638-3845
Cell: 502-424-9372
tom.minneci@kyderby.com

Ben Huffman
Vice President, Racing & Racing Secretary
Churchill Downs Race Track
700 Central Avenue
Louisville, KY 40208
Office: 502-638-3820
Fax: 800-928-3372
ben.huffman@kyderby.com





MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

FRANKLIN S. KLING, JR.
CHAIRMAN

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
KENTUCKY HORSE RACING COMMISSION
ESTABLISHED 1906
4063 IRON WORKS PKWY., BLDG. B
LEXINGTON, KENTUCKY 40511
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

TO: ALL COMMISSION MEMBERS
FROM: Jamie H. Eads, Deputy Executive Director
DATE: August 1, 2019
SUBJECT: BACKSIDE IMPROVEMENT REQUEST: CHURCHILL DOWNS, INC.

On August 1, 2019, the KHRC received the enclosed backside improvement request from Churchill Downs seeking permission from the Commission to approve the projects pursuant to 810 KAR 7:010. Listed below is a brief review and the detail follows this memorandum. Churchill Downs has the funds available in the Backside Improvement Fund. KHRC staff inspected the areas and confirmed these projects fulfil the statutory requirements. KHRC staff will again confirm once the projects are complete. All invoices, photographs and communication will remain on file for Commission review.

- Replace two HVAC units in the dormitory on the backside of CDRT.

Total estimated cost for all projects: \$60,000

Staff recommends approval.

COMMISSION ACTION:

_____ Approved

_____ Deferred

_____ Denied



CHURCHILL DOWNS

INCORPORATED

July 31, 2019

Marc A. Guilfoil - Executive Director
Kentucky Horse Racing Commission
4063 Ironworks Parkway, Building B
Lexington, KY 40511
Marc.Guilfoil@ky.gov
(859) 246-2040

Re: **Application for Approval of Backside Improvement Fund Project**

Dear Marc,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds to replace two (2) HVAC units in our dormitory on the backside. CDRT has obtained three quotes and here is the scope of the work that needs to be completed –

- Demolition and removal of two (2) existing HVAC units
- Furnish and install two (2) HVAC units (10 tons each) on existing concrete pads / blocks
- Reconnect ductwork to existing
- Reconnect refrigeration piping to existing and flush lines to allow change from R-22 to R-410a
- Reconnect gas piping to existing
- Reconnect condensate piping to existing
- Reconnect flue to existing
- Insulate new work
- Install new programmable thermostats and interlock wiring between components
- Permits, inspections, and sales taxes

The total estimated cost is \$60,000 which includes a contingency for unforeseen electrical work, demolition, and duct cleaning. Here are estimates from the three (3) vendors sorted from lowest to highest –

- Best Mechanical Services - \$54,480
- Hussung Mechanical Contractors - \$55,894
- Book Heating and Cooling, Inc. - \$55,980

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,



Mike Ziegler
Executive Director, Racing
Churchill Downs Incorporated
600 N. Hurstbourne Parkway, Suite 400
Louisville, KY 40222
Office: (502) 394-1137

Attachment: Quotes from all three vendors



Best Mechanical Services

PROPOSAL

July 2, 2019

Churchill Downs

700 Central Avenue

Louisville, KY 40208

Attn: Mr. Doug Spaw

RE: Backside Dormitory HVAC Replacement

Best Mechanical Services would like to thank you for the opportunity to provide this quotation on the mechanical installation for the above-mentioned project. Best Mechanical proposes to furnish all necessary labor, material, tools, insurance and supervision for this project. The total cost for this project is as follows: **\$54,480.00**

Clarifications:

- Remove and dispose the existing (2) 10 ton Carrier Condensers, (2) Reznor gas furnaces, D/X coils
- Recover and dispose of the R-22 refrigerant
- Install (2) 10 ton Bryant Condensers (R-410A refrigerant), Matching D/X Coils, and (2) Reznor 250,000 BTU Input gas furnaces
- Flush refrigerant line sets with R-11 flush
- Hook up the existing line sets to the new equipment
- Transition new units to the existing duct system
- Return air smoke detector
- Connect existing flue piping to new furnaces
- Reconnect the electrical service and disconnects
- Tie in the existing natural gas piping
- Condensate drain piping
- R-410-A refrigerant
- Start up and check out
- Permits and inspections

**4333 Robards Lane Louisville, KY 40218
502-459-1920**

Best Mechanical Services

Exclusions:

- Electrical disconnect and breakers
- Duct cleaning

Should you have any questions or if I can be of any further assistance, please don't hesitate to contact me at your convenience.

Sincerely,
Chuck Craven
Best Mechanical Services

THIS QUOTE IS GOOD FOR 30 DAYS

**4333 Robards Lane Louisville, KY 40218
502-459-1920**



Hussung Mechanical Contractors, Inc.

PLUMBING
HVAC
BUILDING AUTOMATION
PROCESS PIPING

6913 Enterprise Drive • Louisville, Kentucky 40214 • (502) 375-3500 • Fax (502) 375-0026

July 18, 2019

Churchill Downs
700 Central Ave
Louisville, KY 40208

Attn: Doug Spaw

Re: Churchill Downs- Backside Dormitory AHU Replacements

Mr. Spaw,

We propose to furnish the materials, labor and supervision to perform the HVAC work for the above referenced project as clarified below for the following:

Specific Inclusions

- Demolition of (2) existing HVAC units
- Furnish and install (2) Split System DX/Gas Fired AHU's (10 Tons each)
- Reconnect ductwork to existing
- Reconnect refrigeration piping to existing. Refrigerant lines to be flushed to allow changeover from R-22 to R-410a.
- Reconnect gas piping to existing
- Reconnect condensate piping to existing
- Reconnect flue to existing
- Reinsulate new work
- Start-up and refrigerant charge for above HVAC equipment
- Temperature Control work includes new programmable thermostats and interlock wiring between components (all in plenum rated cable)
- New equipment will be set on existing concrete pads/blocks
- Labor for work during normal working hours (M-F, 7:00am-4:00pm)
- Permits and inspections
- Sales tax
- 1 Year Warranty. Begins on the date of substantial completion. For a warranty period to extend beyond that, please contact us for pricing.

Exclusions:

- **Power wiring, disconnects, starters and/or other electrical work**
- Concrete pads or any other miscellaneous concrete
- Pipe bollards
- Roof cutting & patching
- Protection of existing floors, walls, furniture, etc.
- Removal/disposal of asbestos, lead, or any other hazardous materials regulated by EPA.
- Temporary utilities and temporary heating/cooling/ventilation
- Painting
- Overtime/shift work
- Fire protection piping and equipment, as well as site work, tap fees, permits, relating to fire protection.
- Fire/smoke alarm system work
- Payment and performance bond

Base Bid HVAC. \$ 55,894.00

This proposal is contingent upon our receipt from the owner, or owner's representative, of a mutually acceptable contract for the work; (an AIA Standard Form of Agreement or equivalent), or an acceptable written purchase order within 60 days of the date of proposal. This proposal may be extended only with the written consent of or the acceptance by Hussung Mechanical Contractors, Inc. of a Notice to Proceed prior to the expiration of the initial 60 day period.

Thank you for the opportunity to quote this project. Please call with any questions.

Sincerely,
HUSSUNG MECHANICAL CONTRACTORS, INC.

Jim Butcher
Estimator

Proposal

Page No. _____

of _____

Pages _____

BOOK HEATING & COOLING, INC.

Stach@kyderby.com

HVAC Specialists

3584 Scottsville Road

FLOYDS KNOBS, INDIANA 47119

(812) 923-9893 FAX (812) 923-9894

Steve Hargrave

PROPOSAL SUBMITTED TO

Churchill Downs

PHONE

502-544-8818

DATE

7-23-19

STREET

700 Central Ave

JOB NAME

CITY, STATE and ZIP CODE

*Louisville, KY**40208*

JOB LOCATION

ARCHITECT

DATE OF PLANS

JOB PHONE

We hereby submit specifications and estimates for:

*(2) Bryant 10ton R-410A Condensers**(2) Reznor 250,000 BTU Gas Furnaces**(2) Reznor 10ton R-410A Evaporator Coils**(1) Digital Thermostat with locking cover**(1) Twinning Kit**(2) Liquid Line Filter Driers**1 year part & 1 year dealer labor warranty**All work to be performed by no less than (2) KY Master AWD**(1) KY Journeyman at a time**Details of demolition & replacement can be discussed by phone*

We propose hereby to furnish material and labor — complete in accordance with above specifications, for the sum of

*Payment to be made in full upon completion*dollars (\$ *55,980*)

Payment to be made as follows:

Price includes tax, labor, & materials

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature

*Joe T. Beal*Note: This proposal may be withdrawn by us if not accepted within 10 days.

Acceptance of Proposal—The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Date of Acceptance: _____

Signature _____



MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

FRANKLIN S. KLING, JR.
CHAIRMAN

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
KENTUCKY HORSE RACING COMMISSION
ESTABLISHED 1906
4063 IRON WORKS PKWY., BLDG. B
LEXINGTON, KENTUCKY 40511
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

To: Kentucky Horse Racing Commission

From: Steve May, Director of Pari-Mutuel Wagering and Compliance

Date: August 8, 2019

Re: Request by Churchill Downs to Approve Two Additional Ainsworth Game Technology Historical Horse Racing Pools and Four Associated Entertaining Game Themes

On August 1, 2019, the Kentucky Horse Racing Commission (“Commission”) received a letter from Churchill Downs seeking approval of two additional pari-mutuel wagering pools and four associated entertaining game themes, all of which are operated by the technology vendor Ainsworth Game Technology (“Ainsworth”). The requested pools and associated entertaining game themes are as follows:

- Larry the Leprechaun v2019.6.4.8¹
- Pussy Cat v2019.4.25.8² (pool comingled with Larry the Leprechaun)
- Redbeard’s Riches v2019.4.2.8³
- The Cash O Tron v2019.5.21.8⁴ (pool comingled with Redbeard’s Riches)

BMM Testlabs (“BMM”), one of the independent, third-party testing lab that provides contractual services for the Commission, has tested the requested pari-mutuel wagering pools and entertaining game themes against current Kentucky statutes and regulations. Commission staff has reviewed the compliance reports produced by BMM and believes that the additional wagering pools comply with all relevant Kentucky

¹ BMM Testlabs Report AINS16631KY

² BMM Testlabs Report AINS16581KY

³ BMM Testlabs Report AINS16611KY

⁴ BMM Testlabs Report AINS16551KY

statues and regulations. All BMM reports for these pools will be forwarded to the Commission members prior to the meeting for review. A copy of these reports will be forwarded to all Commission members in upcoming days.

Commission staff believes that the current initial seed pool amount for the Derby City Gaming property is sufficient to operate these additional pari-mutuel wagering pools and that no adjustment is required to the initial seed pool amount at this time. Commission staff will continue to monitor the initial seed pool to ensure that the amount remains sufficient. If at any time Commission staff does not believe that the initial seed pool is sufficient to operate the pools corrective action will be taken.

If approved, Churchill Downs staff would be required to submit a final floor layout and pool commingling list that includes these all pari-mutuel wagering pools to Commission staff for review and approval prior to the final reconfiguration.

After a thorough review of this request, Commission staff recommends approval of the two additional historical horse racing pari-mutuel wagering pools and four associated entertaining game themes operated by Ainsworth Game Technology as requested by Churchill Downs.

COMMISSION ACTION

_____ **Approved**

_____ **Denied**

_____ **Deferred**



Patrick Duggan
Derby City Gaming, LLC
4520 Poplar Level Rd
Louisville, KY 40213
Patrick.Duggan@derbycitygaming.com
502-961-7680

Aug 1st, 2019

Mr. Marc A. Guilfoil
Executive Director
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Bldg. B
Lexington, KY 40511

RE: Request to the Kentucky Horse Racing Commission (the “Commission”) to offer entertaining game themes (pari-mutuel wagering pools) at the Derby City Gaming Historical Horse Racing Facility.

Dear Mr. Guilfoil:

As you know, on July 17, 2018 and August 21, 2018, the Kentucky Horse Racing Commission (“Commission”) approved Churchill Downs Racetrack, by and through its wholly owned subsidiary Derby City Gaming, LLC, to offer exotic wagers on historical horse races at our Derby City Gaming location at 4520 Poplar Level Road, Louisville, KY 40213 (previously referred to as Trackside). At the same time, the Commission approved the Ainsworth Game Technology Historical Horse Racing Pari-Mutuel Wagering System (the “Ainsworth System”), along with sixty-four (64) entertaining game themes, all of which had been evaluated and certified by an approved independent testing lab. In subsequent meetings the Commission has approved an additional entertaining game themes bringing our current total offering to ninety-two (92) game themes.

Derby City Gaming respectfully requests the Commission’s approval of the following additional entertaining game themes to be offered at our Historical Horse Racing Facility at our Derby City Gaming location at 4520 Poplar Level Road, Louisville, KY 40213. In the case that the game theme shares its math with another game theme it will be noted in parenthesis.

- Larry the Leprechaun v 2019.6.4.8 (Shared with Pussy Cat)
- Pussy Cat v 2019.4.25.8 (Shared with Larry the Leprechaun)
- Redbeard's Riches v 2019.4.2.8 (Shared with Cash O Tron)
- The Cash O Tron v 2019.5.21.8 (Shared with Redbeard's Riches)

It is our understanding that each of these game themes have been tested by BMM, an independent testing laboratory. For the reasons set forth herein, Churchill Downs respectfully requests the Commission's approval of the entertaining game themes included in this letter.

Sincerely,



Patrick Duggan
Senior Director of Gaming Operations – Derby City Gaming

cc: Steve May, KHRC
Justin Paul
Tim Bryant



MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

FRANKLIN S. KLING, JR.
CHAIRMAN

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
KENTUCKY HORSE RACING COMMISSION
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4063 IRONWORKS PKWY, BLDG. B
LEXINGTON, KENTUCKY 40511
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

To: Kentucky Horse Racing Commission

From: Steve May, Director of Pari-Mutuel Wagering and Compliance

Date: August 8, 2019

Re: Request from Kentucky Downs to Approve Two New Exacta Systems Pari-Mutuel Wagering Pools, Seven Associated New Entertaining Game Themes, and Four New Entertaining Game Themes for Existing Pari-Mutuel Wagering Pools

On July 25, 2019, the Kentucky Horse Racing Commission (“Commission”) received a letter from Kentucky Downs seeking approval of two new historical horse racing pari-mutuel wagering pools, seven associated entertaining game themes, and four additional entertaining game themes that operate on existing historical horse racing pari-mutuel wagering pools. If approved by the Commission, the technology vendor Exacta Systems (“Exacta”) would operate all of these pools and entertaining game themes. A complete list of the requested pools and entertaining game themes are as follows:

- New Pari-Mutuel Wagering Pool TRM1040¹
 - Entertaining Game Theme “Big Green Money Machine”
 - Entertaining Game Theme “Mythical Legends”
 - Entertaining Game Theme “Pharaoh of the Sun”
 - Entertaining Game Theme “Poly Wanna Jackpot”
 - Entertaining Game Theme “Wild Stars & Bars”

- New Pari-Mutuel Wagering Pool TRM1050²
 - Entertaining Game Theme “Burning Wilds 2x 3x 5x”
 - Entertaining Game Theme “Electric Wilds 2x 3x 5x”

¹ Gaming Laboratories International Report MO-399-ENR-19-03

² Gaming Laboratories International Report MO-399-ENR-19-04

- New Entertaining Game Themes Based on Existing Pari-Mutuel Wagering Pool TRM1030³
 - Charms O’Luck
 - Super Vegas Royale
- New Entertaining Game Theme Based on Existing Pari-Mutuel Wagering Pool TRM1200⁴
 - Party Train
- New Entertaining Game Theme Based on Existing Pari-Mutuel Wagering Pool TRM9704⁵
 - Double Double Bonus Exacta Pay

Gaming Laboratories International (“GLI”), one of the independent, third-party testing laboratories that provides contractual services for the Commission, has tested the requested pools and requested entertaining game themes and has provided a compliance reports. Commission staff has reviewed these reports and believes that these additional wagering pools and entertaining game themes comply with all relevant Kentucky statues and regulations. All GLI reports for these pools will be forwarded to the Commission members prior to the meeting for review.

Commission staff believes that the current initial seed pool amount for Kentucky Downs is sufficient to operate these additional pari-mutuel wagering pools and that no adjustment is required to the initial seed pool amount at this time. Commission staff will continue to monitor the initial seed pool to ensure that the amount remains sufficient. If at any time Commission staff does not believe that the initial seed pool is sufficient to operate the pools corrective action will be taken.

If approved, Kentucky Downs any other association that desires to operate these pools and/or entertaining game themes would be required to submit a final floor layout that includes the new wagering pools and entertaining game theme changes to the Commission for review and approval prior to the final reconfiguration.

After a thorough review of these requests, Commission staff recommends approval of TRM 1040, TRM1050, and all requested entertaining game themes operated.

