

**Harrah's Hoosier Park Racing & Casino
2020 Racing Operational Plan
November 15, 2019**

Executive Summary

2019 marked the first full year of Harrah's Hoosier Park Racing & Casino's racing operations under the leadership of Caesars Entertainment. Not only did Caesars fulfill its commitment to the Indiana horse racing industry, it raised the bar with unprecedented initiatives throughout the Caesars Entertainment network.

In 2019, Caesars Entertainment introduced the Caesars Handicapping Challenge, a \$35,000 contest featuring both Thoroughbred and Standardbred races from all four Caesars racing properties. The four tracks also unveiled the Empire of Hope fundraising event, benefitting the aftercare of retired race horses. Harrah's Hoosier Park alone raised more than \$32,000, aiding in the transition of Standardbred race horses from the race track to their second career/home.

Harrah's Hoosier Park also took the lead in negotiating Advanced Deposit Wagering contracts with a number of ADW operators including major players TVG, TwinSpires and Xpressbet. The horse racing industry is now enjoying revenues from every wager made throughout the state of Indiana via ADW.

Marketing expenditures were maintained at the same levels as prior years with a focus on keeping Harrah's Hoosier Park prominently featured throughout North America with sizable partnerships with both TVG and TwinSpires.

Harrah's Hoosier Park met its capital expenditures commitment with over \$1.2 million spent on racing related projects, equipment and vehicles.

In 2020, Harrah's Hoosier Park will continue to build its foundation as a premier harness track in North America, as it prepares to once again host harness racing's jewel, The Breeders Crown, on October 30 and 31, 2020.

Harrah's Hoosier Park values its close partnership with the Indiana Standardbred Association and if the 2020 race dates are approved by the Indiana Horse Racing Commission HHP will add three additional weeks to the racing season at the behest of the ISA. The meet is now scheduled to commence on Friday, March 27 and continue through Saturday, November 21.

Harrah's Hoosier Park is prepared to spend almost an additional \$500,000 in racing related Capital to ensure that racing at HHP is conducted in a first-class manner that all industry stakeholders can be proud of.

Race marketing strategy will continue its focus on branding, recognition and driving quality revenues. TVG and TwinSpires will once again be staples to the race marketing strategy. Additionally, Breeders Crown has already taken major focus for 2020 planning, with the first executive committee meeting held on November 5, 2019.

Updates

2019 Legislative Session and 2020 Legislation

In 2019, the Indiana General Assembly passed legislation allowing sports wagering at Indiana's casinos, racinos and off-track betting facilities. Harrah's Hoosier Park's sports book, The Book, officially opened on Thursday, September 19 and is located in the space formerly known as the Dan Patch Brewhouse. Harrah's Hoosier Park also launched sports books at its two satellite off track betting facilities in Downtown Indianapolis and New Haven, and officially rebranded the OTBs as Winner's Circle Race, Sports, Pub.

Collectively, the sports book operations have brought in thousands of new guests since opening, all of which have been exposed to harness racing and simulcast racing throughout North America.

In addition to sports wagering, the Indiana General Assembly also passed legislation allowing live table games at both Harrah's Hoosier Park and Indiana Grand Racing & Casino in 2020. Extensive plans are underway to launch table games on January 1, 2020, with expected increase of visitation and tourism to Anderson and Madison County and a percentage of the revenue dedicated to Standardbred, Thoroughbred and Quarter Horse purse accounts.

Advanced Deposit Wagering Agreements & Source Market Fees

Harrah's Hoosier Park successfully negotiated ADW contracts with six companies including major players TwinSpires, TVG and Xpressbet. Beginning in late May of 2019, source market fees began flowing to the horse racing industry from every wager made in the state of Indiana through a licensed ADW operator.

In 2020, horse racing ADW wagers made in Indiana are projected to generate more than \$2.4 million in source market fees, with almost \$1.45 million being distributed back to horsemen and state & county fair programs.

2020 Race Dates

Harrah's Hoosier Park will once again conduct a 160-day race meet subject to Indiana Horse Racing Commission approval. In 2020, the 160 days will be extended over an additional three weeks at the request of the Indiana Standardbred Association. There will be one additional week at the beginning of the meet and two additional weeks on the back end of the meet. The race season will commence on Friday, March 27 and conclude on Saturday, November 21.

2020 Horsemen's Agreement

Although discussions have started the 2020 Horsemen's agreement between Harrah's Hoosier Park and the Indiana Standardbred Association has not been finalized. The IHRC will be sent the agreement upon finalization for approval.

2020 Breeders Crown

Harrah's Hoosier Park is proud to announce that an agreement has been finalized with The Hambletonian Society to bring the \$6 million Breeders Crown championship event back to Harrah's Hoosier Park Racing & Casino in October of 2020.

Harrah's Hoosier Park Racing & Casino – 2019 Highlights

- The 2019 meet kicked off with the 2019 Claiming Challenge series, designed to enhance Harrah's Hoosier Park's claiming program
- Host site for the first Caesars Rewards Handicapping Challenge, with 27 players on site playing for a share of \$35,000
- Raised more than \$32,000 for the inaugural Empire of Hope weekend, benefitting the Standardbred Transition Alliance
- The Dan Patch Stakes brought Lather Up, the co-fastest horse in the country, who tied Harrah's Hoosier Park's overall track record in the \$350,000 event
- With a purse of \$350,000, 2019 held the richest Dan Patch Stakes in Harrah's Hoosier Park history
- Hosted the second annual \$200,000 Caesars Trotting Classic
- Hosted the 4th annual Fourth Grade Field Trips for Anderson Community Schools
- Hosted Harvest Fest Community Night and Fright Night at the Races, catering to families within the community
- 12 track records equaled or re-established in 2019, with the overall track record equaled twice
- Introduced new wagering opportunities, including a Head-to-Head wager
- Once again, the Championship Season featured \$5 million in purses
- Introduction of a new guaranteed pool on Harrah's Hoosier Park's signature wager, the Hoosier High 5, guaranteeing the pool at \$10,000 every Tuesday through Friday

2019 Capital Overview

Below is an overview of the 2019 capital commitment, totaling \$1.2 million.

John Deere Grader	
John Deere Loader	
Ford F-250 Crew Cab	
6 Ford F-250 Regular Cabs	
Emergency Track Generator	
Fencing Project Phase 2	
2019 Utility Trailer	
International Box Truck	
International Semi	
15 HVAC Units for Dorms	
Interlocking Rubber Mats for Barn 17	
Water Truck Nozzles	
TOTAL	\$1,200,000

Note: Refurbishing of Starting Gate Car is scheduled immediately after the conclusion of 2019 Race Meet

2020 Capital Overview

Harrah's Hoosier Park is prepared to spend almost an additional \$500,000 in racing related Capital to ensure that racing at HHP is conducted in a first-class manner that all industry stakeholders can be proud of.

Generator/Welder	\$10,404
Shuttle Bus	\$93,636
Shuttle Bus	\$93,636
Shuttle Bus	\$93,636
Shuttle Bus	\$93,636
Tractor Attachments	
Straight Blade	\$5,202
Roto Tiller	\$5,202
Aerator	\$5,202
Box Blade	\$5,202
Bush Hog	\$5,202
Finish Mower	\$5,202
Mowers	
Small Zero Turn Mower	\$7,803
72" Zero Turn Mower	\$11,444
72" Zero Turn Mower	\$11,444
72" Zero Turn Mower	\$11,444
Total	\$458,295

Key Racing Personnel

Harrah's Hoosier Park will maintain its key racing personnel for the 2020 season, as well as its established race marketing internship program.

