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June 22, 2018

Michael Smith  
Executive Director  
Indiana Horse Racing Commission  
1302 N. Meridian, Suite 175  
Indianapolis, IN 46202

Dear Mike:

On behalf of our client Caesars Entertainment, thank you again for taking the time earlier this week to meet with us to discuss the proposed conditions in the staff report that will be presented at the hearing next week.

As we discussed, Caesars is in general agreement with the conditions that you have proposed in the staff report. In fact, several of the proposed conditions are closely aligned with plans that Caesars has previously discussed with the horsemen's associations and that are outlined in detail in the pre-filed testimony submitted by Caesars' Regional President Dan Nita. Specifically:

- Caesars intends to retain the racing managers and the racing management teams for both Hoosier Park and Indiana Grand if the petition is approved.
- Caesars will maintain first class racing facilities at Indiana Grand and Hoosier Park while investing in quality promotions and advertising for horse racing.
- Caesars also plans to:
  - Continue the current distribution agreement
  - Continue the current horsemen's contracts
  - Continue to operate the OTBs in Indianapolis, Fort Wayne and Clarksville
  - Maintain simulcast efforts
  - Maintain NTRA certified status at Indiana Grand
  - Host horsemen's events
  - Maintain stalls for horsemen
  - Keep race dates stable
  - Maintain funding for the state-bred program
- Caesars is committed to strong partnerships with the horsemen's associations. Any future changes to these plans will be developed in consultation with the horsemen and with the best interests of horse racing as a primary consideration.

*See Pre-filed Testimony of Daniel L. Nita, Regional President, June 19, 2018.*

As to the other conditions, Caesars looks forward to working with the Commission and its staff on final language that will hold Caesars accountable for these commitments while granting the company flexibility in the operation of the race tracks. Centaur has set a high standard for excellence in horse racing, and Caesars intends to utilize its resources to build upon this successful model for the benefit of the State of Indiana, the horse racing industry, and the communities where the race tracks are located.

Caesars is looking forward to the opportunity to present its plans for horse racing to the Commission in greater detail next week. In the meantime, please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Elizabeth Cierzniak". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Elizabeth K. Cierzniak