COMMISSION ACTION

_____ **Approved**

_____ **Denied**

_____ **Deferred**

³ Gaming Laboratories International Report MO-399-ENR-19-01

⁴ Gaming Laboratories International Report MO-399-ENR-19-01

⁵ Gaming Laboratories International Report MO-399-ENR-18-08



June 25, 2019



Marc Guilfoil, Executive Director
Kentucky Horse Racing Commission
4063 Ironworks Parkway, Building B
Lexington, KY 40511

5629 Nashville Road
Franklin, Kentucky 42134

270-586-7778

KentuckyDowns.com

Dear Mr. Guilfoil,

Kentucky Downs would like to submit new Exacta HHR gaming software for consideration and approval at the August KHRC commission meeting. Several new Exacta math models and game theme titles are listed below. Four of these new game theme titles are based on three previously released and approved math models consisting of TRM1030, TRM9704 and TRM1200.

New Math Models, New Themes:

TRM1040

Big Green Money Machine

Mythical Legends

Poly Wanna Jackpot?

Wild Stars & Bars

Pharaoh of the Sun

TRM1050

Burning Wilds 2X 3X 5X

Electric Wilds 2X 3X 5X

Existing Math Model, New Themes:

TRM1030

Charms O'Luck

Super Vegas Royale

TRM9704

Double Double Bonus Exacta Pay

TRM1200

Party Train

Kentucky Downs understands that KHRC has received GLI approval documentation for the new math models and that they comply with KHRC requirements. Copies of those reports dated July 19, 2019, Ref: MA-00-ENR-19-03 and MA-00-ENR-19-02 have been included with this request for your convenience. If any additional documentation is required to support our request for approval, please feel free to contact Kentucky Downs or Exacta Systems.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Couch".

Mike Couch

Exec. Director of Operations



MATTHEW G. BEVIN
GOVERNOR

FRANKLIN S. KLING, JR.
CHAIRMAN

K. GAIL RUSSELL
SECRETARY

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
KENTUCKY HORSE RACING COMMISSION
ESTABLISHED 1906
4063 IRONWORKS PKWY, BLDG. B
LEXINGTON, KENTUCKY 40511
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039
WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

To: Kentucky Horse Racing Commission

From: Steve May, Director of Pari-Mutuel Wagering and Compliance

Date: June 8, 2019

Re: Request from Keeneland/Red Mile to offer PariMAX Historical Horse Racing Version 3.16

On July 25, 2019, the Kentucky Horse Racing Commission (“Commission”) received a request from Keeneland/Red Mile (“KRM”) to offer PariMAX Version 3.16 historical horse racing pari-mutuel wagering pools. As of August 12, 2019, KRM will operate 938 historical horse racing pari-mutuel wagering terminals, of which 488 terminals utilize the PariMAX system. If PariMAX Version 3.16 is approved, KRM will be required to submit an exact floor layout and a list of the terminals that will offer wagering on the PariMAX Version 3.16 for KHRC staff review and approval.

The PariMAX system is operated by PariMAX Holdings, LLC (“PariMAX”), a division of AmTote International, LLC (“AmTote”). AmTote is currently one of the three providers of historical horse racing pools at KRM. PariMAX currently offers similar exotic wagering pools in Alabama, Oregon, and Wyoming. Prior to KRM submitting this request, PariMAX Version 3.16 underwent testing at Gaming Laboratories International (“GLI”), one of the independent, third-part testing laboratories under contract with the KHRC.

GLI has reviewed PariMAX Version 3.16 and affirms that the system complies with all applicable Kentucky statutes and regulations. The GLI report for PariMAX Version 3.16¹ will be sent to all commissioners prior to the meeting for review.

If approved by the Commission, KRM and PariMAX staff will transition the affected wagering terminals to the appropriate wagering pools in a secure manner and with guidance from Commission staff.

¹ Gaming Laboratories International Report SY-399-AMT-19-06

PariMAX Version 3.16 includes the following updates to the PariMAX wagering system:

- Support has been added for the Atlas 43 and Apollo 43 machine types. Both machines utilize a single 43" touchscreen LCD monitor as their main display and both machines support a traditional, fully mechanical button deck as well as an LCD touchscreen button deck.
- Additional logic was added to the multi-game select for the new cabinet types. The games available for selection on a specific cabinet type will include only those games supported on that cabinet type.
- The "Aztec Super Storm" game theme has been added. This game theme utilizes the previously-tested "P6.P3P5_Plus.P2P5_Plus" Wager Profile.
- The "Let's Get Spinning" game theme has been added. This game theme utilizes the new "P6x2.P3P5x2_Plus.P2P5_Plus" Wager Profile.

Prior to KRM offering pari-mutuel wagering on the new pool, Commission staff will perform on-site testing of this new pool. The testing will be conducted to ensure that the pool functioned as described and that the payouts complied with the documentation provided to the Commission by GLI.

Commission staff recommends approval of the Keeneland/Red Mile request to authorize PariMAX Version 3.16 and the exotic wagering pools and entertaining game themes associated with Version 3.16 with the following conditions:

- 1) The "Higher Jackpot" option for all PariMAX wager profiles shall not be implemented without prior written approval of the Kentucky Horse Racing Commission.
- 2) Similar to the approval granted in April 2019, the configurable options in previous PariMAX versions shall not be implemented without prior written approval of the Kentucky Horse Racing Commission.
- 3) Multi-game options shall not be implemented without prior written approval of the Kentucky Horse Racing Commission.

COMMISSION ACTION

_____ **Approved**

_____ **Denied**

_____ **Deferred**



REDMILE

KRM Wagering, LLC

July 25, 2019

Mr. Marc Guilfoil, Executive Director
Kentucky Horse Racing Commission
4063 Ironworks Pkwy, Building B
Lexington, KY 40511

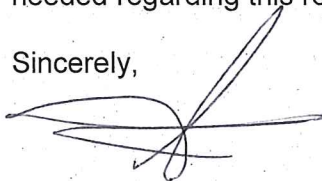
Dear Mr. Guilfoil:

KRM Wagering would like to request approval for Parimax/Amtote release 3.16 at the upcoming August commission meeting. This release has the following features:

- New wager profile: P6x2.P3P5x2_PLUS.P2P5_PLUS, along with new theme "Let's Get Spinning" based on this profile.
- New theme Aztec Super Storm, based on previously approved wager profile: WP.P6.P3P5_Plus.P2P5_Plus.

I have attached the 3.16 release notes, wagering profile, and game species for each of the above. It is my understanding that you have received GLI reports. Please let me know if additional information is needed regarding this request.

Sincerely,



Shannon M. Cobb
Chief Operating and Financial Officer

Cc: Steve May
Vince Gabbert
Joe Costa
Steve Jimenez



MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

FRANKLIN S. KLING, JR.
CHAIRMAN

MARC A. GUILFOIL
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To: Kentucky Horse Racing Commission

From: Steve May, Director of Pari-Mutuel Wagering and Compliance

Date: August 12, 2019

Re: Request by Keeneland, Kentucky Downs, and Churchill Downs to approve changes to Pick-3 Wagering Format

On August 7-9, 2019, the Kentucky Horse Racing Commission (“Commission”) received letters from Keeneland, Kentucky Downs, and Churchill Downs seeking changes to the format of the Pick-3 wagers offered at each racing association. This request would allow for the payout of a consolation prize to patrons that have a pari-mutuel wagering entry scratched from the second or third leg of a Pick-3 wager after the pool has closed with the running of the first race. The consolation prize would be awarded rather than the automatic assignment of the post-time favorite in said races. The request would also allow for an “All-Win” situation if a race in the Pick-3 were to undergo a surface change after wagering was closed for the Pick-3 sequence.

These format changes are consistent with the manner that wagers involving late scratches were paid prior to the new Kentucky administrative regulations for the calculation and distribution of pools in May 2019. Commission staff has reviewed the requests and believe that the requests are allowed under the 810 KAR 6:020, Section 14(1), which allows for changes to the Pick-(n) format with Commission approval prior to implementation.

Commission staff has reviewed the documents submitted by the three racing associations and believe that they are in order. Commission staff recommends approval of the requests.

COMMISSION ACTION

_____ **Approved**

_____ **Denied**

_____ **Deferred**



Keeneland Association, Inc.

4201 Versailles Road
Lexington, KY 40510
P.O. Box 1690
Lexington, KY 40588-1690
859 254-3412 Tel.
800 456-3412
859 288-4347 Fax
www.keeneland.com

August 8, 2019

Mr. Steve May
Director, Parimutuel Wagering
Kentucky Horse Racing Commission
4063 Iron Works Parkway
Building B
Lexington, KY 40511

Dear Steve:

Per our discussion on Wednesday, Keeneland respectfully requests a variance in the Uniform Rules adopted May 29, 2019, to allow us to continue to offer the Pick Three during the Fall Meet 2019 based on the old rules. This rule is summarized as follows:

PICK THREE

- A late scratch in the first leg of a Pick Three wager results in a refund.
- A late scratch in either the second or third leg of a Pick Three wager does not result in a refund, but entitles the ticket holder to a consolation payoff if the winners of the other two legs are selected.
- Any change in racing surface for the second and third legs of the Pick Three, that was not made known to the public prior to the start of the first race of the Pick Three sequence, results in an "All Win" situation. All Pick Three tickets will receive the winner of the affected race as the selection for that race.
- Consolation payoffs are calculated as a consolation pool, dividing the profit by the number of tickets that correctly picked 2 of 3 and had the scratch in the third leg.

All thoroughbred tracks on the conference call agreed that this rule best serves the public and provides consistency in Kentucky racing. Our players are accustomed to this rule, and would certainly appreciate the consideration given this variance.

Please feel free to contact Jim Goodman, our Director of Wagering Development, with any questions. We greatly appreciate your consideration and swift action.

Robert N. Elliston
Vice President of Racing and Sales



August 8, 2019

5629 Nashville Road
Franklin, Kentucky 42134

270-586-7778

KentuckyDowns.com

Steve May
Pari-Mutuel Wagering & Compliance Supervisor
Kentucky Horse Racing Commission
4603 Iron Works Parkway, Building B
Lexington, KY 40511

Dear Steve,

We would like to request a variance in the uniform rules adopted May 29, 2019 allowing us to continue to offer the Pick Three during our September meet based on the old rules as described below:

Pick Three Rules

- A late scratch in the first leg of a Pick Three wager results in a refund
- A late scratch in either the second or third leg of a Pick Three wager does not result in a refund but entitles the ticket holder to a consolidation payoff if the winners of the other two legs are selected.
- Any changes in racing surface for the second and third legs of the Pick Three, that was not made known to the public prior to the start of the first race of the Pick Three sequence, results in an "All Win" situation. All Pick Three tickets will receive the winner of the affected race as the selection of that race.
- Consolation payoffs are calculated as minor pool, dividing the profit by the number of tickets that correctly picked 2 of 3 and had the scratch in the third leg.

During the conference call, all thoroughbred tracks agreed that this format best serves the public and provides consistency in Kentucky racing. Our guests are accustomed to this rule and we would appreciate the consideration given this variance.

Sincerely,

A handwritten signature in black ink, appearing to read "Ted Nicholson", written over a white background.

Ted Nicholson
Senior VP – General Manager

CHURCHILL DOWNS

INCORPORATED

August 9, 2019

Steve May
Director of Pari-Mutuel Wagering
Kentucky Horse Racing Commission
4063 Iron Works Pike, Building B
Lexington, KY 40511
Via E-Mail: SteveJ.May@ky.gov

Dear Steve,

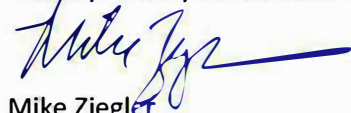
Churchill Downs Race Track respectfully requests a variance in the Uniform Rules adopted May 29, 2019, to allow us to continue to offer Pick Three wagering during the 2019 September and Fall Race Meets based on the old rules. The rule is summarized below:

Pick Three –

1. A late scratch in the first leg of a Pick Three results in a refund.
2. A late scratch in either the second or third leg of a Pick Three wager does not result in a refund of the wager, but entitles the ticket holder to receive a consolation payout if the winners of the other two legs are selected.
3. Any change in the racing surface for the second and third legs of the Pick Three, that was not made known to the public in advance of the start of the Pick Three sequence, results in an “All Win” situation. All Pick Three tickets will receive the winner of the affected race as the selection for that race.
4. Consolation payouts are calculated as a consolation pool, dividing the profit by the number of tickets that correctly selected 2 of 3 and had a scratch in the third leg.

Our customers are accustomed to this method of calculation and all Kentucky tracks have agreed that this is the preferred method for Kentucky racing.

Thank you for your consideration of this request and quick resolution to the matter.



Mike Ziegler
Executive Director of Racing



MATTHEW G. BEVIN
GOVERNOR

FRANKLIN S. KLING, JR.
CHAIRMAN

K. GAIL RUSSELL
SECRETARY

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
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WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

To: Commissioners, Kentucky Horse Racing Commission

From: John Forgy, General Counsel; Shawn Chapman, Deputy General Counsel

Date: August 9, 2019

Re: *Ellis Park's Request to Add a Race Date on July 29, 2019 to Replace the July 19, 2019 Race Date Cancelled Due to Excessive Heat*

In its application for a 2019 license, Ellis Park Race Course, LLC sought and received an award of twenty-nine days of thoroughbred racing from June 30, 2019 to September 2, 2019.

On July 23, 2019, Ellis Park filed a request to add a race date on Monday, July 29, 2019, to replace a race date lost due to excessive heat on Friday, July 19, 2019. A copy of that request is included in the materials after this memorandum. The legal staff reviewed the request and concluded that it comported with the applicable statutes and regulations. On July 25, 2019, Executive Director Marc A. Guilfoil approved the request under the authority vested in him as executive director under KRS 230.230, subject to ratification by the full Commission. Mr. Guilfoil's letter is also included in the materials after this memorandum.

The award of additional race dates to a track after the November 1 deadline is not allowed under KRS 230.300(5), except when scheduled racing is cancelled because of inclement weather or other emergency.¹ In this instance Ellis Park fits within the exception because it cancelled scheduled racing because of inclement weather (excessive heat), and sought an additional race date only to replace the cancelled day. Because the added race date is only to make up for the racing that was cancelled, it may be awarded under KRS 230.300(5).

¹ This reading of the statute is confirmed by two Attorney General Opinions. *See* 1980-1981 Ky. Op. Att'y Gen. 2-883 (1981) ("[I]t is not within the scope of authority of the Kentucky State Racing Commission to award additional racing dates to [a track] in absence of the cancellation of previously scheduled dates due to flood, fire, or inclement weather or an extraordinary disruption of the orderly conduct of business amounting to the same crisis level as a natural disaster.").

Ratification of the Executive Director's approval of Ellis Park's request is recommended.

Commission Action

_____ Approved

_____ Denied

_____ Deferred



July 23, 2019

Mr. Mark Guilfoil
Executive Director
Kentucky Horse Racing Commission
4063 Iron Works parkway, Building B
Lexington, KY 40511

Dear Mr. Guilfoil:

Ellis Park Race Course, Inc. respectfully requests approval to add the following race date to replace the program lost due to excessive heat on Friday, July 19th, 2019.

- Monday, July 29th, Post time 12:50 pm

Please be advised that we would like to submit an additional request in the near future to add a race card to replace the program cancelled on Saturday, July 20th, 2019; however at this time we have not selected a date.

Your assistance in this matter is greatly appreciated. Should you have any questions or require additional information, please don't hesitate to contact me.

Respectfully,

Jeff Hall
General Manager

cc: John Forgy
Steve May
Dan Bork



MATTHEW G. BEVIN
GOVERNOR

FRANKLIN S. KLING, JR.
CHAIRMAN

K. GAIL RUSSELL
SECRETARY

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
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July 25, 2019

Mr. Jeff Hall
General Manager
Ellis Park
PO Box 33
Henderson, KY 42419-0033

Dear Mr. Hall:

You have requested that Ellis Park be allowed to add Monday, July 29, 2019, as a race date to replace the program lost on July 19, 2019 when racing was cancelled due to excessive heat. KRS 230.300(5) allows the Commission to award additional racing dates in the event that scheduled racing is cancelled due to inclement weather. Because Ellis Park had to cancel racing on July 19, 2019 due to excessive heat (i.e., inclement weather), it is eligible to be awarded a race date to make up for the cancelled date. Because the full Commission will not have time to review and vote on this request before the proposed race date, I hereby conditionally grant the request, subject to ratification by the full Commission, under the authority vested in me as executive director under KRS 230.230.

You also indicated in your letter that you would like to submit an additional request to add a date to replace the July 20, 2019 program that was also cancelled due to excessive heat. Such a request will be considered when submitted to the Commission.

Sincerely,

Marc A. Guilfoil

Marc A. Guilfoil
Executive Director
Kentucky Horse Racing Commission

with permission,

Jamitz Eads

cc: Barbara Borden
Dianne Oakes
Mary Scollay, DVM



MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

FRANKLIN S. KLING, JR.
CHAIRMAN

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

PUBLIC PROTECTION CABINET
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WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

TO: Kentucky Horse Racing Commission Members

FROM: Bruce A. Howard, DVM

DATE: August 6, 2019

SUBJECT: Penalty classification for ethamsylate

Ethamsylate has been used for over 30 years in Europe to control hemorrhage in human and animal patients. There are anecdotal reports of its use to manage EIPH in European racehorses. Its mechanism of action is not well characterized but is understood to increase platelet aggregation. Its efficacy in controlling hemorrhage in human patients had been demonstrated to be consistent with that of tranexamic acid. There is no ethamsylate product with FDA approval.