Trent McIntosh - SVP & General Manager

Rick Moore - VP & General Manager of Racing

Scott Peine - Director of Racing

Cooper Keeler - Track Superintendent

Andrew Paxon - Assistant Superintendent

Kim Stalhiem - Stall Superintendent

Steve Cross - Track Announcer

Kiersten Flint - VP of Marketing

Emily Ratcliff - Race Commentator/Race Marketing Manager

Rose Flood - Race Marketing & Operations Administrator

Ron Parker - Director of Mutuels

Ryan Clendenen - Director of AV

Teena Walden - Dormitory Supervisor

John Combs - Backside Security Supervisor

2020 Marketing Overview

In 2020, Harrah's Hoosier Park Racing & Casino will continue to market its world-renowned harness racing product through advertising and broadcast, on-track promotions and programming, export promotional opportunities, strategic sponsorships and partnerships, player acquisition and relationship marketing, ongoing community events and outreach, and leverage of Caesars racing and sports book networks. The 2020 marketing strategy will focus on driving quality revenues, while placing emphasis on branding and recognition. Harrah's Hoosier Park will continue to have a robust race marketing program in 2020, and below is an outline of marketing efforts including but not limited to:

- **Racing-Focused Advertising & Interactive Promotions**
 - TVG Race Enhancements & Featured Race Days

- TwinSpires Promotions & Advertising
- Industry Publications including Daily Racing Form's Harness Eye, Harness Racing Update & Midwest Harness Report
- Industry Broadcast & Online Platforms including Post Time with Mike & Mike
- Direct Mail Advertising
- Email Marketing
- **Racing Promotional Programs & Fan Engagement**
 - Racing Contests
 - United Tote Promotional Opportunities
 - Interactive Kiosk Promotions
 - Giveaways
 - Cross-Property Handicapping Contests
 - Weekly Guaranteed Wagers
 - VIP Owners Program
 - First Turn Stable Fractional Ownership Program
 - Seasonal Weekend Events (Family Saturdays, Fan Fridays, etc.)
 - Caesars Rewards Loyalty & Engagement Program
- **Signature Racing Event Programming**
 - Opening Week Fan Appreciation Events
 - Kentucky Derby
 - Triple Crown Event Support
 - Dan Patch Stakes
 - Caesars Trotting Classic
 - Hoosier Champions
 - Breeders Crown
 - Closing Week

2020 Marketing Overview (Continued)

- **Community Events & Outreach**
 - Fourth Grade Field Trips
 - Dan Patch Festival
 - Harvest Community Fest
 - Fright Night at the Races
 - Military & First Responder Support
 -
- **Special Fundraising Initiatives**
 - Empire of Hope
 - Animal Protection League

- Standardbred Transition Alliance
 - HERO Events
- **Group Sales Initiatives**
 - Race Sponsorship
 - Corporate/Group Nights at the Races
 - Motorcoach Growth
- **Sponsorships & Partnerships**
 - Indiana Standardbred Association
 - Breed Development
 - Grand Circuit Racing at Red Mile
 - USHWA Dan Patch Awards
 - Indiana Horse Racing Association's Hall of Fame Induction
 - External Sponsorship Sales Program
- **VIP/Relationship Marketing Program**
 - Executive Hosts for Qualified Players
 - Executive Engagement
 - Special VIP Horseplayer Events & Hosted Parties
- **Race Marketing Operational Expenses**
 - Supplies
 - Décor
 - Trophies & Awards
 - Photography

2020 Marketing Overview (Continued)

- **Export Promotional Opportunities**
 - Continuation of Enhanced Simulcast Graphics
 - Behind-the-Scenes Camera Shots
 - On-air & Skype Interviews
 - Trakus Partnership
 - Dedicated and Experienced AV Team
 - Handicapping Initiatives with TVG & TVG2
 - Weekly Guaranteed Wagers
 - Trackmaster Partnerships
 - Incremental DRF Advertising for Guarantees & Carry Overs
- **Caesars Entertainment Opportunities**
 - Cross Property Contests
 - Cross Property Fundraising Initiatives
 - Increased Awareness in Las Vegas and Nationwide Sports Books
 - VIP Marketing Opportunities

2020 Signature Races

Champion Racing Season

In 2017, Harrah's Hoosier Park introduced for the very first time a Championship Racing Season that encompassed its premier stakes program, along with Indiana's debut of the \$6 million Breeders Crown championship. Harrah's Hoosier Park continued the Championship Racing Season concept in 2018 and 2019 with a multi-million-dollar stakes season, highlighted by the \$300,000 Dan Patch Stakes and the \$200,000 Caesars Trotting Classic.

In 2020, Harrah's Hoosier Park will continue the Championship Racing Season and its efforts to both build the Indiana racing program while hosting the best harness racing athletes in the world. The season will be highlighted by the \$6 million Breeders Crown championship event.

\$300,000 Dan Patch Stakes

- Indiana's Richest Pacing Event
- Dan Patch Weekend Festival
- National headline entertainment & free family activities
- Promotional giveaways & drawings
- VIP party experience
- Premier racing viewing/dining packages
- Enhanced TVG Coverage
- TwinSpires promotional opportunities
- Return of on-track handicapping contest presented by Indiana Standardbred Association
- Expanded social media coverage and added promotional support for contenders
- Promotion and presence in Las Vegas and New Jersey sports books

\$200,000 Caesars Trotting Classic

- Caesars Trotting Race (Trotters Richest Race)
- Live Entertainment & free family activities
- Promotional giveaways & drawings
- VIP party experience
- Premier racing viewing/dining packages
- Enhanced TVG coverage
- TwinSpires promotional opportunities
- Expanded social media coverage and added promotional support for contenders
- Promotion and presence in Las Vegas and New Jersey sports books

Designated Overnight Races

- Indiana-sired program for county fair racing competitors, keeping the horses in training and providing more racing opportunities

Community Impact

Corporate Social Responsibility (CSR) is a business' ongoing commitment to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large. Caesars Entertainment places great importance on CSR, and remains committed to the state of Indiana and the communities in which it operates.

In 2019, both Harrah's Hoosier Park and Indiana Grand introduced new CSR initiatives. Below is an overview of these initiatives:

PEOPLE, PLANET, PLAY contains CSR priorities representing our most important business impacts on people, our communities, society and the environment:

PEOPLE - Caesars Entertainment is committed to putting people first. This means promoting diversity and inclusion along with health and wellness, to create a great place to work. The company is dedicated to supporting local communities and providing positive economic contributions.

PLANET - Caesars Entertainment is committed to environmental stewardship. It's part of our Corporate Code of Commitment and represents our promise to preserve the planet for current and future generations. To carry out this promise, we initiated CodeGreen, and it has become part of the way we do things at Caesars Entertainment.

Caesars Entertainment's CodeGreen strategy drives environmental awareness and engagement, as well as performance, across the business. It is synonymous with environmental stewardship at Caesars Entertainment. A data-driven and disciplined environmental program that leverages the passion of our employees, CodeGreen also engages our guests and suppliers. CodeGreen was established in 2008, with a baseline year of 2007 for environmental targets and 2011 for our science-based goals.

PLAY - PLAY is what helps us thrive. PLAY is essential to our essence. PLAY makes people happy, relieves stress and connects people to others. PLAY helps fuel imagination and creates memorable experiences. That's why our mission of "inspiring grown-ups to play" is a very serious thing indeed. We believe that helping create a society that knows how to have fun and get the most out of life is an important part of the social value we generate. Of course, in a casino entertainment business, PLAY also means gaming. As long as gaming is fun, we're happy. To protect against the risks of gaming becoming a problem for some individuals, we maintain the most robust Responsible Gaming program in our industry, having led the industry in our commitment to Responsible Gaming for over 30 years. Forging connections and making

everyone feel happy and at home are also parts of PLAY. Our responsible business practices, as well as our approach to diversity, equity and inclusion lets everyone be a winner.

SUPPORTING OUR COMMUNITIES - Supporting our communities comes naturally to us at Caesars Entertainment. We connect at all possible levels from within our organization to integrate seamlessly within our communities' governing bodies, economic, social and environmental lives. Our diverse employees are recruited from our local communities and they are motivated to connect through our PEOPLE PLANET PLAY initiatives supporting the community. We are also known for the public stand we take on social and environmental issues that affect our guests, our employees and our communities. Our leaders are often in the public eye, speaking out about issues that are close to our hearts.

HERO - Our HERO volunteer program enables, encourages and empowers team members to be leaders in our communities by embodying the spirit of People Planet Play. **Harrah's Hoosier Park is set to exceed it's 2019 goal of 7,800 donated hours of community service.**

Our properties maintain regular community engagement initiatives, and we are continuously overwhelmed by the passion, creativity, dedication and generosity of our team member HEROs.