Ethamsylate has been reported in post-race samples internationally and domestically, and products containing ethamsylate have been acquired in searches conducted by regulatory authorities.

FDA-approved products containing substances having similar effects (aminocaproic acid and tranexamic acid) are assigned Class C penalties under the Kentucky Horse Racing Commission's Drug and Medication Classification Schedule.

An ARCI penalty classification of 4B for ethamsylate was recommended at the July 23rd meeting of the RMTC scientific advisory committee meeting. At its meeting on July 25th, 2019, the EDRC recommended that ethamylate be assigned a Class B penalty under the KHRC schedule. It is therefore recommended that ethamyslate, in consideration of lack of FDA approval, be assigned a Class B penalty.

Approval of the Class B penalty classification is recommended to the Commission.

Commission Action:

_____ **Approved**
_____ **Deferred**
_____ **Denied**





MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

FRANKLIN S. KLING, JR.
CHAIRMAN

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

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WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

TO: KENTUCKY HORSE RACING COMMISSION

FROM : Barbara Borden, Chief State Steward

DATE: August 6, 2019

RE: KEENELAND'S PROPOSED 2019 FALL MEET OFFICIALS & DATE PREFERENCE SYSTEM

By a letter dated August 3, 2019, Katherine McKee, Director of Racing Administration, Keeneland racetrack, requests approval of the attached Roster of Racing Officials and Date Preference System for their 2019 fall meet. Please be advised all Stewards are accredited by ROAP (Racing Officials Accreditation Program) and all officials will be licensed by the meet opening.

Approval is recommended.

COMMISSION ACTION:

_____ Approved

_____ Deferred

_____ Denied





August 3, 2019

Keeneland Association, Inc.

4201 Versailles Road
Lexington, KY 40510
P.O. Box 1690
Lexington, KY 40588-1690
859 254-3412 Tel.
800 456-3412
859 288-4347 Fax
www.keeneland.com

Mr. Marc A. Guilfoil
Executive Director
Kentucky Horse Racing Commission
4063 Iron Works Pkwy., Bldg. B
Lexington, KY 40511

Dear Marc:

With the approval of the Kentucky Horse Racing Commission, the officials for the 2019 Fall Meeting at Keeneland will be as follows:

| | |
|-----------------------------------|--|
| Vice President of Racing | Robert N. Elliston |
| Association Steward | Ronald Herbstreit |
| Racing Secretary | David Ben Huffman |
| Director of Racing Administration | Katherine McKee |
| Assistant Racing Secretary | Tia Murphy |
| Stakes Coordinator | Allison DeLuca |
| Starter | Scott Jordan |
| Paddock Judge | David Wedlake |
| Assistant Paddock Judge | Tyler Picklesimer |
| Patrol/Placing Judges | Tiffany Borque, James F. Ewalt, Baley Hare, Steve Obrekaitis, Tyler Picklesimer, Steve Penrod, Ron Tomlinson |
| Entry Clerks | Tiffany Borque, James F. Ewalt, Baley Hare, Steve Obrekaitis, Tyler Picklesimer, Steve Penrod, Ron Tomlinson |
| Clerk of Scales | Javier Torres |
| Horse Identifier | Melinda Vest |
| Assistant Identifier | Lauren Cannon |
| Timer | American Teletimer (Dan Queenan) |
| Program Coordinator | Sue Brewster |
| Jockey's Room Custodian | Kenneth Borque |
| Clocker | Gary Reckner |
| Claims Clerk | Ron Tomlinson |
| Outriders | Scott Cole, Robin Riesonbeck, Colby Laverne, Darrin Cain |
| Horsemen's Bookkeeper | Laurel Humbert, Tiffany Legget |
| Director of Wagering | Jim Goodman |
| Director of Security | Phil Gardner |
| Paddock Blacksmith | Arthur S. Tearl |
| Announcer | Kurt Becker |
| Stable Manager | Wayne Mogge |

First post daily will be 1:05 p.m. with eight to eleven live races. Keeneland will continue to utilize a date preference system as outlined in the attached addendum. Entry schedule will be as follows:

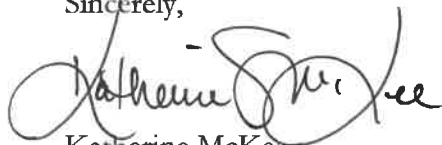
| <i>Race Date</i> | <i>Entry Day</i> |
|-------------------------|-------------------------|
| Friday* | Sunday |
| Saturday | Wednesday |
| Sunday | Thursday |
| Wednesday | Friday |
| Thursday | Saturday |

**Exception*

Friday, October 4 Tuesday, October 1

Thank you for your consideration.

Sincerely,



Katherine McKee
Director of Racing Administration

KEENELAND DATE PREFERENCE SYSTEM

The Date System of preference will be used at Keeneland Association as described below:

Foal Certificates are no longer required to be on file in the racing office to enter or start at Keeneland Association; however, foal certificates must be on file to obtain a preference date and to get a horse tattooed.

Preference by condition eligibility then by:

1. In over-filled races, preference will be given to horses in order of their assigned preference dates, earliest date first. Horses having identical dates will be chosen by lot, however, where entry and running dates are the same, the horse with the entry date will have preference.
2. All horses intended for racing at Keeneland Association will be assigned a preference date. Dates assigned will be of two types:

E-Date

This date will correspond to:

- a. The day on which a horse's foal papers and name tag are submitted to the identifier (the earliest date being the day when entries are first taken for the meeting).
- b. The day on which a horse is first entered if his papers are not on file with the identifier.
- c. To qualify for the latter E-Date, a horse must have been excluded from a race which appears on the overnight or he must have been entered in a condition book race which failed to fill through insufficient entries.

R-Date

This date will correspond to:

- a. The day of a horse's most recent race at Keeneland Association.
 - b. An R-Date will also be assigned to a horse which scratches (provided the foal papers are on file with the identifier).
3. A horse retains his R-Date until he receives a newer R-Date. No horse with an established R-Date may receive an E-Date. A horse whose papers are removed from the identifier's office will lose his date and must subsequently re-establish a date in order to receive preference. A horse with an E-Date cannot receive a newer E-Date. Horses starting at another racetrack will forfeit any date they may have at Keeneland Association.
 4. Preference dates will consist of two categories: Dirt (D) and Turf (T). Preference dates are good for any type of race or distance.
 5. A horse that runs in a race, which has been taken off the Turf will retain its Turf date and establish a Dirt R-Date. A scratched horse will receive an R-Date from the date scratched for both Turf and Dirt.
 6. When a race is taken off the Turf, Main Track Only (MTO) horses will receive an R-Date if they run or scratch. If the race remains on the Turf, MTO horses will retain their previous date.
 7. Horses on the Also-Eligible list shall be permitted to draw into races in order listed. A horse entered as MTO shall be listed as an Also-Eligible. If the race remains on the Turf, a horse listed as MTO shall not be permitted to draw into the race.
 8. No E-Date will be assigned to the second choice of an unsplit same-owner entry.
 9. A horse which has been placed on a list (veterinarian, steward, starter or paddock judge) will lose their date and be assigned an R-Date corresponding to the day removed from list.
 10. A horse which is a scheduled starter in a canceled race will not receive an R-Date for that race but will retain its previous date.
 11. Stakes and handicap races are not subject to date preference.
 12. Preference dates are transferred through change of ownership and changes in trainer after the proper transfer procedure have been completed through the Steward's office and delivered to the Racing Secretary's Office.
 13. Date preference rules will not supersede KHRC rules regarding preference, eligibility or scratches.
 14. Winners will be preferred in all non-maiden races.

Condition Eligibility

- Horses are preferred by their available conditions in all allowance races beginning with Graded stake winners (Grade I-II-III), open stakes winners through their allowance conditions providing the horse has finished 1st, 2nd, 3rd or 4th for \$40,000 or more since starting for less than \$40,000. In allowance/optional claiming races a horse's eligibility cannot exceed the condition of the race. Starter races for less than \$25,000 will be considered as claiming races for condition eligibility.
- No entry will be received except upon the condition that all disputes, claims and objections arising out of the racing or with respect to the interpretation of the conditions of any race shall be decided by the officers of the association, or those whom they may appoint and their decision upon all points shall be final.
- No entry shall be accepted from any stable not provided with a trainer's license.

Main Track Only Entries

- Entries will be accepted in turf races (excluding stakes) for Main Track Only (MTO) horses.
- Trainers must declare the horse as MTO at the time of entry.
- A horse entered as MTO shall be listed as Also-Eligible.
- In an over-filled turf race, Keeneland reserves the right to designate two Main Track Only (MTO) positions on the Also-Eligible List. Also-Eligibles (including MTO) shall be assigned a post position by preference. If preference is equal, post positions shall be drawn by lot, unless otherwise stipulated in the published conditions of the race.
- If the race remains on the turf, a horse listed as MTO shall not be permitted to draw into the race. When a race is removed from the turf, MTO horses will lose any date they have if they run or scratch. If the race remains on the turf, MTO horses will retain their previous date.



MATTHEW G. BEVIN
GOVERNOR

K. GAIL RUSSELL
SECRETARY

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CHAIRMAN

MARC A. GUILFOIL
EXECUTIVE DIRECTOR

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WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

TO: KENTUCKY HORSE RACING COMMISSION

FROM : Barbara Borden, Chief State Steward

DATE: July 24, 2019

**RE: CHURCHILL DOWNS' PROPOSED 2019 FALL
MEET OFFICIALS & DATE PREFERENCE SYSTEM**

By letter dated May 30, 2019, D. Ben Huffman, Racing Secretary, Churchill Downs racetrack, requests approval of the attached Roster of Racing Officials and Dates Preference System for their 2019 Fall meet. Please be advised all Stewards have been accredited by ROAP (Racing Officials Accreditation Program) and all officials will be licensed by the meet opening.

Approval is recommended.

COMMISSION ACTION:

_____ Approved

_____ Deferred

_____ Denied





CHURCHILL DOWNS

Home of the Kentucky Derby®

May 30, 2019

Mr. Marc Guilfoil
Executive Director
Kentucky Horse Racing Commission
4063 Iron Works Parkway
Lexington, KY 40511

Dear Mr. Guilfoil,

As required by the regulations set forth by the Kentucky Horse Racing Commission, attached is the list of officials for the 2019 Churchill Downs September and Fall Meets, along with the date preference rules which will be used during this meet, for approval by the Kentucky Horse Racing Commission.

Respectfully submitted,

D. Ben Huffman
Racing Secretary

Enclosure

CHURCHILL DOWNS LIST OF OFFICIALS FOR THE 2019 FALL MEET

| | |
|---|---|
| ASSOCIATION STEWARD: | Tyler Picklesimer |
| RACING SECRETARY: | Ben Huffman |
| ASST. RACING SECRETARY/STAKES COORDINATOR | Dan Bork |
| HORSE IDENTIFIER: | Melinda Vest |
| ASSISTANT IDENTIFIER: | Lauren Cannon |
| CLERK OF SALES: | Javier Torres |
| JOCKEY ROOM CUSTODIAN: | Kenneth Bourque |
| CLAIMS CLERK: | Steve Penrod |
| PROGRAM COORDINATOR: | Tiffany Bourque |
| HORSEMEN'S BOOKKEEPER: | Trish Rankin |
| STARTER: | Scott Jordan |
| OUTRIDERS: | Greg Blasi Lee Lockwood Shane Hoodenpyle |
| SR. DIRECTOR SECURITY AND SAFETY | Earl Biggett |
| DIRECTOR OF MUTUELS: | Rick Smith |
| TIMER: | American Teletimer |
| CLOCKER: | Peter Vestal |
| ENTRY CLERKS, PADDOCK AND PLACING JUDGES: | Steve Obrekaitis Baley Hare Ron Tomlinson Tia Murphy Sue Brewster Jeff Ewalt |
| ANNOUNCER: | Travis Stone |
| STALL MANAGER: | Steve Hargrave |

DATE PREFERENCE SYSTEM

The Date System of preference will be used at Churchill Downs as described below:

Foal Certificates are no longer required to be on file in the racing office to enter or start at Churchill Downs; however, foal certificates must be on file to obtain a preference date and to get a horse tattooed. To receive a zero (0) date, foal papers must be on file with the Horse Identifier by the day before the first day of entries unless posted otherwise.

Preference by condition eligibility then by:

1. In over-filled races, preference will be given to horses in order of their assigned preference dates, earliest date first. Horses having identical dates will be chosen by lot, however, where entry and running dates are the same, the horse with the entry date will have preference.
2. All horses intended for racing at Churchill Downs will be assigned a preference date. Dates assigned will be of two types:

E-Date

This date will correspond to:

- a) the day on which a horse's foal papers and name tag are submitted to the identifier (the earliest date being the day when entries are first taken for the meeting).
- b) the day on which a horse is first entered if his papers are not on file with the identifier.

To qualify for the latter E-Date, a horse must have been excluded from a race which appears on the overnight or he must have been entered in a condition book race which failed to fill through insufficient entries.

R-Date

This date will correspond to the day of a horse's most recent race at Churchill Downs.

An R-Date will also be assigned to a horse which scratches, providing the foal papers are on file with the identifier.

3. A horse retains his R-Date until he receives a newer R-Date. No horse with an established R-Date may receive an E-Date. A horse whose papers are removed from the identifier's office will lose his date and must subsequently re-establish a date in order to receive preference. A horse with an E-Date cannot receive a newer E-Date. Horses starting at another racetrack will forfeit any date they may have at Churchill Downs. Additionally, horses racing at Churchill Downs without foal papers on site will not retain their R-Date.
4. Preference dates will consist of two categories: Dirt (D) and Turf (T). Preference dates are good for any type of race or distance.
5. A horse that runs in a race, which has been taken off the Turf will retain its Turf date and establish a Dirt R-Date. A scratched horse will receive an R-Date from the date scratched for both Turf and Dirt.

6. When a race is taken off the Turf, Main Track Only (MTO) horses will receive an R-Date if they run or scratch. If the race remains on the Turf, MTO horses will retain their previous date.
7. Horses on the Also-Eligible list shall be permitted to draw into races in order listed. A horse entered as MTO shall be listed as an Also-Eligible. If the race remains on the Turf, a horse listed as MTO shall not be permitted to draw into the race.
8. No E-Date will be assigned to the second choice of an unsplit same-owner entry.
9. A horse which has been placed on a list (veterinarian, steward, starter or paddock judge) will lose their date and be assigned an R-Date corresponding to the day removed from list (provided the foal papers are on file with the identifier).
10. A horse which is a scheduled starter in a canceled race will not receive an R-Date for that race but will retain its previous date.
11. Stakes and handicap races are not subject to date preference.
12. Preference dates are transferred through change of ownership and changes in trainer after the proper transfer procedure have been completed through the Steward's office and delivered to the Racing Secretary's Office.
13. Date preference rules will not supersede KHRC rules regarding preference, eligibility or scratches.
14. Winners will be preferred in all non-maiden races.

2019 THOROUGHBRED RULINGS

| RULING NUMBER | RULING DATE | INFRACTION DATE | ISSUED TO | DETERMINATION | DRUG CLASS | PENALTY OR ACTION | FINE | STATUS |
|---------------|-------------|-----------------|---------------------------------------|---|------------|--|--------|---|
| 19-0051 | 6/9/2019 | 6/7/2019 | Miguel Mena | careless riding | | Suspended 3 days (June 20 through June 22, 2019, inclusive) | | APPEALED |
| 19-0052 | 6/9/2019 | 6/9/2019 | Chad Schumer (owner) | Claim of MY PROPHET voided | | Claim voided pursuant to 810 KAR 4:050 | | Title of horse returned to Chad Schumer |
| 19-0053 | 6/13/2019 | 6/13/2019 | Gary Scott Powell | Falsification of license application and formal ejection from Churchill Downs | | License REVOKED | | Must appear in person before LRC of KHRC for any future license consideration |
| 19-0054 | 6/16/2019 | 6/13/2019 | Leonie Seesing | Assumed responsibility for horses not under her active care and supervision. | | Suspended 30 days (June 17 through July 16, 2019, inclusive) | | Suspension served |
| 19-0055 | 6/21/2019 | 6/21/2019 | Kenneth L. & Sarah K. Ramsey (owners) | Claim of RAISING THE FLAG voided | | Claim voided pursuant to 810 KAR 4:050 | | Title of horse returned to Kenneth L. & Sarah K. Ramsey |
| 19-0056 | 6/23/2019 | 6/2/2019 | Peter L. Miller | Omeprazole #312437 | D | Fined | \$ 250 | Paid |
| 19-0057 | 6/23/2019 | 6/23/2019 | Sherri McPeek, et al (owners) | Claim of MOSCOW MINISTER voided | | Claim voided pursuant to 810 KAR 4:050 | | Title of horse returned to Sherri McPeek, et al |
| 19-0058 | 6/23/2019 | 6/23/2019 | Mike Waters (owner) | Claim of COLOMBARD voided | | Claim voided pursuant to 810 KAR 4:050 | | Title of horse returned to Mike Waters |
| 19-0059 | 6/27/2019 | 6/23/2019 | Chantel Sutherland | Careless riding | | Suspended 3 days (July 5 through July 7, 2019, inclusive) | | APPEALED |
| 19-0060 | 7/5/2019 | 6/29/2019 | Siegmar Golibrzuch | Falsification of license application | | License rescinded | | Ineligible in another jurisdiction |
| 19-0061 | 7/7/2019 | 4/11/2019 | Rodolphe Brisset | Aminocaproic Acid #E304931 | C | Fined | \$ 500 | Paid |

2019 THOROUGHBRED RULINGS

| RULING NUMBER | RULING DATE | INFRACTION DATE | ISSUED TO | DETERMINATION | DRUG CLASS | PENALTY OR ACTION | FINE | STATUS |
|---------------|-------------|-----------------|--|--|------------|--|--------|--|
| 19-0062 | 7/7/2019 | 4/11/2019 | Barry Irwin, Rodolphe Brisset, Stephen McKay | Aminocaproic Acid #E304931 | C | TALK VEUVE TO ME disqualified and purse redistributed. All purse monies must be returned to the association. | | DQ and purse redistribution completed |
| 19-0063 | 7/11/2019 | 3/8/2019 | Madelyn Royal | Suspended for failure to return purse money puruant to 810 KAR 1:017 | | Suspended | | APPEALED |
| 19-0064 | 7/11/2019 | 3/8/2019 | Edward Bray | Suspended for failure to return purse money puruant to 810 KAR 1:017 | | Suspended | | APPEALED |
| 19-0065 | 7/12/2019 | 7/12/2019 | Mike Sisk | Claim of BODE'S MAKER voided | | Claim voided pursuant to 810 KAR 4:050 | | Title of horse returned to Mike Sisk |
| 19-0066 | 7/13/2019 | 1/10/2019 | Trenette R. Ware | Falsication of license application | | License rescinded | | Current ejection from ELP |
| 19-0067 | 7/14/2019 | 7/13/2019 | Declan Carroll | Careless riding | | Suspended 3 days (July 21 July 26 and July 27, 2019) | | Suspension served |
| 19-0068 | 8/2/2019 | 7/12/2019 | Gary F. House | Multiple NSAIDS #313104 | | Fined | \$ 250 | Paid |
| 19-0069 | 8/2/2019 | 8/2/2019 | Robert C. Sturgeon | Violated regulation that governs scratches | | Fined | \$ 500 | Not Paid |
| 19-0070 | 8/3/2019 | 6/2/2019 | Norman J. McKnight | Omeprazole #312421 | D | Fined | \$ 250 | Not Paid |
| 19-0071 | 8/3/2019 | 7/17/2019 | David Garcia | Disorderly conduct (alleged illegal drug use and possession at CD 7-17- 19) | | Suspended pending appearance | | Current suspension |

2019 THOROUGHBRED RULINGS

| RULING NUMBER | RULING DATE | INFRACTION DATE | ISSUED TO | DETERMINATION | DRUG CLASS | PENALTY OR ACTION | FINE | STATUS |
|---------------|-------------|-----------------|--|---|------------|--|------|--------------------|
| 19-0072 | 8/3/2019 | 7/2/2019 | Jose Guajardo a.k.a. Santiago Guajardo | Disorderly conduct (Neglect of a horse and formal ejection from CD on 7-2-19) | | Suspended pending appearance | | Current suspension |
| 19-0073 | 8/3/2019 | 12/1/1987 | Edmund Benson | Restored to good standing after telephonic hearing | | | | Suspension lifted |
| 19-0074 | 8/4/2019 | 8/2/2019 | Adam Beschizza | Careless riding | | Suspended 3 days (August 11, August 16 and August 17, 2019, inclusive) | | Suspension served |

2019 TB RULINGS LIST BY CATEGORY (Through August 8, 2019)

MEDICATION VIOLATIONS

| <u>Medication Class</u> | <u>Total</u> | <u>Fines</u> | <u>Suspensions</u> | <u>Disqualifications</u> | <u>Appeals</u> | <u>Explanations</u> |
|-------------------------|--------------|------------------|--------------------|--------------------------|----------------|---|
| Class A | 2 | 0 | 0 | 2 | 0 | Dextromethamphetamine |
| Class B | 3 | 3 | 3 | 3 | 3 | Carbazochrome (3 cases same trainer - APPEALED) |
| Class C | 7 | 7 | 3 | 7 | 1 | Triamcinolone acetonide, Methylprednisolone, Dexamethasone, Ibuprofen and Naproxen (in same sample) |
| Class D | 4 | 4 | 0 | 0 | 0 | Omeprazole |
| NSAIDS | 3 | 3 | 0 | 0 | 0 | Phenylbutazone |
| Multiple NSAIDS | 1 | 1 | 0 | 0 | 0 | Phenylbutazone and Flunixin - both below the primary level |
| TCO2 | 0 | 0 | 0 | 0 | 0 | |
| Subtotal | 20 | (total \$14,000) | | | | |

NON-MEDICATION VIOLATIONS

Jockey Violations

| | | | | | | |
|-------------------------------|----|-----------------|---|---|---|--|
| Careless Riding | 7 | 0 | 7 | 0 | 2 | Routine riding offenses |
| Overly Aggressive Riding | 1 | 0 | 1 | 0 | 1 | Failure to control mount and maintain a straight course |
| Other Disciplinary Violations | 5 | 4 | 1 | 0 | 0 | Failure to fulfill riding engagements, falsification of license application, failure to be present to review race replays, improper use of riding crop |
| Subtotal | 13 | (total \$1,150) | | | | |

Other Licensee Violations

| | | | | | | |
|---|----|-----------------|---|---|---|--|
| Misc. violations by licensees | 1 | 1 | 0 | 0 | 0 | Violated regulation that governs scratches |
| Post-race Voided Claims | 5 | | | | | Claims voided post-race per 810 KAR 4:050, Section 1, subsection (12) |
| Disorderly conduct and formal ejections | 13 | 4 | 9 | 0 | 0 | Display of temper and profane language, threatening a racing official, possession of contraband, drug possession, falsification, neglect, assumed responsibility for horses trained by ineligible person |
| Non-payment of fines or return of purse money | 3 | 0 | 3 | 0 | 2 | |
| Subtotal | 22 | (total \$1,100) | | | | |

Other Rulings Issued 19 0 0 0 0 The remaining 19 rulings that have been issued in 2019 are for information only and include purse redistributions, license rescinded without prejudice and licensee restored to good standing

TOTAL 2019 RULINGS 74 \$16,250

2019 STANDARD BRED RULINGS

| RULING NUMBER | RULING DATE | INFRACTION DATE | ISSUED TO | DETERMINATION | DRUG PENALTY CLASS | FINE OR WRITTEN WARNING | STATUS | PAID | Suspension (days) | COMMENTS |
|---------------|-------------|-----------------|---------------------|--|--------------------|-------------------------|---------------------------|----------|------------------------|---------------------------------|
| J2019-001 | 7/7/2019 | 7/5/2019 | Dakota A Jackson | Misuse of whip | | | Suspended drivers license | | Suspended indefinitely | Allowed owner / trainer license |
| J2019-002 | 7/7/2019 | 7/6/2019 | Jamaal D Denson | Misuse of whip | | \$200 | | | | not paid |
| J2019-003 | 7/7/2019 | 7/6/2019 | Michael Lynn Riley | Careless/Unsafe/Improper Driving | | | Suspended | | 7/9/19 - 7/15/19 | |
| J2019-004 | 7/6/2019 | 9/30/2018 | Charles A Sylvester | Medication /Drug Violation - Betamethasone | C | \$500 | | | | not paid |
| J2019-005 | 7/12/2019 | 6/30/2019 | John R Guthrie | Conduct Detrimental to Racing | | | Suspended | | 7/12/19 - 12/31/19 | |
| J2019-006 | 7/13/2019 | 6/16/2019 | Calvin L Harris | Medication/Drug Violation - Methylprednisolone | C | \$250 | | | | not paid |
| J2019-007 | 7/13/2019 | 6/15/2019 | Mitchell D Harris | Medication/Drug Violation - Carbazochrome | C | \$250 | Suspended | | 7/15/19 - 7/29/19 | not paid |
| J2019-008 | 7/17/2019 | 6/22/2019 | Calvin L Harris | Medication/Drug Violation - Methylprednisolone | C | forfeit purse of \$750 | | | | |
| J2019-009 | 7/27/2019 | 6/16/2019 | David L Brown | Medication/Drug Violation - Phenylbutazone | C | \$250 | | | | not paid |
| J2019-010 | 8/1/2019 | 7/25/2019 | Luke Hanners | Misuse of whip | | \$100 | | | | not paid |
| J2019-011 | 8/1/2019 | 7/25/2019 | Trent E Tharps Jr | Misuse of whip | | \$100 | | 8/3/2019 | | paid |
| J2019-012 | 8/1/2019 | 7/27/2019 | Matthew W Krueger | Misuse of whip | | \$300 | | 8/3/2019 | | paid |
| J2019-013 | 8/1/2019 | 7/27/2019 | Matthew W Krueger | Misuse of whip | | \$100 | | 8/3/2019 | | paid |

Occurrence of Thoroughbred race-related fatalities in Kentucky 2007 to present

| Year | Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Starts (Equibase) | Fatalities per 1,000 starts |
|------|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|----------------------|-----------------------------------|
| | | | | | | | | | | | | | | | | |
| 2007 | Musculoskeletal | 2 | 1 | 5 | 2 | 4 | 3 | 4 | 2 | 2 | 3 | 4 | 5 | 37 | 23,180 | 1.60 |
| | Non-musculoskeletal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | | 0.04 |
| | TOTAL | 2 | 1 | 5 | 2 | 4 | 3 | 4 | 2 | 2 | 4 | 4 | 5 | 38 | | 1.64 |
| 2008 | Musculoskeletal | 3 | 0 | 4 | 2 | 3 | 2 | 2 | 2 | 3 | 2 | 4 | 8 | 35 | 22,278 | 1.57 |
| | Non-musculoskeletal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0.00 |
| | TOTAL | 3 | 0 | 4 | 2 | 3 | 2 | 2 | 2 | 3 | 2 | 4 | 8 | 35 | | 1.57 |
| 2009 | Musculoskeletal | 3 | 5 | 1 | 2 | 4 | 1 | 2 | 4 | 3 | 3 | 2 | 3 | 33 | 20,142 | 1.64 |
| | Non-musculoskeletal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 0.00 |
| | TOTAL | 3 | 5 | 1 | 2 | 4 | 1 | 2 | 4 | 3 | 3 | 2 | 3 | 33 | | 1.64 |
| 2010 | Musculoskeletal | 2 | 1 | 2 | 0 | 0 | 2 | 4 | 2 | 1 | 3 | 7 | 1 | 25 | 18,167 | 1.38 |
| | Non-musculoskeletal | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | | 0.11 |
| | TOTAL | 2 | 1 | 3 | 1 | 0 | 2 | 4 | 2 | 1 | 3 | 7 | 1 | 27 | | 1.49 |
| 2011 | Musculoskeletal | 2 | 2 | 1 | 1 | 2 | 5 | 1 | 3 | 2 | 5 | 3 | 1 | 28 | 18,258 | 1.53 |
| | Non-musculoskeletal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | | 0.05 |
| | TOTAL | 2 | 2 | 1 | 1 | 2 | 5 | 1 | 3 | 3 | 5 | 3 | 1 | 29 | | 1.59 |
| 2012 | Musculoskeletal | 0 | 0 | 1 | 2 | 9 | 2 | 0 | 2 | 0 | 3 | 5 | 3 | 27 | 17,513 | 1.54 |
| | Non-musculoskeletal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | | 0.06 |
| | TOTAL | 0 | 0 | 1 | 2 | 9 | 2 | 0 | 2 | 0 | 4 | 5 | 3 | 28 | | 1.60 |

KHRC Veterinary Report

Churchill Downs Spring 2019

Total Starts 3152

Post Race Samples 1002

tCO₂ 557

Veterinary Scratches 33

Pre-Race 18

On-Track 15

Soundness related 5

Gate/paddock Injury 10

KHRC Veterinary List 58

Scratches 33

Race Injuries/post r t race lame/test barn lame 17

EIPH 4

Heat distress 4

Ambulance Runs 12

Racing Fatalities 3

musculo-skeletal 1

sudden death 2

Training Fatalities 3

musculo-skeletal 3

Kentucky Pari-Mutuel Excise Tax and BIF by Source, FY 2020 (July 2019)

| Racetrack/ADW | Thoroughbred Development Fund | | Standardbred Development Fund | | QH/Other Development Fund | | Equine Industry Program | | Equine Drug Research | | Higher Education Fund | | Backside Improvement Fund | | ADW Host Track Allocation | | ADW Purse Allocation | | Kentucky General Fund | | Total Excise Tax FY-19 | |
|----------------------|-------------------------------|-----------------|-------------------------------|-----------------|---------------------------|-----------------|-------------------------|-----------------|----------------------|-----------------|-----------------------|-----------------|---------------------------|-----------------|---------------------------|-----------------|----------------------|-----------------|-----------------------|-----------------|------------------------|------------------|
| | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | % of Fund Total | FY-19 | Total Excise Tax |
| Live | \$12,532 | 0.7% | \$1,032 | 0.6% | | | \$3,507 | 0.8% | \$1,754 | 0.8% | \$1,754 | 0.8% | \$8,355 | 100.0% | | | | | \$5,931 | 0.7% | \$34,865 | 0.9% |
| Blue Grass Downs | | | \$74 | 0.0% | | | \$12 | 0.0% | \$6 | 0.0% | \$6 | 0.0% | | | | | | | \$6 | 0.0% | \$104 | 0.0% |
| Churchill Downs | | | | | | | | | | | | | | | | | | | | | | |
| Ellis Park | \$12,532 | 0.7% | | | | | \$3,342 | 0.7% | \$1,671 | 0.7% | \$1,671 | 0.7% | \$8,355 | 100.0% | | | | | \$5,848 | 0.7% | \$33,420 | 0.9% |
| Keeneland | | | | | | | | | | | | | | | | | | | | | | |
| Kentucky Downs | | | | | | | | | | | | | | | | | | | | | | |
| The Red Mile | | | \$958 | 0.6% | | | \$153 | 0.0% | \$77 | 0.0% | \$77 | 0.0% | | | | | | | \$77 | 0.0% | \$1,341 | 0.0% |
| Turfway Park | | | | | | | | | | | | | | | | | | | | | \$0 | 0.0% |
| Simulcast | \$163,409 | 9.6% | \$4,334 | 2.7% | \$725 | 100.0% | \$4,212 | 0.9% | \$8,423 | 3.7% | \$8,423 | 3.7% | | | | | | | \$63,175 | 7.6% | \$252,702 | 6.7% |
| Blue Grass Downs | | | | | | | | | | | | | | | | | | | | | | |
| Churchill Downs | \$46,917 | 2.8% | \$36 | 0.0% | \$264 | 36.4% | \$1,180 | 0.3% | \$2,361 | 1.0% | \$2,361 | 1.0% | | | | | | | \$17,706 | 2.1% | \$70,825 | 1.9% |
| Ellis Park | \$23,016 | 1.4% | \$2,149 | 1.3% | \$2 | 0.3% | \$629 | 0.1% | \$1,258 | 0.5% | \$1,258 | 0.5% | | | | | | | \$9,438 | 1.1% | \$37,751 | 1.0% |
| Keeneland | \$54,752 | 3.2% | | | \$88 | 12.2% | \$1,371 | 0.3% | \$2,742 | 1.2% | \$2,742 | 1.2% | | | | | | | \$20,565 | 2.5% | \$82,260 | 2.2% |
| Kentucky Downs | \$17,983 | 1.1% | \$1,283 | 0.8% | \$278 | 38.4% | \$489 | 0.1% | \$977 | 0.4% | \$977 | 0.4% | | | | | | | \$7,329 | 0.9% | \$29,317 | 0.8% |
| The Red Mile | | | | | | | | | | | | | | | | | | | | | | |
| Thunder Ridge | | | | | | | | | | | | | | | | | | | | | | |
| Turfway Park | \$20,741 | 1.2% | \$866 | 0.5% | \$92 | 12.7% | \$542 | 0.1% | \$1,085 | 0.5% | \$1,085 | 0.5% | | | | | | | \$8,137 | 1.0% | \$32,548 | 0.9% |
| ADW | | | | | | | | | | | | | | | \$84,222 | 100.0% | \$84,222 | 100.0% | \$29,725 | 3.6% | \$198,170 | 5.2% |
| AmWest Entertainment | | | | | | | | | | | | | | | \$320 | 0.4% | \$320 | 0.4% | \$113 | 0.0% | \$754 | 0.0% |
| eBet Technologies | | | | | | | | | | | | | | | | | | | | | | |
| Lien Games | | | | | | | | | | | | | | | \$103 | 0.1% | \$103 | 0.1% | \$37 | 0.0% | \$243 | 0.0% |
| NYRA Bets | | | | | | | | | | | | | | | | | | | | | | |
| TVG | | | | | | | | | | | | | | | \$27,658 | 32.8% | \$27,658 | 32.8% | \$9,762 | 1.2% | \$65,078 | 1.7% |
| TwinSpires | | | | | | | | | | | | | | | \$43,163 | 51.2% | \$43,163 | 51.2% | \$15,234 | 1.8% | \$101,560 | 2.7% |
| Watch And Wager | | | | | | | | | | | | | | | \$162 | 0.2% | \$162 | 0.2% | \$57 | 0.0% | \$380 | 0.0% |
| XpressBet | | | | | | | | | | | | | | | \$10,268 | 12.2% | \$10,268 | 12.2% | \$3,624 | 0.4% | \$24,159 | 0.6% |
| HHR | \$1,528,875 | 89.7% | \$154,980 | 96.7% | | | \$438,696 | 98.3% | \$219,348 | 95.6% | \$219,348 | 95.6% | | | | | | | \$728,973 | 88.1% | \$3,290,220 | 87.1% |
| Derby City Gaming | \$689,097 | 40.4% | | | | | \$183,759 | 41.2% | \$91,880 | 40.0% | \$91,880 | 40.0% | | | | | | | \$321,579 | 38.8% | \$1,378,194 | 36.5% |
| Ellis Park | \$72,929 | 4.3% | | | | | \$19,448 | 4.4% | \$9,724 | 4.2% | \$9,724 | 4.2% | | | | | | | \$34,033 | 4.1% | \$145,857 | 3.9% |
| Keeneland/Red Mile | \$116,235 | 6.8% | \$154,980 | 96.7% | | | \$61,992 | 13.9% | \$30,996 | 13.5% | \$30,996 | 13.5% | | | | | | | \$69,741 | 8.4% | \$464,941 | 12.3% |
| Kentucky Downs | \$650,614 | 38.2% | | | | | \$173,497 | 38.9% | \$86,749 | 37.8% | \$86,749 | 37.8% | | | | | | | \$303,620 | 36.7% | \$1,301,229 | 34.5% |
| Grand Total | \$1,704,817 | 100.0% | \$160,346 | 100.0% | \$725 | 100.0% | \$446,415 | 100.0% | \$229,525 | 100.0% | \$229,525 | 100.0% | \$8,355 | 100.0% | \$84,222 | 100.0% | \$84,222 | 100.0% | \$827,805 | 100.0% | \$3,775,957 | 100.0% |