BOARDS & SERVANT LEADERSHIP - Harrah's Hoosier Park will continue to promote servant leadership and encourage participation on boards and organizations at both a local and state level, at the same level as in years past.

SPONSORSHIPS & COMMUNITY RELATIONS - Harrah's Hoosier Park continue a sponsorships and community relations programs in 2020, providing support for key organizations in host communities and in the state of Indiana.

A special sponsorships and donations committee will continue to review each formal sponsorship and donation request, and will be empowered to award both financial and volunteer commitments. The properties will maintain a healthy budget for these efforts, and measure the results for community impact reporting.

TOURISM - Harrah's Hoosier Park continues to maintain the number two spot in the Indianapolis Business Journal's most popular tourism attraction list with more than 2.9 million annual visits. Caesars Entertainment is committed to making the properties tourism gateways to the state and to local communities.

SOURCING – As of November 2019, Harrah's Hoosier Park has generated more than \$71 million in purchases from more than 350 businesses within the state of Indiana.

Indiana Grand Update

2019 Highlights

- For the third straight year, the Grade III \$500,000-guaranteed Indiana Derby set a new track record for handle and attendance. A total of \$4,104,657 was wagered on the 10-race card with a total of 14,803 attending the event.
- A four-way photo determined the winner of the \$200,000-guaranteed Caesars Stakes (Listed) in Indiana's richest turf race. The race continues to be one of the premier options for horseplayers across the nation that day.
- For the second straight year, Indiana Grand offered a carryover on the Pick 5 and Pick 6 wagers that generated more than \$1 million in additional handle for the season.
- Indiana Grand continues to be certified by the NTRA Safety and Integrity Alliance
- Indiana Grand hosted two handicapping tournaments during the season. The fifth annual National Horseplayers Championship (NHC) attracted 105 players from coast to coast while Indiana Grand participated in the Caesars Rewards Handicapping Challenge with other Caesars-owned racing properties the \$20,000 overall winner (Dean Ehrgott) playing at Indiana Grand. A total of four players will advance to the 2020 NHC Final in Vegas as a result of the contests.
- Several new aspects helped boost the racing program in 2019. With IHRC approval, the field size requirement for trifecta, superfecta and pentafecta wagers was lowered resulting in several million dollars of additional handle.
- Indiana Horsemen's Benevolent and Protective Association (HBPA) and the Quarter Horse Racing Association of Indiana (QHRAI) teamed up with Indiana Grand for several special promotions. Thoroughbred promotions included Grand Experience, an interactive monthly program, Barn Crew of the Month, Boots 'N Brews, and Back to School. Quarter Horse promotions included expanded Quarter Horse handicapping with the addition of Martha Claussen to the weekly racing broadcasts, special promotions during six all-Quarter Horse racing nights with free race wagers, t-shirt giveaways and Quarter Four.
- Indiana Grand partnered with sister track Harrah's Louisiana Downs for several new promotions, including a Super Tuesday Pick 4 featuring two races from each track and an on-track shared handicapping contest over a six-week period.
- Indiana Grand participated in the Caesars racing promotion Empire of Hope, which brought funding and awareness to racehorse aftercare programs. More than \$9,000 was donated to the cause through efforts at Indiana Grand.
- Indiana Grand hosted the sixth annual Indiana Horse Racing Hall of Fame Induction ceremony for Rod Ratcliff and Jim Elliott.
- A \$1.2 million investment was completed by Caesars Entertainment to replace the racecourse stairs (\$500,000) and the dirt track surface project (\$700,000). Both were successful corrections and no days were lost to cancellations in 2019.
- Held a record 213 turf races compared to 191 in 2018, which was a record
- Indiana Grand successfully opened the first Sports Book in the state of Indiana Sunday, Sept. 1. Governor Eric Holcomb placed the first official wager.

2019 Live Racing Handle Results:

	2019	2018	Difference
Live Handle	\$3,692,497	\$3,616,605	+ 2.1%
Export Handle	\$148,099,833	\$140,342,648	+ 5.5%
Total Live Racing	\$151,792,330	\$143,959,253	+ 5.4%

2019 Quarter Horse Racing Handle Results:

	2019	2018	Difference
Live Handle	\$17,168,338	\$16,154,289	+ 6.2%
No. of Races	208	196	+6.1%

INDIANA GRAND 2020 RACE DATES:

Indiana Grand will maintain a 120-day race meet, with a few minor tweaks.

April 14 – Nov. 18

Tuesdays, Wednesdays, Fridays – First Post 2:15 p.m.

Saturdays – First Post 6:15 p.m.

No racing on Thursdays in 2020, plus no racing on Saturday, May 23 and Saturday Sept.5;

Also, no Friday and Saturday racing April 17 & 18 and November 13 & 14, 2020

INDIANA GRAND RACING PERSONNEL

Indiana Grand Racing & Casino will maintain its key racing personnel for the 2020 season, as well as its established race marketing internship program.

Mike Rich – SVP & General Manager

Jon Schuster – VP & General Manager of Racing

Kevin Greely – Director of Racing

Jamie Dean – Director of Racing Operations

Roy Smith – Track Superintendent

Elena Lisle – VP of Marketing

Tammy Knox – Race Marketing Manager

Rachel McLaughlin – Racing Broadcast Production Manager

Bill Downes – Track Announcer

Terril Gabbard – Equine Facilities Manager

Rob Wesner – Mutuel Manager

Tim DeWitt – Racing Security Manager

Under Caesars Entertainment, the Indiana Grand team will continue to have enhanced training, resources, and benefits promoting employee retention and growth, superior guest service, responsible gambling initiatives, and business growth:

- Caesars Rewards – The World's Leading Gaming and Entertainment Loyalty Program
- Total Service – Service-based Bonus Program for all eligible employees
- Total Return – Team Member Rewards Program
- Enhanced Benefits Packages, including positive changes to costs associated
- Professional Development Opportunities
- Expanded Compliance and Ethics Training
- Responsible Gaming Training and Awareness Initiatives

2020 Horsemen's Agreement Overview

Overview of 2019 QHRAI Agreement Changes (Exhibit A)

- Increase the number of days of the condition book preview period
- Raise the minimum purse requirement

Overview of 2019 HBPA Agreement Changes (Exhibit B)

- All dates in the contract are updated/corrected
- Change the first condition book preview from 21 to 30 days
- Include a clause that we do not intend to materially change the stakes race program in 2020
- Add a paragraph about the end of the meet stabling and training dates
- Add a clause regarding possible "house rule" changes, as well as ability to invite the IHRC to track committee meeting
- Corrected notification address for HBPA and Joe Davis

Indiana Grand 2020 Capital Investments

Item Description	No.	Estimate
Power Washer	1	\$5,202
906 Loader medium push box	1	\$4,162
Large snow push box	1	\$6,242
Medium push box	1	\$4,162
Shuttle busses	8	\$749,088
4052R Turf tractor	1	\$31,212
880 Aerator	1	\$5,202
Turf Sprayer	1	\$5,202
SR 72 Deep Tine Aerator	1	\$36,414
Small Roller – Green	1	\$3,121
4000 D Toro Groundmaster	1	\$52,020
Z915 B Ztrak Zero Turn Mower	2	\$15,606
Z950 M Zereturn Mower	2	\$22,888
Grand Total		\$971,733

Indiana Grand 2020 Marketing Overview

Indiana Grand offered several new promotions and enhancements during the 2019 season and several more additions are planned for 2020. The marketing department will continue to market its Thoroughbred and Quarter Horse products through advertising and broadcast, on-track promotions and programming, export promotional opportunities, strategic sponsorships and partnerships, player acquisition and relationship marketing, ongoing community events and outreach, and leverage of Caesars racing and sports book networks. With a comparable race marketing spend to 2019 and an emphasis on identifying and enhancing critical and new components, Indiana Grand will continue to have a robust race marketing program for 2020.