Kentucky Handle and Excise Tax Report for July, 2019

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|------------------------------------|-----------------------|-----------------------|---------------|-----------------------|-----------------------|---------------|
| Live Racing Dates | 21 | 21 | 0.0% | 21 | 21 | 0.0% |
| On-Track Live Handle | \$ 1,753,564 | \$ 2,221,124 | -21.1% | \$ 1,753,564 | \$ 2,221,124 | -21.1% |
| On-Track Simulcast Handle | \$ 10,866,413 | \$ 10,585,896 | 2.6% | \$ 10,866,413 | \$ 10,585,896 | 2.6% |
| Kentucky Resident ADW Handle | \$ 39,633,940 | \$ 18,280,975 | 116.8% | \$ 39,633,940 | \$ 18,280,975 | 116.8% |
| Historical Horse Racing Handle | \$ 219,348,032 | \$ 100,220,952 | 118.9% | \$ 219,348,032 | \$ 100,220,952 | 118.9% |
| Total Taxable Handle | \$ 271,601,949 | \$ 131,308,948 | 106.8% | \$ 271,601,949 | \$ 131,308,948 | 106.8% |
| TB Development Fund | \$ 1,704,817 | \$ 847,190 | 101.2% | \$ 1,704,817 | \$ 847,190 | 101.2% |
| SB Development Fund | \$ 160,346 | \$ 119,494 | 34.2% | \$ 160,346 | \$ 119,494 | 34.2% |
| QH/Arabian Development Fund | \$ 725 | \$ 1,014 | -28.5% | \$ 725 | \$ 1,014 | -28.5% |
| Backside Improvement Fund | \$ 8,355 | \$ 10,217 | -18.2% | \$ 8,355 | \$ 10,217 | -18.2% |
| Equine Industry Program | \$ 446,415 | \$ 209,145 | 113.4% | \$ 446,415 | \$ 209,145 | 113.4% |
| Equine Drug Research | \$ 229,525 | \$ 110,964 | 106.8% | \$ 229,525 | \$ 110,964 | 106.8% |
| Higher Education Fund | \$ 229,525 | \$ 110,964 | 106.8% | \$ 229,525 | \$ 110,964 | 106.8% |
| ADW Host Track Allocation (Note 1) | \$ 84,222 | \$ 38,847 | 116.8% | \$ 84,222 | \$ 38,847 | 116.8% |
| ADW Purse Allocation (Note 1) | \$ 84,222 | \$ 38,847 | 116.8% | \$ 84,222 | \$ 38,847 | 116.8% |
| KY General Fund | \$ 827,805 | \$ 407,681 | 103.1% | \$ 827,805 | \$ 407,681 | 103.1% |
| Total KY Excise Tax | \$ 3,775,957 | \$ 1,894,363 | 99.3% | \$ 3,775,957 | \$ 1,894,363 | 99.3% |



Note 1 - As per KRS 138.530

Kentucky Live and Simulcast Wagering Report for July, 2019

Live Racing

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|---|----------------------|----------------------|----------|----------------------|----------------------|----------|
| Race Dates | 21 | 21 | | 21 | 21 | |
| On-Track Handle on All Kentucky Races (OTH) | \$ 1,753,564 | \$ 2,221,124 | -21.1% | \$ 1,753,564 | \$ 2,221,124 | -21.1% |
| Less: Return to Public | \$ 1,392,303 | \$ 1,761,871 | | \$ 1,392,303 | \$ 1,761,871 | |
| Less: Breakage | \$ 13,019 | \$ 16,695 | | \$ 13,019 | \$ 16,695 | |
| Gross Commission | <u>\$ 348,241</u> | <u>\$ 442,558</u> | -21.3% | <u>\$ 348,241</u> | <u>\$ 442,558</u> | -21.3% |
| TB Development Fund (0.75% of On-Track TB Handle) | \$ 12,532 | \$ 15,325 | -18.2% | \$ 12,532 | \$ 15,325 | -18.2% |
| SB Development Fund (1.25% of On-Track SB Handle) | \$ 1,032 | \$ 2,222 | -53.5% | \$ 1,032 | \$ 2,222 | -53.5% |
| Equine Industry Program (0.2% of OTH) | \$ 3,507 | \$ 4,442 | -21.1% | \$ 3,507 | \$ 4,442 | -21.1% |
| Equine Drug Research (0.1% of OTH) | \$ 1,754 | \$ 2,221 | -21.1% | \$ 1,754 | \$ 2,221 | -21.1% |
| Higher Education Fund (0.1% of OTH) | \$ 1,754 | \$ 2,221 | -21.1% | \$ 1,754 | \$ 2,221 | -21.1% |
| KY General Fund (0.35% of OTH TB, 0.1% OTH SB) | \$ 5,931 | \$ 7,330 | -19.1% | \$ 5,931 | \$ 7,330 | -19.1% |
| Total KY Excise Tax (1.5% of OTH TB, 1.75% of OTH SB) | <u>\$ 26,510</u> | <u>\$ 33,761</u> | -21.5% | <u>\$ 26,510</u> | <u>\$ 33,761</u> | -21.5% |
| % of Gross Commission | 7.61% | 7.63% | | 7.61% | 7.63% | |
| Backside Improvement Fund (0.5% of Total OTH at TB Tracks) | \$ 8,355 | \$ 10,217 | -18.2% | \$ 8,355 | \$ 10,217 | -18.2% |
| Net Commission | \$ 313,377 | \$ 398,580 | -21.4% | \$ 313,377 | \$ 398,580 | -21.4% |
| % of On-Track Handle | 17.87% | 17.94% | | 17.87% | 17.94% | |
| Off-Track Handle on All Kentucky Races From | | | | | | |
| Other KY Tracks | \$ 618,993 | \$ 788,926 | -21.5% | \$ 618,993 | \$ 788,926 | -21.5% |
| Kentucky Licensed ADW's | \$ 1,351,105 | \$ 1,187,874 | 13.7% | \$ 1,351,105 | \$ 1,187,874 | 13.7% |
| Other Sources | \$ 18,345,160 | \$ 15,197,480 | 20.7% | \$ 18,345,160 | \$ 15,197,480 | 20.7% |
| All Sources Handle on Live Racing | <u>\$ 22,068,822</u> | <u>\$ 19,395,405</u> | 13.8% | <u>\$ 22,068,822</u> | <u>\$ 19,395,405</u> | 13.8% |
| Average Daily Handle - On Track | \$ 83,503 | \$ 105,768 | -21.1% | \$ 83,503 | \$ 105,768 | -21.1% |
| Average Daily Handle - All Sources | \$ 1,050,896 | \$ 923,591 | 13.8% | \$ 1,050,896 | \$ 923,591 | 13.8% |
| Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing) | | | | | | |
| Handle by Breed | | | | | | |
| Thoroughbred Simulcast Handle (TBSH) | \$ 8,318,601 | \$ 8,505,947 | -2.2% | \$ 8,318,601 | \$ 8,505,947 | -2.2% |
| Standardbred Simulcast Handle (SBSH) | \$ 2,499,738 | \$ 2,011,283 | 24.3% | \$ 2,499,738 | \$ 2,011,283 | 24.3% |
| Quarter Horse/Arabian/Paint/Mule Simulcast Handle (QSHS) | \$ 48,074 | \$ 68,666 | -30.0% | \$ 48,074 | \$ 68,666 | -30.0% |
| All-Breed Total Simulcast Handle (TSH) | <u>\$ 10,866,413</u> | <u>\$ 10,585,896</u> | 2.6% | <u>\$ 10,866,413</u> | <u>\$ 10,585,896</u> | 2.6% |
| TB Development Fund (2% of TBSH at TB Tracks) | \$ 163,409 | \$ 164,356 | -0.6% | \$ 163,409 | \$ 164,356 | -0.6% |
| SB Development Fund (2% of SBSH at TB Tracks) | \$ 4,334 | \$ 5,075 | -14.6% | \$ 4,334 | \$ 5,075 | -14.6% |
| QH/Arabian Development Fund (2% of QSHS at TB Tracks) | \$ 725 | \$ 1,014 | -28.5% | \$ 725 | \$ 1,014 | -28.5% |
| Equine Industry Program (0.05% of TSH at TB Tracks) | \$ 4,212 | \$ 4,261 | -1.2% | \$ 4,212 | \$ 4,261 | -1.2% |
| Equine Drug Research (0.1% of TSH at TB Tracks) | \$ 8,423 | \$ 8,522 | -1.2% | \$ 8,423 | \$ 8,522 | -1.2% |
| Higher Education Fund (0.1% of TSH at TB Tracks) | \$ 8,423 | \$ 8,522 | -1.2% | \$ 8,423 | \$ 8,522 | -1.2% |
| KY General Fund (0.75% of TSH at TB Tracks) | \$ 63,175 | \$ 63,917 | -1.2% | \$ 63,175 | \$ 63,917 | -1.2% |
| Total KY Excise Tax (3% of TSH at TB Tracks) | <u>\$ 252,702</u> | <u>\$ 255,666</u> | -1.2% | <u>\$ 252,702</u> | <u>\$ 255,666</u> | -1.2% |

Blue Grass Downs Live and Simulcast Wagering Report for July, 2019
Live Racing

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|---|------------|------------|----------|-------------|-------------|----------|
| Race Dates | 6 | | | 6 | | |
| On-Track Handle (OTH) | \$ 5,930 | | | \$ 5,930 | | |
| Less: Return to Public | \$ 4,659 | | | \$ 4,659 | | |
| Less: Breakage | \$ 43 | | | \$ 43 | | |
| Gross Commission | \$ 1,228 | | | \$ 1,228 | | |
| SB Development Fund (1.25% of OTH) | \$ 74 | | | \$ 74 | | |
| Equine Industry Program (0.2% of OTH) | \$ 12 | | | \$ 12 | | |
| Equine Drug Research (0.1% of OTH) | \$ 6 | | | \$ 6 | | |
| Higher Education Fund (0.1% of OTH) | \$ 6 | | | \$ 6 | | |
| KY General Fund (0.1% of OTH) | \$ 6 | | | \$ 6 | | |
| Total KY Excise Tax (1.75% of OTH) | \$ 104 | | | \$ 104 | | |
| % of Gross Commission | 8.45% | | | 8.45% | | |
| | | | | | | |
| Net Commission | \$ 1,124 | | | \$ 1,124 | | |
| % of On-Track Handle | 18.96% | | | 18.96% | | |
| Off-Track Handle on Kentucky Races From | | | | | | |
| Other KY Tracks | | | | | | |
| Kentucky Licensed ADW's | | | | | | |
| Other Sources | | | | | | |
| All Sources Handle on Live Racing (On- and Off-Track) | \$ 5,930 | | | \$ 5,930 | | |
| Average Daily Handle - On Track | \$ 988 | | | \$ 988 | | |
| Average Daily Handle - All Sources | \$ 988 | | | \$ 988 | | |
| Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing) | | | | | | |
| Handle by Breed | | | | | | |
| Thoroughbred Simulcast Handle (TBSH) | \$ 148,152 | \$ 288,169 | -48.6% | \$ 148,152 | \$ 288,169 | -48.6% |
| Standardbred Simulcast Handle (SBSH) | \$ 7,073 | \$ 11,680 | -39.4% | \$ 7,073 | \$ 11,680 | -39.4% |
| Quarter Horse/Other Simulcast Handle (QSHS) | \$ 302 | \$ 1,417 | -78.7% | \$ 302 | \$ 1,417 | -78.7% |
| All-Breed Total Simulcast Handle (TSH) | \$ 155,527 | \$ 301,266 | -48.4% | \$ 155,527 | \$ 301,266 | -48.4% |

Churchill Downs Live and Simulcast Wagering Report for July, 2019

Live Racing

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|--|---------|---------|----------|-------------|-------------|----------|
| Race Dates | | | | | | |
| On-Track Handle (OTH) | | | | | | |
| Less: Return to Public | | | | | | |
| Less: Breakage | | | | | | |
| Gross Commission | | | | | | |
| TB Development Fund (0.75% of OTH) | | | | | | |
| Equine Industry Program (0.2% of OTH) | | | | | | |
| Equine Drug Research (0.1% of OTH) | | | | | | |
| Higher Education Fund (0.1% of OTH) | | | | | | |
| KY General Fund (0.35% of OTH) | | | | | | |
| Total KY Excise Tax (1.5% of OTH) | | | | | | |
| % of Gross Commission | | | | | | |
| Backside Improvement Fund (0.5% of OTH) | | | | | | |
| Net Commission | | | | | | |
| % of On-Track Handle | | | | | | |
| Off-Track Handle on Kentucky Races From | | | | | | |
| Other KY Tracks | | | | | | |
| Kentucky Licensed ADW's | | | | | | |
| Other Sources | | | | | | |
| All Sources Handle on Live Racing (On- and Off-Track) | | | | | | |
| Average Daily Handle - On Track | | | | | | |
| Average Daily Handle - All Sources | | | | | | |

Simulcast Wagering on Other Tracks

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|---|--------------|--------------|----------|--------------|--------------|----------|
| Handle by Breed | | | | | | |
| Thoroughbred Simulcast Handle (TBSH) | \$ 2,345,854 | \$ 2,367,217 | -0.9% | \$ 2,345,854 | \$ 2,367,217 | -0.9% |
| Standardbred Simulcast Handle (SBSH) | \$ 1,793 | \$ 7,721 | -76.8% | \$ 1,793 | \$ 7,721 | -76.8% |
| Quarter Horse/Other Simulcast Handle (QSHS) | \$ 13,195 | \$ 16,929 | -22.1% | \$ 13,195 | \$ 16,929 | -22.1% |
| All-Breed Total Simulcast Handle (TSH) | \$ 2,360,842 | \$ 2,391,867 | -1.3% | \$ 2,360,842 | \$ 2,391,867 | -1.3% |
| TB Development Fund (2% of TBSH) | \$ 46,917 | \$ 47,344 | -0.9% | \$ 46,917 | \$ 47,344 | -0.9% |
| SB Development Fund (2% of SBSH) | \$ 36 | \$ 154 | -76.8% | \$ 36 | \$ 154 | -76.8% |
| QH/Other Development Fund (2% of QSHS) | \$ 264 | \$ 339 | -22.1% | \$ 264 | \$ 339 | -22.1% |
| Equine Industry Program (0.05% of TSH) | \$ 1,180 | \$ 1,196 | -1.3% | \$ 1,180 | \$ 1,196 | -1.3% |
| Equine Drug Research (0.1% of TSH) | \$ 2,361 | \$ 2,392 | -1.3% | \$ 2,361 | \$ 2,392 | -1.3% |
| Higher Education Fund (0.1% of TSH) | \$ 2,361 | \$ 2,392 | -1.3% | \$ 2,361 | \$ 2,392 | -1.3% |
| KY General Fund (0.75% of TSH) | \$ 17,706 | \$ 17,939 | -1.3% | \$ 17,706 | \$ 17,939 | -1.3% |
| Total KY Excise Tax (3% of TSH) | \$ 70,825 | \$ 71,756 | -1.3% | \$ 70,825 | \$ 71,756 | -1.3% |