2020 Race Marketing Budget & Overview

Indiana Grand 2019 Race Marketing Budget

Total = \$515,835

Advertising & Broadcast Initiatives:

- TVG racing enhancements each Tuesday and Wednesday throughout the meet as well as Indiana Derby, Caesars Stakes and Pick 4 Series in the fall
- Joint Partnerships with ITOBA, Indiana HBPA and QHRAI for events such as horse sales, promotional events and education opportunities
- Continued Twinspires monthly promotions and specialty nights, including Indiana Derby and Caesars Stakes
- Enhanced coverage with Equibase for Super Tuesday Pick 4 wager (shared cost with Harrah's Louisiana Downs)
- Continued special appearance opportunities for Indiana Grand personalities at other Caesars-owned locations
- Potential increased racing coverage at Caesars-owned sports books in Vegas
- REACH Magazine cover and offers to Central Indiana
- Continued Race of the Day with 1070 The Fan Dan Dakich Show three times per week
- Coverage on Sirius Radio dedicated racing shows
- Dedicated racing specific advertising through direct mail, internet, magazines, newspapers, local broadcast, Twinspires, TVG, Sirius Radio, Blood Horse, Equibase, etc.

On-Track Promotional Initiatives:

- Free daily racing contests for Caesars Rewards horseplayers with prize money in excess of \$50,000
- Free daily tip sheets on-track and on-line for Thoroughbred and Quarter Horse racing
- Free pencils during live racing
- Free Family-friendly activities during specialty nights, including strolling entertainment, inflatables and face painting
- Continued specialty wagers, such as the Pick-5, Super Tuesday Pick 4 with Harrah's Louisiana Downs and the Grand High 5 with guaranteed pools when applicable

- National Horseplayers Championship Qualifying site with three advancing to final
- Quarter Horse Youth Racing Experience qualifying site to advance winner to the national AQHA Quarter Horse Challenge Championships
- Guest appearances by nationally known racing analysts for both Thoroughbred and Quarter Horse special events
- Specialty nights featuring events such as Back to School/PDJF Night, Boots 'n Brews, International Fest, Pink Out Night and Quarter Horse Stakes Night

Community Events & Outreach:

- Fourth of July Community Fireworks
- National FFA Convention Week Career Success Tours site
- Riley Hospital for Children annual Jockey Visit
- Community food booths during specialty events to benefit area school organizations
- Welcome Back BBQ for Horsemen and Horsewomen
- Continued annual support to Friends of Ferdinand racehorse aftercare programs
- National Farm Safety Week education stations for all Shelby County Fourth graders
- Continued annual support of Shelbyville's Music in the Park
- Jockey toy drive for Shelbyville Parks' Breakfast with Santa
- Participation in national Racing Across America to raise awareness for PJDF (Permanently Disabled Jockey's Fund)
- Continued annual support of Jockeys and Jeans to raise funding and awareness for PDJF
- October Cancer fundraising and awareness programs

Group Sales Initiatives

- Group race sponsors
- Familiarization events and sales blitzes with local chambers and visitor bureaus
- Corporate/group nights at the races
- Indianapolis-based minority business and event sponsorships and partnerships
- Partnership with Sales Force, a Caesars enterprise-wide initiative
- Indiana Thoroughbred and Quarter Horse Breed Development

Sponsorships and Partnerships

- Indiana HBPA, ITOBA and QHRAI
- City of Shelbyville
- Shelby Parks and Recreation
- SCUFFY (Shelby County United Fund for You)
- Especially Kidz

VIP/Relationship Marketing

- Dedicated relationship marketing contact
- Special VIP horse player events
- Frequent dining specials and/or hosted events
- On-track and simulcast incentives
- Best Seat in the House and Derby Suite additions for special events

Export Promotional Opportunities

- Continued Social Media presence and posts
- Twitter Tuesday Trivia contests featuring prizes for winners nationally
- Continued appearances and call-ins by Indiana Grand on-air talent with TVG, TwinSpires, Sirius Radio and other racing entities
- Brisnet expanded racing guide options for horseplayers through TwinSpires
- Blood Horse National Stakes Guide advertising and listings

Caesars Racing Opportunities

- Increased awareness in Las Vegas and New Jersey Sports Books for daily racing
- Las Vegas and New Jersey Sports Book promotional campaigns for stakes races and other major racing events
- Increased awareness and shelf space in Las Vegas and New Jersey Sports Books
- Relationship marketing opportunities/VIP visitation
- Cross-promotions of major stakes races and contests with Harrah's Louisiana Downs
- Cross-promotions of on-track handicapping contests with Harrah's Hoosier Park
- On-air racing talent spots and appearances with Harrah's Louisiana Downs
- Relationship marketing opportunities and expanded VIP horseplayer visitation options

Other

- Continued support of the Indiana Horse Racing Association's Hall of Fame, including assistance with compiling information, financial support for portraits, coordination of Hall of Fame display, and participation on the board of directors.
- Continued support and assistance to the Indiana Breed Development programs for both Quarter Horse and Thoroughbred racing

Indiana Grand 2020 Signature Races

In 2020, Indiana Grand will continue to enhance signature racing events by leveraging both the Indiana Grand and Caesars Entertainment brands while strategizing ways to grow and expand. Additionally, Indiana Grand will capitalize on synergy opportunities for entertainment, broadcast, media buys, cross-track promotions and more. A basic overview of these events is listed below:

Grade III \$500,000 Indiana Derby and Grade III \$200,000 Indiana Oaks



- Indiana's richest horse race
- More than \$1.1 million offered in purses during the evening
- Developed into the summer's biggest sporting event with increased handle and attendance annually
- Celebrity appearance support
- Entertainment and free family activities
- Promotional giveaways and drawings including \$1,000 Megabet drawings
- VIP party experience and retail sales
- Premier racing viewing/dining packages
- Enhanced TVG and Twinspires coverage
- Expanded coverage for media and social media platforms with trade professional support
- Promotion and presence in Las Vegas and New Jersey sports books

\$200,000 Caesars Stakes (Listed)



- State's richest turf race
- 1070 The Fan Race of the Day Enhancement
- Enhanced TVG and Twinspires coverage
- Expanded coverage for media and social media platforms with trade professional support
- Promotion and presence in Las Vegas and New Jersey sports books

Quarter Horse Stakes

- Six dedicated days of racing for Quarter Horse action
- A total of 19 stakes with purses in excess of \$1.47 million in purses
- Entertainment and free family activities
- Promotional giveaways and drawings
- Expanded coverage for media and social media platforms with trade professional support
- Promotion and presence in Las Vegas and New Jersey sports books

2020 HBPA CONTRACT

THIS AGREEMENT entered into this ___ day of December 2019, by and between CENTAUR ACQUISITION, LLC, an Indiana limited liability company (Indiana Grand) and the INDIANA HORSEMEN'S BENEVOLENT AND PROTECTIVE ASSOCIATION, INC., an Indiana not-for-profit corporation (HBPA).

WHEREAS, the HBPA is a trade organization composed of owners and trainers (HBPA Members) of Thoroughbred race horses;

WHEREAS, the HBPA represents that it is the "horsemen's association" representing Thoroughbred owners and trainers for purposes of I.C. 4-31-8-6 and the "horsemen's group" representing Thoroughbred owners and trainers for purposes of 15 U.S.C. § 3001, *et seq.*; and

WHEREAS, the HBPA provides benevolent programs and other services for HBPA Members and their employees who are engaged in racing at Indiana Grand's racing facility; and

WHEREAS, the parties hereto want to cause a closer and more understanding relationship among horsemen, the HBPA Members, the HBPA, Indiana Grand and the public;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the parties agree as follows:

1. Term of Agreement. This Agreement shall be effective from January 1, 2020–December 31, 2020 and, unless sooner terminated as provided herein, shall remain effective until the contract is executed for 2021 racing meet (Term).
2. Scope of Agreement. Except as otherwise specifically set forth herein, this Agreement shall apply to race meetings and pari-mutuel wagering conducted at the Indiana Grand racing facility at Shelbyville, Indiana (Racetrack) and to pari-mutuel wagering conducted at satellite wagering facilities licensed to Indiana Grand and located in the State of Indiana (Satellite Facility).
3. Exclusive Representation. The HBPA is the exclusive representative of HBPA Members and of all Thoroughbred owners and trainers stabled at Indiana Grand or who have horses approved for entry in Thoroughbred races at Indiana Grand.
4. Horsemen's Account. Indiana Grand will maintain a separate account, to which Indiana Grand shall credit all amounts required by paragraphs 7 and 9, below, and from which Indiana Grand shall pay all amounts required by paragraphs 5, 8, 10, 13, and 14, below, including money owing to Thoroughbred horsemen regarding purses, stakes, rewards, claims and deposits (Thoroughbred Horsemen's Purse Account). All portions of purse money shall be made

available to earners thereof within forty-eight (48) hours (dark days and Sundays excluded) after the result of the race in which such money was earned has been declared official, unless the stewards shall order money withheld until final adjudication of a dispute determining which persons are entitled to such money in dispute. No portion of such money, other than jockey fees and amounts required or permitted by this Agreement, shall be deducted by Indiana Grand unless requested in writing by the person to whom such monies are payable or his duly authorized representative.