Ellis Park Live and Simulcast Wagering Report for July, 2019

Live Racing

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|--|----------------------|----------------------|----------|----------------------|----------------------|----------|
| Race Dates | 12 | 15 | -20.0% | 12 | 15 | -20.0% |
| On-Track Handle (OTH) | \$ 1,670,995 | \$ 2,043,392 | -18.2% | \$ 1,670,995 | \$ 2,043,392 | -18.2% |
| Less: Return to Public | \$ 1,328,291 | \$ 1,625,066 | | \$ 1,328,291 | \$ 1,625,066 | |
| Less: Breakage | \$ 12,972 | \$ 16,365 | | \$ 12,972 | \$ 16,365 | |
| Gross Commission | <u>\$ 329,732</u> | <u>\$ 401,961</u> | -18.0% | <u>\$ 329,732</u> | <u>\$ 401,961</u> | -18.0% |
| TB Development Fund (0.75% of OTH) | \$ 12,532 | \$ 15,325 | -18.2% | \$ 12,532 | \$ 15,325 | -18.2% |
| Equine Industry Program (0.2% of OTH) | \$ 3,342 | \$ 4,087 | -18.2% | \$ 3,342 | \$ 4,087 | -18.2% |
| Equine Drug Research (0.1% of OTH) | \$ 1,671 | \$ 2,043 | -18.2% | \$ 1,671 | \$ 2,043 | -18.2% |
| Higher Education Fund (0.1% of OTH) | \$ 1,671 | \$ 2,043 | -18.2% | \$ 1,671 | \$ 2,043 | -18.2% |
| KY General Fund (0.35% of OTH) | \$ 5,848 | \$ 7,152 | -18.2% | \$ 5,848 | \$ 7,152 | -18.2% |
| Total KY Excise Tax (1.5% of OTH) | <u>\$ 25,065</u> | <u>\$ 30,651</u> | -18.2% | <u>\$ 25,065</u> | <u>\$ 30,651</u> | -18.2% |
| % of Gross Commission | 7.60% | 7.63% | | 7.60% | 7.63% | |
| Backside Improvement Fund (0.5% of OTH) | \$ 8,355 | \$ 10,217 | -18.2% | \$ 8,355 | \$ 10,217 | -18.2% |
| Net Commission | \$ 296,312 | \$ 361,093 | -17.9% | \$ 296,312 | \$ 361,093 | -17.9% |
| % of On-Track Handle | 17.73% | 17.67% | | 17.73% | 17.67% | |
| Off-Track Handle on Kentucky Races From | | | | | | |
| Other KY Tracks | \$ 616,539 | \$ 774,444 | -20.4% | \$ 616,539 | \$ 774,444 | -20.4% |
| Kentucky Licensed ADW's | \$ 1,343,449 | \$ 1,156,562 | 16.2% | \$ 1,343,449 | \$ 1,156,562 | 16.2% |
| Other Sources | \$ 18,114,899 | \$ 14,372,701 | 26.0% | \$ 18,114,899 | \$ 14,372,701 | 26.0% |
| All Sources Handle on Live Racing (On- and Off-Track) | <u>\$ 21,745,882</u> | <u>\$ 18,347,099</u> | 18.5% | <u>\$ 21,745,882</u> | <u>\$ 18,347,099</u> | 18.5% |
| Average Daily Handle - On Track | \$ 139,250 | \$ 136,226 | 2.2% | \$ 139,250 | \$ 136,226 | 2.2% |
| Average Daily Handle - All Sources | \$ 1,812,157 | \$ 1,223,140 | 48.2% | \$ 1,812,157 | \$ 1,223,140 | 48.2% |

Simulcast Wagering on Other Tracks

| | | | | | | |
|---|---------------------|---------------------|--------|---------------------|---------------------|--------|
| Handle by Breed | | | | | | |
| Thoroughbred Simulcast Handle (TBSH) | \$ 1,150,779 | \$ 1,299,474 | -11.4% | \$ 1,150,779 | \$ 1,299,474 | -11.4% |
| Standardbred Simulcast Handle (SBSH) | \$ 107,463 | \$ 137,308 | -21.7% | \$ 107,463 | \$ 137,308 | -21.7% |
| Quarter Horse/Other Simulcast Handle (QSHS) | \$ 117 | \$ 711 | -83.5% | \$ 117 | \$ 711 | -83.5% |
| All-Breed Total Simulcast Handle (TSH) | <u>\$ 1,258,360</u> | <u>\$ 1,437,493</u> | -12.5% | <u>\$ 1,258,360</u> | <u>\$ 1,437,493</u> | -12.5% |
| TB Development Fund (2% of TBSH) | \$ 23,016 | \$ 25,989 | -11.4% | \$ 23,016 | \$ 25,989 | -11.4% |
| SB Development Fund (2% of SBSH) | \$ 2,149 | \$ 2,746 | -21.7% | \$ 2,149 | \$ 2,746 | -21.7% |
| QH/Other Development Fund (2% of QSHS) | \$ 2 | \$ 14 | -83.5% | \$ 2 | \$ 14 | -83.5% |
| Equine Industry Program (0.05% of TSH) | \$ 629 | \$ 719 | -12.5% | \$ 629 | \$ 719 | -12.5% |
| Equine Drug Research (0.1% of TSH) | \$ 1,258 | \$ 1,437 | -12.5% | \$ 1,258 | \$ 1,437 | -12.5% |
| Higher Education Fund (0.1% of TSH) | \$ 1,258 | \$ 1,437 | -12.5% | \$ 1,258 | \$ 1,437 | -12.5% |
| KY General Fund (0.75% of TSH) | \$ 9,438 | \$ 10,781 | -12.5% | \$ 9,438 | \$ 10,781 | -12.5% |
| Total KY Excise Tax (3% of TSH) | <u>\$ 37,751</u> | <u>\$ 43,125</u> | -12.5% | <u>\$ 37,751</u> | <u>\$ 43,125</u> | -12.5% |

Keeneland Live and Simulcast Wagering Report for July, 2019
Live Racing

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|--|---------|---------|----------|-------------|-------------|----------|
| Race Dates | | | | | | |
| On-Track Handle (OTH) | | | | | | |
| Less: Return to Public | | | | | | |
| Less: Breakage | | | | | | |
| Gross Commission | | | | | | |
| TB Development Fund (0.75% of OTH) | | | | | | |
| Equine Industry Program (0.2% of OTH) | | | | | | |
| Equine Drug Research (0.1% of OTH) | | | | | | |
| Higher Education Fund (0.1% of OTH) | | | | | | |
| KY General Fund (0.35% of OTH) | | | | | | |
| Total KY Excise Tax (1.5% of OTH) | | | | | | |
| % of Gross Commission | | | | | | |
| Backside Improvement Fund (0.5% of OTH) | | | | | | |
| Net Commission | | | | | | |
| % of On-Track Handle | | | | | | |
| Off-Track Handle on Kentucky Races From | | | | | | |
| Other KY Tracks | | | | | | |
| Kentucky Licensed ADW's | | | | | | |
| Other Sources | | | | | | |
| All Sources Handle on Live Racing (On- and Off-Track) | | | | | | |
| Average Daily Handle - On Track | | | | | | |
| Average Daily Handle - All Sources | | | | | | |

Simulcast Wagering on Other Tracks

| | | | | | | |
|---|--------------|--------------|--------|--------------|--------------|--------|
| Handle by Breed | | | | | | |
| Thoroughbred Simulcast Handle (TBSH) | \$ 2,737,587 | \$ 2,461,656 | 11.2% | \$ 2,737,587 | \$ 2,461,656 | 11.2% |
| Standardbred Simulcast Handle (SBSH) | | | | | | |
| Quarter Horse/Other Simulcast Handle (QSHS) | \$ 4,410 | \$ 14,965 | -70.5% | \$ 4,410 | \$ 14,965 | -70.5% |
| All-Breed Total Simulcast Handle (TSH) | \$ 2,741,997 | \$ 2,476,620 | 10.7% | \$ 2,741,997 | \$ 2,476,620 | 10.7% |
| TB Development Fund (2% of TBSH) | \$ 54,752 | \$ 49,233 | 11.2% | \$ 54,752 | \$ 49,233 | 11.2% |
| SB Development Fund (2% of SBSH) | | | | | | |
| QH/Other Development Fund (2% of QSHS) | \$ 88 | \$ 299 | -70.5% | \$ 88 | \$ 299 | -70.5% |
| Equine Industry Program (0.05% of TSH) | \$ 1,371 | \$ 1,238 | 10.7% | \$ 1,371 | \$ 1,238 | 10.7% |
| Equine Drug Research (0.1% of TSH) | \$ 2,742 | \$ 2,477 | 10.7% | \$ 2,742 | \$ 2,477 | 10.7% |
| Higher Education Fund (0.1% of TSH) | \$ 2,742 | \$ 2,477 | 10.7% | \$ 2,742 | \$ 2,477 | 10.7% |
| KY General Fund (0.75% of TSH) | \$ 20,565 | \$ 18,575 | 10.7% | \$ 20,565 | \$ 18,575 | 10.7% |
| Total KY Excise Tax (3% of TSH) | \$ 82,260 | \$ 74,299 | 10.7% | \$ 82,260 | \$ 74,299 | 10.7% |

Kentucky Downs Live and Simulcast Wagering Report for July, 2019
Live Racing

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|--|---------|---------|----------|-------------|-------------|----------|
| Race Dates | | | | | | |
| On-Track Handle (OTH) | | | | | | |
| Less: Return to Public | | | | | | |
| Less: Breakage | | | | | | |
| Gross Commission | | | | | | |
| TB Development Fund (0.75% of OTH) | | | | | | |
| Equine Industry Program (0.2% of OTH) | | | | | | |
| Equine Drug Research (0.1% of OTH) | | | | | | |
| Higher Education Fund (0.1% of OTH) | | | | | | |
| KY General Fund (0.35% of OTH) | | | | | | |
| Total KY Excise Tax (1.5% of OTH) | | | | | | |
| % of Gross Commission | | | | | | |
| Backside Improvement Fund (0.5% of OTH) | | | | | | |
| Net Commission | | | | | | |
| % of On-Track Handle | | | | | | |
| Off-Track Handle on Kentucky Races From | | | | | | |
| Other KY Tracks | | | | | | |
| Kentucky Licensed ADW's | | | | | | |
| Other Sources | | | | | | |
| All Sources Handle on Live Racing (On- and Off-Track) | | | | | | |
| Average Daily Handle - On Track | | | | | | |
| Average Daily Handle - All Sources | | | | | | |

Simulcast Wagering on Other Tracks

| Handle by Breed | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|---|-------------------|-------------------|--------------|-------------------|-------------------|--------------|
| Thoroughbred Simulcast Handle (TBSH) | \$ 899,166 | \$ 905,260 | -0.7% | \$ 899,166 | \$ 905,260 | -0.7% |
| Standardbred Simulcast Handle (SBSH) | \$ 64,161 | \$ 67,090 | -4.4% | \$ 64,161 | \$ 67,090 | -4.4% |
| Quarter Horse/Other Simulcast Handle (QSHS) | \$ 13,923 | \$ 11,167 | 24.7% | \$ 13,923 | \$ 11,167 | 24.7% |
| All-Breed Total Simulcast Handle (TSH) | \$ 977,250 | \$ 983,517 | -0.6% | \$ 977,250 | \$ 983,517 | -0.6% |
| TB Development Fund (2% of TBSH) | \$ 17,983 | \$ 18,105 | -0.7% | \$ 17,983 | \$ 18,105 | -0.7% |
| SB Development Fund (2% of SBSH) | \$ 1,283 | \$ 1,342 | -4.4% | \$ 1,283 | \$ 1,342 | -4.4% |
| QH/Other Development Fund (2% of QSHS) | \$ 278 | \$ 223 | 24.7% | \$ 278 | \$ 223 | 24.7% |
| Equine Industry Program (0.05% of TSH) | \$ 489 | \$ 492 | -0.6% | \$ 489 | \$ 492 | -0.6% |
| Equine Drug Research (0.1% of TSH) | \$ 977 | \$ 984 | -0.6% | \$ 977 | \$ 984 | -0.6% |
| Higher Education Fund (0.1% of TSH) | \$ 977 | \$ 984 | -0.6% | \$ 977 | \$ 984 | -0.6% |
| KY General Fund (0.75% of TSH) | \$ 7,329 | \$ 7,376 | -0.6% | \$ 7,329 | \$ 7,376 | -0.6% |
| Total KY Excise Tax (3% of TSH) | \$ 29,317 | \$ 29,506 | -0.6% | \$ 29,317 | \$ 29,506 | -0.6% |

The Red Mile Live and Simulcast Wagering Report for July, 2019

Live Racing

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|--|-------------------|---------------------|----------|-------------------|---------------------|----------|
| Race Dates | 3 | 6 | -50.0% | 3 | 6 | -50.0% |
| On-Track Handle (OTH) | \$ 76,639 | \$ 177,733 | -56.9% | \$ 76,639 | \$ 177,733 | -56.9% |
| Less: Return to Public | \$ 59,353 | \$ 136,805 | | \$ 59,353 | \$ 136,805 | |
| Less: Breakage | \$ 4 | \$ 330 | | \$ 4 | \$ 330 | |
| Gross Commission | <u>\$ 17,282</u> | <u>\$ 40,597</u> | -57.4% | <u>\$ 17,282</u> | <u>\$ 40,597</u> | -57.4% |
| SB Development Fund (1.25% of OTH) | \$ 958 | \$ 2,222 | -56.9% | \$ 958 | \$ 2,222 | -56.9% |
| Equine Industry Program (0.2% of OTH) | \$ 153 | \$ 355 | -56.9% | \$ 153 | \$ 355 | -56.9% |
| Equine Drug Research (0.1% of OTH) | \$ 77 | \$ 178 | -56.9% | \$ 77 | \$ 178 | -56.9% |
| Higher Education Fund (0.1% of OTH) | \$ 77 | \$ 178 | -56.9% | \$ 77 | \$ 178 | -56.9% |
| KY General Fund (0.1% of OTH) | \$ 77 | \$ 178 | -56.9% | \$ 77 | \$ 178 | -56.9% |
| Total KY Excise Tax (1.75% of OTH) | <u>\$ 1,341</u> | <u>\$ 3,110</u> | -56.9% | <u>\$ 1,341</u> | <u>\$ 3,110</u> | -56.9% |
| % of Gross Commission | 7.76% | 7.66% | | 7.76% | 7.66% | |
| | | | | | | |
| Net Commission | \$ 15,940 | \$ 37,487 | -57.5% | \$ 15,940 | \$ 37,487 | -57.5% |
| % of On-Track Handle | 20.80% | 21.09% | | 20.80% | 21.09% | |
| Off-Track Handle on Kentucky Races From | | | | | | |
| Other KY Tracks | \$ 2,454 | \$ 14,482 | -83.1% | \$ 2,454 | \$ 14,482 | -83.1% |
| Kentucky Licensed ADW's | \$ 7,656 | \$ 31,312 | -75.5% | \$ 7,656 | \$ 31,312 | -75.5% |
| Other Sources | \$ 230,261 | \$ 824,779 | -72.1% | \$ 230,261 | \$ 824,779 | -72.1% |
| All Sources Handle on Live Racing (On- and Off-Track) | <u>\$ 317,010</u> | <u>\$ 1,048,306</u> | -69.8% | <u>\$ 317,010</u> | <u>\$ 1,048,306</u> | -69.8% |
| Average Daily Handle - On Track | \$ 25,546 | \$ 29,622 | -13.8% | \$ 25,546 | \$ 29,622 | -13.8% |
| Average Daily Handle - All Sources | \$ 105,670 | \$ 174,718 | -39.5% | \$ 105,670 | \$ 174,718 | -39.5% |

Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing)

| | | | | | | |
|---|---------------------|---------------------|--------|---------------------|---------------------|--------|
| Handle by Breed | | | | | | |
| Thoroughbred Simulcast Handle (TBSH) | | | | | | |
| Standardbred Simulcast Handle (SBSH) | \$ 2,275,958 | \$ 1,745,875 | 30.4% | \$ 2,275,958 | \$ 1,745,875 | 30.4% |
| Quarter Horse/Other Simulcast Handle (QSHS) | \$ 11,537 | \$ 16,556 | -30.3% | \$ 11,537 | \$ 16,556 | -30.3% |
| All-Breed Total Simulcast Handle (TSH) | <u>\$ 2,287,495</u> | <u>\$ 1,762,430</u> | 29.8% | <u>\$ 2,287,495</u> | <u>\$ 1,762,430</u> | 29.8% |