For each race cancelled because of inclement weather, mechanical failure, electrical failure, or for any other reason, the owner shall be reimbursed Seven Hundred Fifty Dollars (\$750.00) from the Thoroughbred Horsemen's Purse Account for each horse entered in the cancelled races. No reimbursement shall be made in the event that: (1) notice of cancellation is posted in the racing office, texted to those subscribing to the Indiana Grand texting service and posted on the Indiana Grand website eight (8) or more hours prior to post time; or (2) a horse has been scratched prior to the cancellation of the race. Indiana Grand will make reasonable efforts to run back any race that is cancelled.

Indiana Grand shall on a monthly basis furnish the President and Executive Director of HBPA a detailed schedule showing all deposits made to and expenses paid from the Thoroughbred Horsemen's Purse Account for the preceding month.

5. Payment for Administrative expenses. For the period January 1, 2020, through December 31, 2020, Indiana Grand shall deduct 3% (three percent) from the allocations to the Thoroughbred Horsemen's Purse Account described in Section 7, Subsections A. through G., and pay such amounts to HBPA to be used by the HBPA solely at its discretion for its administrative expenses and for services to its members. Such payments shall be made by Indiana Grand throughout the term of the Agreement in current monthly installments as such funds are received, regardless of overpayment/underpayment in the Thoroughbred Horsemen's Purse Account. No deduction shall be made for administrative expenses from slot funds allocated to the Thoroughbred Horsemen's Purse Account.
6. Race Cards: Simulcasting.
 - A. Minimum Number. During the live race meet at the Racetrack, Indiana Grand agrees to hold a minimum of nine (9) live races (as long as it does not cause an overpayment of purses during the meet) per card, with additional race (s) provided there is an adequate supply of Thoroughbred horses. The HBPA shall use its best efforts to supply Indiana Grand with an adequate supply of horses to conduct each race meet covered by the Agreement. Indiana Grand shall be allowed to simulcast additional Thoroughbred races to supplement the live race card.

- B. Simulcast Signal. Indiana Grand in its sole discretion will decide the price or cost, type, time and schedule of all simulcast signals to, and from, the Racetrack and to each Satellite Facility, on all days including live race days. The cost of such simulcast signals shall be reasonable market rates.
 - C. HBPA Authorization. During the Term of this Agreement, the HBPA authorizes Indiana Grand to negotiate and contract with simulcast receiving facilities, including off track wagering facilities located outside Indiana, which are subject to the Interstate Horse Racing Act of 1978, 15 U.S.C. §3001, et. seq. (Act), for the conduct of off-track Thoroughbred wagering. Indiana Grand will inform, and seek the approval of, the HBPA prior to Indiana Grand sending its signal to any receiving jurisdiction outside of Indiana.
7. Allocations to Purses. During the term of this Agreement and except as otherwise provided herein, Indiana Grand shall credit the following amounts to the Thoroughbred Horsemen's Purse Account for disbursement, in complete satisfaction of Indiana Grand's obligation for purses, under the following situations:
- A. Live Racing. When Thoroughbred racing is live at the Racetrack, eight percent (8%) of the live gross handle generated at the Racetrack shall be credited to the Thoroughbred Horsemen's Purse Account as prescribed by state statute.
 - B. Satellite Wagering - In-State. When Thoroughbred racing is live at the Racetrack, five percent (5%) of the live gross handle generated by said live racing at any Indiana Grand Satellite Facility shall go to the Thoroughbred Horsemen's Purse Account as prescribed by state statute.
 - C. Satellite Wagering - Out-of-State. When Indiana Grand simulcasts a Thoroughbred race run live at the Racetrack to an out-of-state facility, 50% of the net receipts generated by simulcasting on that race, including any source market fees and distribution and communication fees received by Indiana Grand (net of reasonable expenses incurred by Indiana Grand) on the simulcast of that Thoroughbred race run live at the Racetrack, shall go to the Thoroughbred Horsemen's Purse Account. For purposes of this Subsection C, "net receipts" shall mean all funds received by Indiana Grand under the applicable contracts less any applicable excise taxes.
 - D. Simulcast Receiving. Purse Allocations. When a race is simulcast to the Racetrack or a Satellite Facility, five percent (5%) of gross handle generated by simulcasting on that race shall be allocated between the Thoroughbred Horsemen's Purse Account, Indiana Grand Standardbred

Purse Account, and the Indiana Grand Quarter Horse Purse Account according to IHRC rule.

E. Source Market Fees Received After Rule Adoption. This paragraph refers to Source Market Fees collected by Indiana Grand from a secondary pari-mutuel organization licensed by the IHRC that offers advanced deposit wagering, pursuant to a contract with Indiana Grand. Net Source Market Fees received by Indiana Grand shall be distributed in the manner prescribed by IC 4-31-7.5-18.

F. Definitions. For purposes of this Section 7:

- (1) "Gross handle" means all sums wagered by patrons less refunds.
- (2) "Net revenues" means the gross handle on such race or races reduced only by money returned to patrons by refund or payoff, pari-mutuel taxes due and payable and host track fees.
- (3) "Live racing" and "live race meeting" mean the entire period that a live race meeting is in progress, from the first race day of the meeting through the last day of it, inclusive of all days between.
- (4) "Net source market fees" means the difference between source market fees received by Indiana Grand from a licensed secondary pari-mutuel operator minus the amount of all reasonable expenses incurred by Indiana Grand to generate source fees.

8. Purses.

A. Purse Schedules and Condition Books. Using its best judgment in estimating attendance, pari-mutuel handle, and breakage, Indiana Grand shall establish a tentative average daily overnight purse schedule for each race meeting and will exercise due care to avoid underpayment or overpayment of purses at all race meetings.

Indiana Grand will also deliver to the HBPA, within thirty (30) days before each race meeting, its first condition book and proposed purse schedules. Indiana Grand will send a copy of its stall application blank and stakes purse program to the President of the HBPA, and subsequent condition books for the race meet will be furnished to the President of the HBPA ten (1) days prior to printing, barring unforeseen circumstances.

The condition book shall state that the racing secretary will card any Indiana Bred Allowance or maiden race(s) carried over from the previous day and any race listed in the body of the book which receives eight (8)

or more betting interests at entry time unless the total of all such carried over races and races for that day exceed the number of races being carded for that day.

- B. Overpayment - Underpayment of Purses. Indiana Grand will make a best faith effort to insure that all amounts credited to the Thoroughbred Horsemen's Purse Account under paragraphs 7 and 9 of this Agreement through the end of the Thoroughbred meet are paid out by the end of the Thoroughbred meet. Further, Indiana Grand will meet with HBPA on a bi-weekly basis to review the status of the Thoroughbred Horsemen's Purse Account at the request of the HBPA.

- C. Minimum Purses. No Thoroughbred race shall be run at Indiana Grand during the Term of this Agreement with a purse less than the minimum purse established by the Indiana Horse Racing Commission for any race meeting, but in no event less than Eight Thousand Dollars (\$8,000.00).

- D. Purse Notices. The pari-mutuel handle, the pari-mutuel handle commission, breakage and purse distribution figures, and the percentage figures that represent the relationship between purses and the total of pari-mutuel income and breakage shall be posted on the bulletin board in the Racing Secretary's office each day of a race meeting. Indiana pari-mutuel handle figures shall be provided within forty-eight (48) hours after they are available to the President of the HBPA at the address provided below.

- E. Stakes Race Purses. Indiana Grand may, at its sole option, apply purse money to either purses for Stakes Races (Stakes Race Purses) or purses for overnight races. If the total amount paid by Indiana Grand to horsemen in Stakes Race Purses in any calendar year exceeds eighteen percent (18%) of the total amount paid in purses, such excess shall not be used to satisfy any of Indiana Grand's purse obligations under this Agreement. For the 2020 race meet, Indiana Grand shall not materially change its stakes schedule and will run the same stakes as run in the 2019 race meet. Prior to be advertised, any changes to the stakes schedule or stakes purses in the 2020 race meet may be made by Indiana Grand with the consent of the President of the HBPA, which consent shall not be unreasonably withheld.

F. Payment of Purses. Indiana Grand agrees to distribute purses in the following manner, excluding stakes:

<u>No. of Starters</u>	2	3	4	5	6	7	8	9	10	11	12
First	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Second	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Third		10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Fourth			6%	6%	5%	5%	5%	5%	5%	5%	5%
Fifth				4%	3%	3%	2%	1%	1%	1%	1%
Sixth					2%	1%	1%	1%	1%	1%	1%
Seventh						1%	1%	1%	1%	¾ %	½ %
Eighth							1%	1%	1%	¾ %	½ %
Ninth								1%	½ %	½ %	½ %
Tenth									½ %	½ %	½ %
Eleventh										½ %	½ %
Twelfth											½ %

For any races with less than five (5) starters, all extra purse monies revert to the Thoroughbred Horsemen's Purse Account.

G. 2020 Purse Distribution. Notwithstanding anything to the contrary set forth in this Agreement, purses will be distributed for the 2020 race meeting based upon a reasonable estimate of purse money to be generated from all sources during the term of this Agreement. Actual purse money generated and not paid during the live meet, in addition to

purse money generated after that date through December 31, 2020, from whatever source, shall be allocated to the appropriate purse account for the 2021 racing year in accordance with the rules of IHRC.

H. Payment of Trainer's Fee. Except as otherwise provided herein, Indiana Grand shall deduct a ten percent (10%) trainer's fee from each purse paid for horses finishing first, second, or third (Trainer's Fee). The Trainer's Fee shall be deposited in the account maintained by Indiana Grand for benefit of the trainer of record for the horse that earned the purse. An owner, lessee or trainer of a horse may elect to instruct Indiana Grand to not deduct the Trainer's Fee by delivering to Indiana Grand (Attn: Horsemen's Bookkeeper) a written statement signed by the owner or lessee that the Trainer's Fee is not to be deducted from the purse awarded to a specific horse (Election Statement). The Election Statement shall be effective on the third race day immediately following the date upon which the Election Statement was received by Indiana Grand.

I. Purse Reports. The Director of Racing will provide the HBPA President and Executive Director with an up-to-date purse report every week, beginning when the live race meet starts, until the final week of live racing is captured on the report.

9. Other Revenues.

A. Media Rights. If Indiana Grand shall increase its annual revenues from the sale or licensing to a third party of its television, radio or other media transmission rights, including cable, network or subscription transmissions, but excluding interstate and intrastate simulcasting pursuant to which revenues are paid under this Agreement (hereinafter called "Media Rights"), Indiana Grand and the HBPA shall negotiate an appropriate adjustment to Thoroughbred purses in the year the increases revenue is paid to and earned by Indiana Grand. Prior to execution, Indiana Grand shall notify the members of the Racing Committee of the material terms and conditions of all contracts it negotiates under the terms of which it sells or licenses its Media Rights and shall give consideration to the position expressed by the HBPA members. In no event shall this or any other provision of this Agreement be construed or interpreted as an admission or acknowledgment by Indiana Grand that any person, entity or group other than Indiana Grand has a proprietary right in or to the Media Rights relating to any event hosted and/or sponsored by Indiana Grand.

B. Sponsorship Revenues. Indiana Grand shall pay to Thoroughbred Horsemen's Purse Account an amount equal to thirty percent (30%) per year of all monies paid to Indiana Grand by third parties in consideration

for which the payer receives the right, either alone or with other consideration, to have its name, logo or other identification of its choosing identified with one or more Thoroughbred horse races, conducted and run by Indiana Grand at the Racetrack. Sponsorship revenues subject to this provision shall be limited to monies paid in cash or equivalent to Indiana Grand and shall not include the value of "in kind" contribution or payments of goods or services flowing from said third parties to Indiana Grand. In no event shall this or any other provision of this Agreement be construed or interpreted as an admission or acknowledgment by Indiana Grand that any person, entity or group other than Indiana Grand has a proprietary right in or to any sponsorship revenues, except as specifically set forth herein.

10. Shared Trackus Expense. HBPA authorizes and directs Indiana Grand to deduct from the Thoroughbred Horsemen's Purse Account each month HBPA's share of the daily Indiana Grand Trackus fee, which share shall be determined as follows:

Daily Fee x number of race days in the month ÷ 2, x number of Thoroughbred races ÷ the total number of Thoroughbred and Quarter horse races = HBPA Trackus Share (HBPA Share).

EXAMPLE: \$750 x 20 days ÷ 2 x $\frac{160}{200}$ = \$6,000.00 is HBPA Share.

10.1 Shared TVG Expense. HBPA authorizes and directs Indiana Grand to deduct from the Thoroughbred Horsemen's Purse Account one-half (1/2) of the programming fees Indiana Grand pays to TVG to broadcast Thoroughbred races originating from Indiana Grand's racetrack.

10.2 Shared Reduced Takeout Expense. HBPA authorizes and directs Indiana Grand to deduct from the Thoroughbred Horsemen's Purse Account one-half (1/2) of the amount of any reduced takeout Indiana Grand actually suffers, which is approved by the IHRC. Such deductions shall not exceed four and three-fourths percent (4 ¾%) of the amount wagered on any particular race at Indiana Grand or its satellite facility.

11. Stalls and Track Facilities.

A. Stalls and Track Facilities. Indiana Grand shall make available stall space to Thoroughbred horsemen during each race meeting without charge. The racing strip, barns, dormitories and other facilities at the Racetrack (Backside Facilities) necessary for training purposes shall be made available by Indiana Grand without charge to horsemen who have stalls allocated for the upcoming race meeting 35 days prior to beginning of the current meet (barring unforeseen circumstances), the track kitchen facilities will open two weeks prior to the race meet, and the barn area and dormitories shall also open 35

days prior to beginning of meet. Indiana Grand shall make water and electricity available to each barn during the above periods without charge and will, at its own expense, keep the racetrack properly harrowed and watered during the periods before and after the end of each race meeting.

In addition, during the racing season, Indiana Grand will make the racing surface available for training (6) days per week beginning 35 days prior to beginning of current meet and continuing thereafter until the end of live racing. The starting gate to be available 2 weeks prior to beginning of current meet for schooling and work outs five (5) days per week. Clockers will be available six (6) days per week during training and prior to the meet.

After the 2020 meet has ended on Wednesday, November 18, Indiana Grand will allow horsemen to keep their horses stabled in stalls in the barn area until Wednesday, November 25, without cost to the HBPA or its members. The race track will remain open for training, and a clocker will be on duty, until Saturday, November 21.

- B. Vendors. Indiana Grand may not impose upon horsemen any exclusive arrangement concerning farriers, feed men, tack supplies, or any other suppliers or providers of service customarily used by owners and trainers. Indiana Grand will use its best efforts to keep unlicensed persons in the above categories off its premises.
- C. Stall Applications. Before each race meeting, Indiana Grand shall establish a reasonable cutoff date for the submission of stall applications. Indiana Grand shall, in the exercise of its sole business judgment, approve or disapprove applications for stalls. The conditions for stabling shall be as set forth on Exhibit A hereto and such conditions shall not be materially modified without the consent of the HBPA. Indiana Grand will consider, among other things, the following criteria in allocating stalls to horsemen for use during race meetings:
- (1) The general quality of the horses listed on the stall application;
 - (2) The quality of the racetrack(s) where the horses listed on the stall application have previously raced;
 - (3) The number of starts a trainer listed on the application has made at past Indiana Grand race meetings;
 - (4) The financial and professional integrity of the trainer listed on stall application;
 - (5) The total number of stalls requested by a trainer in relation to the number of unallocated stalls;

- (6) The best interest of Indiana Grand and Thoroughbred racing;
and
- (7) Investments made in Indiana horses and farms.