Turfway Park Live and Simulcast Wagering Report for July, 2019
Live Racing

| | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|--|---------|---------|----------|-------------|-------------|----------|
| Race Dates | | | | | | |
| On-Track Handle (OTH) | | | | | | |
| Less: Return to Public | | | | | | |
| Less: Breakage | | | | | | |
| Gross Commission | | | | | | |
| TB Development Fund (0.75% of OTH) | | | | | | |
| Equine Industry Program (0.2% of OTH) | | | | | | |
| Equine Drug Research (0.1% of OTH) | | | | | | |
| Higher Education Fund (0.1% of OTH) | | | | | | |
| KY General Fund (0.35% of OTH) | | | | | | |
| Total KY Excise Tax (1.5% of OTH) | | | | | | |
| % of Gross Commission | | | | | | |
| Backside Improvement Fund (0.5% of OTH) | | | | | | |
| Net Commission | | | | | | |
| % of On-Track Handle | | | | | | |
| Off-Track Handle on Kentucky Races From | | | | | | |
| Other KY Tracks | | | | | | |
| Kentucky Licensed ADW's | | | | | | |
| Other Sources | | | | | | |
| All Sources Handle on Live Racing (On- and Off-Track) | | | | | | |
| Average Daily Handle - On Track | | | | | | |
| Average Daily Handle - All Sources | | | | | | |

Simulcast Wagering on Other Tracks

| Handle by Breed | July-19 | July-18 | % Change | FYTD - 2020 | FYTD - 2019 | % Change |
|---|---------------------|---------------------|---------------|---------------------|---------------------|---------------|
| Thoroughbred Simulcast Handle (TBSH) | \$ 1,037,063 | \$ 1,184,170 | -12.4% | \$ 1,037,063 | \$ 1,184,170 | -12.4% |
| Standardbred Simulcast Handle (SBSH) | \$ 43,290 | \$ 41,610 | 4.0% | \$ 43,290 | \$ 41,610 | 4.0% |
| Quarter Horse/Other Simulcast Handle (QSHS) | \$ 4,590 | \$ 6,923 | -33.7% | \$ 4,590 | \$ 6,923 | -33.7% |
| All-Breed Total Simulcast Handle (TSH) | \$ 1,084,943 | \$ 1,232,703 | -12.0% | \$ 1,084,943 | \$ 1,232,703 | -12.0% |
| TB Development Fund (2% of TBSH) | \$ 20,741 | \$ 23,683 | -12.4% | \$ 20,741 | \$ 23,683 | -12.4% |
| SB Development Fund (2% of SBSH) | \$ 866 | \$ 832 | 4.0% | \$ 866 | \$ 832 | 4.0% |
| QH/Other Development Fund (2% of QSHS) | \$ 92 | \$ 138 | -33.7% | \$ 92 | \$ 138 | -33.7% |
| Equine Industry Program (0.05% of TSH) | \$ 542 | \$ 616 | -12.0% | \$ 542 | \$ 616 | -12.0% |
| Equine Drug Research (0.1% of TSH) | \$ 1,085 | \$ 1,233 | -12.0% | \$ 1,085 | \$ 1,233 | -12.0% |
| Higher Education Fund (0.1% of TSH) | \$ 1,085 | \$ 1,233 | -12.0% | \$ 1,085 | \$ 1,233 | -12.0% |
| KY General Fund (0.75% of TSH) | \$ 8,137 | \$ 9,245 | -12.0% | \$ 8,137 | \$ 9,245 | -12.0% |
| Total KY Excise Tax (3% of TSH) | \$ 32,548 | \$ 36,981 | -12.0% | \$ 32,548 | \$ 36,981 | -12.0% |

Kentucky Resident Advance Deposit Wagering Report for July, 2019

| | Jul-19 | Jul-18 | % Change | FYTD-2020 | FYTD-2019 | % Change |
|--|----------------------|----------------------|---------------|----------------------|----------------------|---------------|
| Total In-State Handle | \$ 1,351,105 | \$ 1,187,874 | 13.7% | \$ 1,351,105 | \$ 1,187,874 | 13.7% |
| Total Out-of-State Handle | \$ 38,282,835 | \$ 17,093,101 | 124.0% | \$ 38,282,835 | \$ 17,093,101 | 124.0% |
| Total ADW Handle (TAH) | \$ 39,633,940 | \$ 18,280,975 | 116.8% | \$ 39,633,940 | \$ 18,280,975 | 116.8% |
| Host Track (42.5% Allocation) | \$ 84,222 | \$ 38,847 | 116.8% | \$ 84,222 | \$ 38,847 | 116.8% |
| Purse (42.5% Allocation) | \$ 84,222 | \$ 38,847 | 116.8% | \$ 84,222 | \$ 38,847 | 116.8% |
| KY General Fund (15% Allocation) | \$ 29,725 | \$ 13,711 | 116.8% | \$ 29,725 | \$ 13,711 | 116.8% |
| Total KY Excise Tax (0.5% of TAH) | \$ 198,170 | \$ 91,405 | 116.8% | \$ 198,170 | \$ 91,405 | 116.8% |



Kentucky Resident Advance Deposit Wagering Report for July, 2019

| AmWest Entertainment | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|-------------------|-------------------|------------------|-----------------|-------------------|-------------------|------------------|-----------------|
| Total In-State Handle | 0.12% | \$ 1,643 | \$ 1,085 | 51.4% | 0.12% | \$ 1,643 | \$ 1,085 | 51.4% |
| Total Out-of-State Handle | 0.39% | \$ 149,139 | \$ 38,206 | 290.4% | 0.39% | \$ 149,139 | \$ 38,206 | 290.4% |
| Total Handle | 0.38% | \$ 150,782 | \$ 39,291 | 283.8% | 0.38% | \$ 150,782 | \$ 39,291 | 283.8% |
| Host Track (42.5% Allocation) | 0.38% | \$ 320 | \$ 83 | 283.8% | 0.38% | \$ 320 | \$ 83 | 283.8% |
| Purse (42.5% Allocation) | 0.38% | \$ 320 | \$ 83 | 283.8% | 0.38% | \$ 320 | \$ 83 | 283.8% |
| KY General Fund (15% Allocation) | 0.38% | \$ 113 | \$ 29 | 283.8% | 0.38% | \$ 113 | \$ 29 | 283.8% |
| Total KY Excise Tax (0.5% of TAH) | 0.38% | \$ 754 | \$ 196 | 283.8% | 0.38% | \$ 754 | \$ 196 | 283.8% |

| eBet | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|-------------------|-------------------|-------------------|-----------------|-------------------|-------------------|-------------------|-----------------|
| Total In-State Handle | 0.17% | \$ 2,353 | \$ 7,097 | -66.9% | 0.17% | \$ 2,353 | \$ 7,097 | -66.9% |
| Total Out-of-State Handle | 0.37% | \$ 142,874 | \$ 97,260 | 46.9% | 0.37% | \$ 142,874 | \$ 97,260 | 46.9% |
| Total Handle | 0.37% | \$ 145,226 | \$ 104,358 | 39.2% | 0.37% | \$ 145,226 | \$ 104,358 | 39.2% |
| Host Track (42.5% Allocation) | 0.37% | \$ 309 | \$ 222 | 39.2% | 0.37% | \$ 309 | \$ 222 | 39.2% |
| Purse (42.5% Allocation) | 0.37% | \$ 309 | \$ 222 | 39.2% | 0.37% | \$ 309 | \$ 222 | 39.2% |
| KY General Fund (15% Allocation) | 0.37% | \$ 109 | \$ 78 | 39.2% | 0.37% | \$ 109 | \$ 78 | 39.2% |
| Total KY Excise Tax (0.5% of TAH) | 0.37% | \$ 726 | \$ 522 | 39.2% | 0.37% | \$ 726 | \$ 522 | 39.2% |

| Horse Races Now | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|-------------------|---------------|-----------------|-----------------|-------------------|------------------|------------------|-----------------|
| Total In-State Handle | | | \$ 789 | | | | \$ 789 | |
| Total Out-of-State Handle | | | \$ 3,024 | | | | \$ 3,024 | |
| Total Handle | | | \$ 3,813 | | | | \$ 3,813 | |
| Host Track (42.5% Allocation) | | | \$ 8 | | | | \$ 8 | |
| Purse (42.5% Allocation) | | | \$ 8 | | | | \$ 8 | |
| KY General Fund (15% Allocation) | | | \$ 3 | | | | \$ 3 | |
| Total KY Excise Tax (0.5% of TAH) | | | \$ 19 | | | | \$ 19 | |

Kentucky Resident Advance Deposit Wagering Report for July, 2019 (Cont)

| Lien Games | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|--------------|------------------|------------------|---------------|--------------|------------------|------------------|---------------|
| Total In-State Handle | 0.07% | \$ 897 | \$ 486 | 84.8% | 0.07% | \$ 897 | \$ 486 | 84.8% |
| Total Out-of-State Handle | 0.12% | \$ 47,785 | \$ 11,427 | 318.2% | 0.12% | \$ 47,785 | \$ 11,427 | 318.2% |
| Total Handle | 0.12% | \$ 48,682 | \$ 11,912 | 308.7% | 0.12% | \$ 48,682 | \$ 11,912 | 308.7% |
| Host Track (42.5% Allocation) | 0.12% | \$ 103 | \$ 25 | 308.7% | 0.12% | \$ 103 | \$ 25 | 308.7% |
| Purse (42.5% Allocation) | 0.12% | \$ 103 | \$ 25 | 308.7% | 0.12% | \$ 103 | \$ 25 | 308.7% |
| KY General Fund (15% Allocation) | 0.12% | \$ 37 | \$ 9 | 308.7% | 0.12% | \$ 37 | \$ 9 | 308.7% |
| Total KY Excise Tax (0.5% of TAH) | 0.12% | \$ 243 | \$ 60 | 308.7% | 0.12% | \$ 243 | \$ 60 | 308.7% |

| NYRAbets | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|--------------|---------------------|-------------------|---------------|--------------|---------------------|-------------------|---------------|
| Total In-State Handle | 1.50% | \$ 20,219 | \$ 9,356 | 116.1% | 1.50% | \$ 20,219 | \$ 9,356 | 116.1% |
| Total Out-of-State Handle | 2.70% | \$ 1,033,433 | \$ 470,012 | 119.9% | 2.70% | \$ 1,033,433 | \$ 470,012 | 119.9% |
| Total Handle | 2.66% | \$ 1,053,653 | \$ 479,368 | 119.8% | 2.66% | \$ 1,053,653 | \$ 479,368 | 119.8% |
| Host Track (42.5% Allocation) | 2.66% | \$ 2,239 | \$ 1,019 | 119.8% | 2.66% | \$ 2,239 | \$ 1,019 | 119.8% |
| Purse (42.5% Allocation) | 2.66% | \$ 2,239 | \$ 1,019 | 119.8% | 2.66% | \$ 2,239 | \$ 1,019 | 119.8% |
| KY General Fund (15% Allocation) | 2.66% | \$ 790 | \$ 360 | 119.8% | 2.66% | \$ 790 | \$ 360 | 119.8% |
| Total KY Excise Tax (0.5% of TAH) | 2.66% | \$ 5,268 | \$ 2,397 | 119.8% | 2.66% | \$ 5,268 | \$ 2,397 | 119.8% |

| TVG | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|---------------|----------------------|---------------------|---------------|---------------|----------------------|---------------------|---------------|
| Total In-State Handle | 24.85% | \$ 335,757 | \$ 291,448 | 15.2% | 24.85% | \$ 335,757 | \$ 291,448 | 15.2% |
| Total Out-of-State Handle | 33.12% | \$ 12,679,877 | \$ 5,401,137 | 134.8% | 33.12% | \$ 12,679,877 | \$ 5,401,137 | 134.8% |
| Total Handle | 32.84% | \$ 13,015,634 | \$ 5,692,584 | 128.6% | 32.84% | \$ 13,015,634 | \$ 5,692,584 | 128.6% |
| Host Track (42.5% Allocation) | 32.84% | \$ 27,658 | \$ 12,097 | 128.6% | 32.84% | \$ 27,658 | \$ 12,097 | 128.6% |
| Purse (42.5% Allocation) | 32.84% | \$ 27,658 | \$ 12,097 | 128.6% | 32.84% | \$ 27,658 | \$ 12,097 | 128.6% |
| KY General Fund (15% Allocation) | 32.84% | \$ 9,762 | \$ 4,269 | 128.6% | 32.84% | \$ 9,762 | \$ 4,269 | 128.6% |
| Total KY Excise Tax (0.5% of TAH) | 32.84% | \$ 65,078 | \$ 28,463 | 128.6% | 32.84% | \$ 65,078 | \$ 28,463 | 128.6% |

Kentucky Resident Advance Deposit Wagering Report for July, 2019 (Cont)

| TwinSpires | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|---------------|----------------------|---------------------|---------------|---------------|----------------------|---------------------|---------------|
| Total In-State Handle | 56.11% | \$ 758,069 | \$ 697,457 | 8.7% | 56.11% | \$ 758,069 | \$ 697,457 | 8.7% |
| Total Out-of-State Handle | 51.08% | \$ 19,554,009 | \$ 8,841,840 | 121.2% | 51.08% | \$ 19,554,009 | \$ 8,841,840 | 121.2% |
| Total Handle | 51.25% | \$ 20,312,079 | \$ 9,539,297 | 112.9% | 51.25% | \$ 20,312,079 | \$ 9,539,297 | 112.9% |
| Host Track (42.5% Allocation) | 51.25% | \$ 43,163 | \$ 20,271 | 112.9% | 51.25% | \$ 43,163 | \$ 20,271 | 112.9% |
| Purse (42.5% Allocation) | 51.25% | \$ 43,163 | \$ 20,271 | 112.9% | 51.25% | \$ 43,163 | \$ 20,271 | 112.9% |
| KY General Fund (15% Allocation) | 51.25% | \$ 15,234 | \$ 7,154 | 112.9% | 51.25% | \$ 15,234 | \$ 7,154 | 112.9% |
| Total KY Excise Tax (0.5% of TAH) | 51.25% | \$ 101,560 | \$ 47,696 | 112.9% | 51.25% | \$ 101,560 | \$ 47,696 | 112.9% |

| Watch and Wager | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|--------------|------------------|------------------|---------------|--------------|------------------|------------------|---------------|
| Total In-State Handle | 0.06% | \$ 800 | \$ 1,081 | -26.0% | 0.06% | \$ 800 | \$ 1,081 | -26.0% |
| Total Out-of-State Handle | 0.20% | \$ 75,259 | \$ 18,084 | 316.2% | 0.20% | \$ 75,259 | \$ 18,084 | 316.2% |
| Total Handle | 0.19% | \$ 76,060 | \$ 19,165 | 296.9% | 0.19% | \$ 76,060 | \$ 19,165 | 296.9% |
| Host Track (42.5% Allocation) | 0.19% | \$ 162 | \$ 41 | 296.9% | 0.19% | \$ 162 | \$ 41 | 296.9% |
| Purse (42.5% Allocation) | 0.19% | \$ 162 | \$ 41 | 296.9% | 0.19% | \$ 162 | \$ 41 | 296.9% |
| KY General Fund (15% Allocation) | 0.19% | \$ 57 | \$ 14 | 296.9% | 0.19% | \$ 57 | \$ 14 | 296.9% |
| Total KY Excise Tax (0.5% of TAH) | 0.19% | \$ 380 | \$ 96 | 296.9% | 0.19% | \$ 380 | \$ 96 | 296.9% |

| Xpressbet | % of Total | Jul-19 | Jul-18 | % Change | % of Total | FYTD-2020 | FYTD-2019 | % Change |
|--|---------------|---------------------|---------------------|---------------|---------------|---------------------|---------------------|---------------|
| Total In-State Handle | 17.12% | \$ 231,367 | \$ 179,076 | 29.2% | 17.12% | \$ 231,367 | \$ 179,076 | 29.2% |
| Total Out-of-State Handle | 12.02% | \$ 4,600,459 | \$ 2,212,112 | 108.0% | 12.02% | \$ 4,600,459 | \$ 2,212,112 | 108.0% |
| Total Handle | 12.19% | \$ 4,831,825 | \$ 2,391,188 | 102.1% | 12.19% | \$ 4,831,825 | \$ 2,391,188 | 102.1% |
| Host Track (42.5% Allocation) | 12.19% | \$ 10,268 | \$ 5,081 | 102.1% | 12.19% | \$ 10,268 | \$ 5,081 | 102.1% |
| Purse (42.5% Allocation) | 12.19% | \$ 10,268 | \$ 5,081 | 102.1% | 12.19% | \$ 10,268 | \$ 5,081 | 102.1% |
| KY General Fund (15% Allocation) | 12.19% | \$ 3,624 | \$ 1,793 | 102.1% | 12.19% | \$ 3,624 | \$ 1,793 | 102.1% |
| Total KY Excise Tax (0.5% of TAH) | 12.19% | \$ 24,159 | \$ 11,956 | 102.1% | 12.19% | \$ 24,159 | \$ 11,956 | 102.1% |

Kentucky Historical Horse Racing Report for July, 2019

| | July-19 | July-18 | % Change | FYTD-2020 | FYTD-2019 | % Change |
|---|----------------------|---------------------|----------|----------------------|---------------------|----------|
| Total Handle | \$ 219,348,032 | \$ 100,220,952 | 118.9% | \$ 219,348,032 | \$ 100,220,952 | 118.9% |
| Less: Returned to Public | \$ 201,132,370 | \$ 92,668,431 | 117.0% | \$ 201,132,370 | \$ 92,668,431 | 117.0% |
| Less: Breakage | \$ 110,216 | \$ 76,275 | | \$ 110,216 | \$ 76,275 | |
| Less: Settlement | \$ (296,321) | \$ (399,744) | | \$ (296,321) | \$ (399,744) | |
| Gross Commission | <u>\$ 18,401,767</u> | <u>\$ 7,875,990</u> | 133.6% | <u>\$ 18,401,767</u> | <u>\$ 7,875,990</u> | 133.6% |
| TB Development Fund (See Note 1) | \$ 1,528,875 | \$ 667,509 | 129.0% | \$ 1,528,875 | \$ 667,509 | 129.0% |
| SB Development Fund (See Note 2) | \$ 154,980 | \$ 112,197 | 38.1% | \$ 154,980 | \$ 112,197 | 38.1% |
| Equine Industry Program (See Note 3) | \$ 438,696 | \$ 200,442 | 118.9% | \$ 438,696 | \$ 200,442 | 118.9% |
| Equine Drug Research (See Note 4) | \$ 219,348 | \$ 100,221 | 118.9% | \$ 219,348 | \$ 100,221 | 118.9% |
| Higher Education Fund (See Note 4) | \$ 219,348 | \$ 100,221 | 118.9% | \$ 219,348 | \$ 100,221 | 118.9% |
| Kentucky General Fund (Note 5) | \$ 728,973 | \$ 322,724 | 125.9% | \$ 728,973 | \$ 322,724 | 125.9% |
| Total KY Excise Tax (1.5% of Total Handle) | <u>\$ 3,290,220</u> | <u>\$ 1,503,314</u> | 118.9% | <u>\$ 3,290,220</u> | <u>\$ 1,503,314</u> | 118.9% |
| % of Gross Commission | 17.9% | 19.1% | | 17.9% | 19.1% | |
| Net Commission + Breakage | \$ 15,221,762 | \$ 6,448,951 | 136.0% | \$ 15,221,762 | \$ 6,448,951 | 136.0% |
| % of Total Handle | 6.94% | 6.43% | | 6.94% | 6.43% | |
| <hr/> | | | | | | |
| Number of HHR Terminals | 2,834 | 1,834 | 54.5% | 2,834 | 1,834 | 54.5% |
| Average Daily Handle | \$ 7,075,743 | \$ 3,232,934 | 118.9% | \$ 7,075,743 | \$ 3,232,934 | 118.9% |
| Handle / Day / Machine | \$ 2,497 | \$ 1,763 | 41.6% | \$ 2,497 | \$ 1,763 | 41.6% |
| Gross Commission / Day / Machine | \$ 209 | \$ 139 | 51.2% | \$ 209 | \$ 139 | 51.2% |

| | July-19 | Jun-19 | % Change | Since Inception | |
|---------------------------|----------------|----------------|----------|---------------------------|-----------------|
| Total Handle | \$ 219,348,032 | \$ 217,796,516 | 0.7% | Total Handle | \$5,998,350,709 |
| Total Kentucky Excise Tax | \$ 3,290,220 | \$ 3,266,948 | 0.7% | Total Kentucky Excise Tax | \$89,975,261 |
| Average Daily Handle | \$ 7,075,743 | \$ 7,259,884 | -2.5% | Total KY General Fund | \$33,416,320 |

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

Revised 8-9-2019

Derby City Gaming Historical Horse Racing Report for July, 2019

| | July-19 | July-18 | % Change | FYTD-2020 | FYTD-2019 | % Change |
|---|---------------------|----------|----------|---------------------|-----------|----------|
| Total Handle | \$ 91,879,597 | - | - | \$ 91,879,597 | - | - |
| Less: Returned to Public | \$ 83,445,289 | - | - | \$ 83,445,289 | - | - |
| Less: Breakage | \$ 0 | - | | \$ 0 | - | |
| Less: Settlement | \$ (45,723) | - | | \$ (45,723) | - | |
| Gross Commission | <u>\$ 8,480,031</u> | <u>-</u> | - | <u>\$ 8,480,031</u> | <u>-</u> | - |
| TB Development Fund (See Note 1) | \$ 689,097 | - | - | \$ 689,097 | - | - |
| SB Development Fund (See Note 2) | - | - | - | - | - | - |
| Equine Industry Program (See Note 3) | \$ 183,759 | - | - | \$ 183,759 | - | - |
| Equine Drug Research (See Note 4) | \$ 91,880 | - | - | \$ 91,880 | - | - |
| Higher Education Fund (See Note 4) | \$ 91,880 | - | - | \$ 91,880 | - | - |
| Kentucky General Fund (Note 5) | \$ 321,579 | - | - | \$ 321,579 | - | - |
| Total KY Excise Tax (1.5% of Total Handle) | <u>\$ 1,378,194</u> | <u>-</u> | - | <u>\$ 1,378,194</u> | <u>-</u> | - |
| % of Gross Commission | 16.3% | - | | 16.3% | - | |
| Net Commission + Breakage | \$ 7,101,837 | | - | \$ 7,101,837 | | - |
| % of Total Handle | 7.73% | - | | 7.73% | - | |
| Number of HHR Terminals | 1000 | - | - | 1000 | - | - |
| Average Daily Handle | \$ 2,963,858 | | - | \$ 2,963,858 | | - |
| Handle / Day / Machine | \$ 2,964 | | - | \$ 2,964 | | - |
| Gross Commission / Day / Machine | \$ 274 | - | - | \$ 274 | | - |

| | July-19 | Jun-19 | % Change | Since Inception (September 10, 2018) | |
|---------------------------|---------------|---------------|----------|--------------------------------------|---------------|
| Total Handle | \$ 91,879,597 | \$ 88,002,505 | 4.4% | Total Handle | \$762,174,869 |
| Total Kentucky Excise Tax | \$ 1,378,194 | \$ 1,320,038 | 4.4% | Total Kentucky Excise Tax | \$11,432,623 |
| Average Daily Handle | \$ 2,963,858 | \$ 2,933,417 | 1.0% | Total KY General Fund | \$5,243,894 |

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

Revised 8-9-2019

Ellis Park Historical Horse Racing Report for July, 2019

| | July-19 | July-18 | % Change | FYTD-2020 | FYTD-2019 | % Change |
|---|-------------------|-------------------|----------|-----------------------------------|-------------------|---------------|
| Total Handle | \$ 9,723,802 | \$ 7,882,571 | 23.4% | \$ 9,723,802 | \$ 7,882,571 | 23.4% |
| Less: Returned to Public | \$ 8,939,900 | \$ 7,239,585 | 23.5% | \$ 8,939,900 | \$ 7,239,585 | 23.5% |
| Less: Breakage | \$ 839 | \$ 728 | | \$ 839 | \$ 728 | 15.3% |
| Less: Settlement | \$ 12,166 | \$ 11,204 | | \$ 12,166 | \$ 11,204 | 8.6% |
| Gross Commission | <u>\$ 770,898</u> | <u>\$ 631,054</u> | 22.2% | <u>\$ 770,898</u> | <u>\$ 631,054</u> | 22.2% |
| TB Development Fund (See Note 1) | \$ 72,929 | \$ 59,119 | 23.4% | \$ 72,929 | \$ 59,119 | 23.4% |
| SB Development Fund (See Note 2) | - | - | - | - | - | - |
| Equine Industry Program (See Note 3) | \$ 19,448 | \$ 15,765 | 23.4% | \$ 19,448 | \$ 15,765 | 23.4% |
| Equine Drug Research (See Note 4) | \$ 9,724 | \$ 7,883 | 23.4% | \$ 9,724 | \$ 7,883 | 23.4% |
| Higher Education Fund (See Note 4) | \$ 9,724 | \$ 7,883 | 23.4% | \$ 9,724 | \$ 7,883 | 23.4% |
| Kentucky General Fund (Note 5) | \$ 34,033 | \$ 27,589 | 23.4% | \$ 34,033 | \$ 27,589 | 23.4% |
| Total KY Excise Tax (1.5% of Total Handle) | <u>\$ 145,857</u> | <u>\$ 118,239</u> | 23.4% | <u>\$ 145,857</u> | <u>\$ 118,239</u> | 23.4% |
| % of Gross Commission | 18.9% | 18.7% | | 18.9% | 18.7% | |
| Net Commission + Breakage | \$ 625,880 | \$ 513,543 | 21.9% | \$ 625,880 | \$ 513,543 | 21.9% |
| % of Total Handle | 6.44% | 6.51% | | 6.44% | 6.51% | |
| <hr/> | | | | | | |
| Number of HHR Terminals | 179 | 179 | 0.0% | 179 | 179 | 0.0% |
| Average Daily Handle | \$ 313,671 | \$ 254,276 | 23.4% | \$ 313,671 | \$ 254,276 | 23.4% |
| Handle / Day / Machine | \$ 1,752 | \$ 1,421 | 23.4% | \$ 1,752 | \$ 1,421 | 23.4% |
| Gross Commission / Day / Machine | \$ 139 | \$ 114 | 22.2% | \$ 139 | \$ 114 | 22.2% |
| <hr/> | | | | | | |
| | July-19 | Jun-19 | % Change | Since Inception (August 31, 2012) | | |
| Total Handle | \$ 9,723,802 | \$ 8,794,093 | 10.6% | Total Handle | | \$439,217,618 |
| Total Kentucky Excise Tax | \$ 145,857 | \$ 131,911 | 10.6% | Total Kentucky Excise Tax | | \$6,588,264 |
| Average Daily Handle | \$ 313,671 | \$ 293,136 | 7.0% | Total KY General Fund | | \$2,392,102 |

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

Keeneland/Red Mile Historical Horse Racing Report for July, 2019

| | July-19 | July-18 | % Change | FYTD-2020 | FYTD-2019 | % Change |
|---|---------------------|---------------------|----------|-------------------------------------|---------------------|-----------------|
| Total Handle | \$ 30,996,045 | \$ 22,439,498 | 38.1% | \$ 30,996,045 | \$ 22,439,498 | 38.1% |
| Less: Returned to Public | \$ 28,636,020 | \$ 20,626,419 | 38.8% | \$ 28,636,020 | \$ 20,626,419 | 38.8% |
| Less: Breakage | \$ 91,405 | \$ 60,371 | | \$ 91,405 | \$ 60,371 | 51.4% |
| Less: Settlement | \$ (7,632) | \$ 78,478 | | \$ (7,632) | \$ 78,478 | -109.7% |
| Gross Commission | <u>\$ 2,276,253</u> | <u>\$ 1,674,230</u> | 36.0% | <u>\$ 2,276,253</u> | <u>\$ 1,674,230</u> | 36.0% |
| TB Development Fund (See Note 1) | \$ 116,235 | \$ 84,148 | 38.1% | \$ 116,235 | \$ 84,148 | 38.1% |
| SB Development Fund (See Note 2) | \$ 154,980 | \$ 112,197 | 38.1% | \$ 154,980 | \$ 112,197 | 38.1% |
| Equine Industry Program (See Note 3) | \$ 61,992 | \$ 44,879 | 38.1% | \$ 61,992 | \$ 44,879 | 38.1% |
| Equine Drug Research (See Note 4) | \$ 30,996 | \$ 22,439 | 38.1% | \$ 30,996 | \$ 22,439 | 38.1% |
| Higher Education Fund (See Note 4) | \$ 30,996 | \$ 22,439 | 38.1% | \$ 30,996 | \$ 22,439 | 38.1% |
| Kentucky General Fund (Note 5) | \$ 69,741 | \$ 50,489 | 38.1% | \$ 69,741 | \$ 50,489 | 38.1% |
| Total KY Excise Tax (1.5% of Total Handle) | <u>\$ 464,941</u> | <u>\$ 336,592</u> | 38.1% | <u>\$ 464,941</u> | <u>\$ 336,592</u> | 38.1% |
| % of Gross Commission | 20.4% | 20.1% | | 20.4% | 20.1% | |
| Net Commission + Breakage | \$ 1,902,717 | \$ 1,398,009 | 36.1% | \$ 1,902,717 | \$ 1,398,009 | 36.1% |
| % of Total Handle | 6.14% | 6.23% | | 6.14% | 6.23% | |
| <hr/> | | | | | | |
| Number of HHR Terminals | 902 | 902 | 0.0% | 902 | 902 | 0.0% |
| Average Daily Handle | \$ 999,872 | \$ 723,855 | 38.1% | \$ 999,872 | \$ 723,855 | 38.1% |
| Handle / Day / Machine | \$ 1,109 | \$ 802 | 38.1% | \$ 1,109 | \$ 802 | 38.1% |
| Gross Commission / Day / Machine | \$ 81 | \$ 60 | 36.0% | \$ 81 | \$ 60 | 36.0% |
| <hr/> | | | | | | |
| | July-19 | Jun-19 | % Change | Since Inception (September 8, 2015) | | |
| Total Handle | \$ 30,996,045 | \$ 32,416,731 | -4.4% | Total Handle | | \$1,077,104,526 |
| Total Kentucky Excise Tax | \$ 464,941 | \$ 486,251 | -4.4% | Total Kentucky Excise Tax | | \$16,156,568 |
| Average Daily Handle | \$ 999,872 | \$ 1,080,558 | -7.5% | Total KY General Fund | | \$5,368,087 |

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

Kentucky Downs Historical Horse Racing Report for July, 2019

| | July-19 | July-18 | % Change | FYTD-2020 | FYTD-2019 | % Change |
|---|---------------------|---------------------|----------|-------------------------------------|---------------------|-----------------|
| Total Handle | \$ 86,748,588 | \$ 69,898,883 | 24.1% | \$ 86,748,588 | \$ 69,898,883 | 24.1% |
| Less: Returned to Public | \$ 80,111,162 | \$ 64,802,426 | 23.6% | \$ 80,111,162 | \$ 64,802,426 | 23.6% |
| Less: Breakage | \$ 17,972 | \$ 15,176 | | \$ 17,972 | \$ 15,176 | 18.4% |
| Less: Settlement | \$ (255,132) | \$ (489,426) | | \$ (255,132) | \$ (489,426) | -47.9% |
| Gross Commission | <u>\$ 6,874,585</u> | <u>\$ 5,570,707</u> | 23.4% | <u>\$ 6,874,585</u> | <u>\$ 5,570,707</u> | 23.4% |
| TB Development Fund (See Note 1) | \$ 650,614 | \$ 524,242 | 24.1% | \$ 650,614 | \$ 524,242 | 24.1% |
| SB Development Fund (See Note 2) | - | \$ - | - | \$ - | \$ - | - |
| Equine Industry Program (See Note 3) | \$ 173,497 | \$ 139,798 | 24.1% | \$ 173,497 | \$ 139,798 | 24.1% |
| Equine Drug Research (See Note 4) | \$ 86,749 | \$ 69,899 | 24.1% | \$ 86,749 | \$ 69,899 | 24.1% |
| Higher Education Fund (See Note 4) | \$ 86,749 | \$ 69,899 | 24.1% | \$ 86,749 | \$ 69,899 | 24.1% |
| Kentucky General Fund (Note 5) | \$ 303,620 | \$ 244,646 | 24.1% | \$ 303,620 | \$ 244,646 | 24.1% |
| Total KY Excise Tax (1.5% of Total Handle) | <u>\$ 1,301,229</u> | <u>\$ 1,048,483</u> | 24.1% | <u>\$ 1,301,229</u> | <u>\$ 1,048,483</u> | 24.1% |
| % of Gross Commission | 18.9% | 18.8% | | 18.9% | 18.8% | |
| Net Commission + Breakage | \$ 5,591,328 | \$ 4,537,400 | 23.2% | \$ 5,591,328 | \$ 4,537,400 | 23.2% |
| % of Total Handle | 6.45% | 6.49% | | 6.45% | 6.49% | |
| <hr/> | | | | | | |
| Number of HHR Terminals | 753 | 753 | 0.0% | 753 | 753 | 0.0% |
| Average Daily Handle | \$ 2,798,342 | \$ 2,254,803 | 24.1% | \$ 2,798,342 | \$ 2,254,803 | 24.1% |
| Handle / Day / Machine | \$ 3,716 | \$ 2,994 | 24.1% | \$ 3,716 | \$ 2,994 | 24.1% |
| Gross Commission / Day / Machine | \$ 295 | \$ 239 | 23.4% | \$ 295 | \$ 239 | 23.4% |
| <hr/> | | | | | | |
| | July-19 | Jun-19 | % Change | Since Inception (September 1, 2011) | | |
| Total Handle | \$ 86,748,588 | \$ 88,583,188 | -2.1% | Total Handle | | \$3,719,853,695 |
| Total Kentucky Excise Tax | \$ 1,301,229 | \$ 1,328,748 | -2.1% | Total Kentucky Excise Tax | | \$55,797,805 |
| Average Daily Handle | \$ 2,798,342 | \$ 2,952,773 | -5.2% | Total KY General Fund | | \$20,412,237 |

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.