By accepting a stall, a horseman shall be required to use his or her best efforts to run his or her horses during the race meeting consistent with the horses' physical condition, fitness and race conditions.

- 12. Racing Committee. During the Term of this Agreement, Indiana Grand and the HBPA shall organize and maintain a joint committee (Racing Committee). The HBPA shall not appoint more than four (4) representatives to the Racing Committee. Indiana Grand shall not appoint more than four (4) representatives to the Racing Committee. The Racing Committee shall meet at least once not more than seventy (70) days, nor less than forty (40) days before the Thoroughbred race meetings and at least once within seven (7) days after Thoroughbred race meeting. The Committee shall meet once a month, or as needed, to discuss such things as possible "house rule" changes, backside issues, promotion, publicity, track conditions, other matters that relate to attendance, pari-mutuel handle, the quality of racing, health benefit programs, death benefits, drug and alcohol abuse programs, and any other program that will aid and assist the racing industry in Indiana to care for its personnel at the highest possible level. The Committee shall keep minutes of its discussions, recommendations and decisions. Either party may invite a representative of the IHRC to any of these meetings if it so desires.
- 13. Dues Collection. HBPA has imposed membership dues on HBPA Members in the amount of \$10.00 per horse per start at the Racetrack (Dues). Dues shall be collected from each owner, on behalf the owner and trainer. Indiana Grand agrees to deduct Dues from the accounts it maintains for HBPA Members and remit the Dues to HBPA in the month immediately following the month when the Dues were collected.
- 14. Uplink and Related Transmission Expenses. HBPA authorizes and directs Indiana Grand to deduct from the Thoroughbred Horsemen's Purse Account \$100 per race, for every live thoroughbred race run from the Thoroughbred Horsemen's Purse Account to help defray the satellite uplink costs and related transmission expenses for export Simulcasting.
- 15. Representations and Warranties.
 - A. HBPA. In addition to the representations and warranties contained elsewhere in this Agreement, the HBPA warrants, represents to and covenants with Indiana Grand that during the Term:

- (1) This Agreement has been approved by its Board of Directors of the HBPA;
- (2) This Agreement is valid and enforceable according to its terms;
- (3) The HBPA is the "horsemen's association" representing Thoroughbred owners and trainers for purposes of I.C. 4-31-8-6 and the "horsemen's group" representing Thoroughbred owners and trainers for purposes of 15 U.S.C. § 3001, *et seq.*;
- (4) The HBPA and its officials shall not participate in, delay, interrupt, dispute, or cause temporary or permanent cessation or suspension of racing at Indiana Grand during any race meeting and that they will not threaten, intimidate, interfere with or interrupt any agent, servant or employee of Indiana Grand or another person participating in racing at Indiana Grand;
- (5) Each HBPA official shall use all of his or her powers of persuasion and all legal means at their disposal to ensure that all HBPA Members and other backside personnel comply with the terms of this Agreement;
- (6) The HBPA and its officials shall use their best efforts to respond to requests for consents and other approvals by Indiana Grand in a timely and business-like manner, considering the need of Indiana Grand to move quickly and decisively;
- (7) This Agreement will be made available for review by HBPA Members and all other licensed owners, trainers, employees and backside personnel at the HBPA office;
- (8) The HBPA shall use its best efforts to ensure that the backside area of the Racetrack is maintained in a safe, clean and orderly condition;
- (9) The HBPA shall not discriminate against horsemen at Indiana Grand who are not members in connection with any provision of this Agreement; and
- (10) The HBPA shall use its best efforts to provide health and welfare benefits to backstretch personnel.

B. Indiana Grand. In addition to the representations and warranties contained in this Agreement, Indiana Grand warrants, represents to and covenants with the HBPA that during the Term:

- (1) This Agreement has been approved by its General Manager of Racing;
 - (2) This Agreement is valid and enforceable according to its terms;
 - (3) Indiana Grand and its officers, managers and employees shall not without good cause participate in, delay, interrupt, dispute, or cause temporary or permanent cessation or suspension of racing at Indiana Grand during any race meeting and shall not threaten, intimidate or otherwise coerce any horsemen, HBPA Member, employee or representative thereof;
 - (4) Indiana Grand shall use its best efforts to keep the backside area of the Racetrack in a safe, clean, and orderly condition;
 - (5) Indiana Grand shall use its best efforts to assist the HBPA in developing health and welfare programs for backstretch personnel; and
 - (6) Indiana Grand shall use its best efforts to reschedule any programmed race lost due to cancellation.
16. Governmental Approval. Nothing contained in the Agreement shall be construed as requiring either party to perform any term or terms when such performance is contrary to law or requires prior governmental approval; provided, however, both parties shall use their best efforts to obtain governmental approval if such is required including approval by the IHRC.
17. Threats of Boycotts by Individual Members. In the event any representative of the HBPA becomes aware of any HBPA Member or Members who is or are threatening to boycott a race at the Racetrack, or any member or members of any horsemen's group or individual horsemen threatening to do likewise, then, in such events, the HBPA shall call a general meeting of horsemen. Notice of such meeting shall be provided to Indiana Grand under Paragraph 23 and Indiana Grand shall be given an opportunity to appear at such general meeting for the purpose of explaining its position regarding the controversy.
18. Right to Terminate.
- A. Boycotts. If, during the Term, Indiana Grand is prevented from conducting a scheduled race due to the concerted action of HBPA Members of the HBPA, and/or its officers or directors, which results in a boycott of a scheduled race, then, in such event, Indiana Grand shall have the right to terminate this Agreement by giving written notice to the HBPA. The HBPA shall have until 10:00 A.M. of the next day to prevent the boycott of future races and to provide evidence to Indiana Grand that the boycott has been prevented. If the

HBPA fails to prevent the boycott by that time, then Indiana Grand may terminate this Agreement immediately without further action or notice to the HBPA. Such termination shall not constitute an election of remedies nor shall it constitute an election of remedies nor shall it constitute a waiver of Indiana Grand's other remedies in law or equity.

- B. Default. Without limiting Indiana Grand's right under Subsection A of this Section, either party may terminate this Agreement upon the other party's failure to substantially perform as required under the terms of this Agreement and such failure continues for fifteen (15) days following the date written notice of default, describing the failure or default in reasonable detail, is mailed or delivered pursuant to Paragraph 23. Such termination shall not constitute an election of remedies nor shall it constitute a waiver of a party's other remedies in law or equity.
19. Indemnification. The HBPA shall indemnify and hold harmless Indiana Grand from and against any damage, deficiency, loss, action, judgment, cost and expense (including reasonable attorneys' fees) resulting from any claim, demand or cause of action made or brought by a member, or other person, because of any payment made to the HBPA under the provisions of Paragraphs 5, 7, 8 or 9, as well as the collection of Trainer's Fees, pursuant to Section 8.H or Dues pursuant to Section 13.
20. Further Assurances. The HBPA and Indiana Grand shall execute such assignments, instruments and documents and shall give such further assurances as may be necessary to accomplish the purpose and intent of this Agreement.
21. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute the same instrument
22. Rights of Others. Nothing contained in this Agreement shall be construed as giving a HBPA Member a preference with respect to the eligibility to race, to obtain stalls, to share in purses, to purchase admission tickets for racing events or to participate in any benefit provided by Indiana Grand to horsemen.
23. Notices. All notices, requests, demands or other communications as may be required by this Agreement shall be in writing and, if mailed, shall be by certified mail, return receipt requested, and shall be deemed given when received by the party to whom notice is directed. For purposes of this Agreement, the following are the representatives to be noticed and the addresses of the parties, unless and until a different representative or address is provided by a party in a written notice given as provided in this Section:

Indiana Grand:

Jon Schuster
4200 N. Michigan
Shelbyville, IN 46176

HBPA:
Joe Davis
President Indiana HBPA
1682 Asher Court
Hebron, KY 41048

Copy to:
Brian Elmore
Executive Director Indiana HBPA
PO Box 228
Fairland, Indiana 46126-9998

24. Waivers. No waiver of any breach of this Agreement or any terms hereof shall be effective unless such waiver is in writing and signed by the party against whom such waiver is claimed. No waiver of any breach shall be deemed to be a waiver of any other or any subsequent breach.
25. Applicable Law. This Agreement is executed and delivered in the State of Indiana and shall be construed and enforced in accordance with the laws of that state.
26. Severability. If any provision of this Agreement is declared invalid by any tribunal, or becomes invalid or inoperative by operation of law, the remaining provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.
27. Assignment. This Agreement shall not be assigned by the HBPA without the written approval of Indiana Grand.
28. Entire Agreement; Modification. This is the entire agreement between the parties and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. No modification, variation or amendment of this Agreement shall be effective unless such modification, variation or amendment is in writing and has been signed by the parties hereto.
29. Binding Effect. This Agreement shall inure to the benefit of, extend to and be binding upon representatives, successors and assigns of Indiana Grand and HBPA.

IN WITNESS WHEREOF; the parties have executed this Agreement effective as of December __, 2019.

[Signature Page to Follow]

CENTAUR ACQUISITION, LLC
D/B/A Indiana Grand Racing and Casino

By: _____
Jon Schuster, Vice President and General
Manager of Racing

INDIANA HORSEMEN'S BENEVOLENT
AND PROTECTIVE ASSOCIATION, INC.

By: _____
Joe Davis, President

2020 QHRAI CONTRACT

THIS AGREEMENT entered into December __, 2019, by and between Centaur Acquisition, LLC d/b/a INDIANA GRAND RACING and CASINO, an Indiana limited liability company (Indiana Grand) and QUARTER HORSE RACING ASSOCIATION OF INDIANA, an Indiana not-for-profit corporation (QHRAI).

WHEREAS, QHRAI is a trade organization composed of owners, trainers, breeders and sire owners of Quarter Horse race horses (QHRAI Members);

WHEREAS, QHRAI represents that it is the "horsemen's association" representing Quarter Horse owners and trainers for purpose of I.C. 4-31-8-6; and

WHEREAS, QHRAI provides benevolent programs and other services for QHRAI Members and their employees who are engaged in racing at Indiana Grand's racing facility; and

WHEREAS, the parties hereto want to cause a closer and more understanding relationship among horsemen, QHRAI Members, QHRAI, Indiana Grand and the public;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the parties agree as follows:

1. Term of Agreement. This agreement shall be effective from January 1, 2020 – December 31, 2020 and, unless sooner terminated as provided herein, shall remain effective until the contract is executed for 2021 racing meet (Term).
2. Scope of Agreement. Except as otherwise specifically set forth herein, this Agreement shall only apply to race meetings and pari-mutuel wagering conducted at the Indiana Grand racing facility at Shelbyville, Indiana (Racetrack) and to pari-mutuel wagering conducted at satellite wagering facilities licensed to Indiana Grand and located in the State of Indiana (Satellite Facility).
3. Exclusive Representation. The QHRAI is the exclusive representative of QHRAI Members and of all Quarter Horse owners, trainers, breeders and sire owners stabled at Indiana Grand or who have horses approved for entry in Quarter Horse races at Indiana Grand, except those persons who state in writing that they do not desire to be represented by the QHRAI.
4. Horsemen's Account. Indiana Grand will maintain a separate account denominated with sufficient funds in such account to pay all money owing to Quarter Horse regarding purses, stakes, rewards, claims and deposits (Quarter Horse Purse Account). All portions of purse money shall be made available to earners thereof within forty-eight (48) hours (dark days and Sundays excluded) after the result of the race in which such money was earned has been declared

official, unless the stewards shall order money withheld until final adjudication of a dispute determining which persons are entitled to such money in dispute. No portion of such money, other than jockey fees, shall be deducted by Indiana Grand unless requested in writing by the person to whom such monies are payable or his duly authorized representative. For each race cancelled because of inclement weather, mechanical failure, electrical failure, or for any other reason, the owner shall be reimbursed Five Hundred Dollars (\$500.00) from the Quarter Horse Purse Account for each horse entered in the cancelled races ("Cancellation Fee"). No reimbursement shall be made in the event that: (1) notice of cancellation is posted in the racing office, texted to those subscribing to the Indiana Grand texting service and posted on the Indiana Grand website eight (8) or more hours prior to post time; or (2) a horse has been scratched prior to the cancellation of the race. Indiana Grand will make an effort to run back any race that is cancelled, in which case Indiana Grand shall not be required to pay any Cancellation Fee.

5. Payment for Administrative expenses. Indiana Grand shall deduct 3% (three percent) for the period January 1, 2020, through December 31, 2020, from the allocations to the Quarter Horse Purse Account described in Section 7, Subsections A. through C., and pay such amounts to QHRAI to be used by the QHRAI solely at its discretion for its administrative expenses and for services to its members. Such payments shall be made throughout the term of the Agreement in current monthly installments as such funds are received, regardless of overpayment/underpayment in the Quarter Horse Purse Account. No deduction shall be made for administrative expenses from slot funds allocated to the Quarter Horse Purse Account.
- 5.1 Shared TVG Expense. QHRAI authorizes and directs Indiana Grand to deduct from the Quarter Horse Purse Account one-half (1/2) of the programming fees Indiana Grand pays to TVG to broadcast Quarter Horse races originating from Indiana Grand's racetrack.
6. Race Cards; Simulcasting.
 - A. Simulcast Signal. Indiana Grand in its sole discretion will decide the price or cost, type, time and schedule of all simulcast signals to, and from, the Racetrack and to each Satellite Facility, on all days including live race days. The cost of such simulcast signals shall be normal market rates.
 - B. QHRAI Authorization. During the Term of this Agreement, the QHRAI authorizes Indiana Grand to negotiate and contract with simulcast receiving facilities, including off track wagering facilities located outside Indiana, which are subject to the Interstate Horse Racing Act of 1978, 15 U.S.C. §3001, et. seq. (Act), for the conduct of off-track Quarter Horse wagering. Indiana Grand will inform, and seek the

approval of, the QHRAI prior to Indiana Grand sending its signal to any other receiving jurisdiction.

7. Allocations to Purses. During the term of this Agreement and except as otherwise provided herein, Indiana Grand shall credit the following amounts to the Quarter Horse Purse Account for disbursement, in complete satisfaction of Indiana Grand's obligation for purses, under the following situations:
 - A. Live Racing. When Quarter Horse racing is live at the Racetrack, eight percent (8%) of the live gross handle generated at the Racetrack shall be credited to the Quarter Horse Purse Account as prescribed by state statute.
 - B. Satellite Wagering - In-State. When Quarter Horse racing is live at the Racetrack, five percent (5%) of the live gross handle generated by said live racing at any Indiana Satellite Facility shall go to the Quarter Horse Purse Account as prescribed by state statute.
 - C. Satellite Wagering - Out-of-State. When Indiana Grand simulcasts a Quarter Horse race run live at the Racetrack to an out-of-state facility, 50% of the net receipts generated by simulcasting on that race, including any source market fees and distribution and communication fees received by Indiana Grand (net of expenses incurred by Indiana Grand) on the simulcast of that Quarter Horse race run live at the Racetrack, shall go to the Quarter Horse Purse Account. For purposes of this Subsection C, "net receipts" shall mean all funds received by Indiana Grand under the applicable contracts less any applicable excise taxes.
 - D. Advanced Deposit Wagering. The advance deposit wagering chapter of the Indiana Code, IC 4-31-7.5 (ADW Statute) is incorporated by reference and made a part of this Agreement. Net Source Market Fees (defined below) shall be allocated as required by the ADW Statute. Net Source Market Fees means the difference between (1) source market fees received by Indiana Grand from a licensed Secondary Pari-Mutuel Organization, minus (2) the amount of expenses incurred by Indiana Grand.
8. Purses.
 - A. Purse Schedules and Condition Books. Using its best judgment in estimating attendance, pari-mutuel handle, and breakage, Indiana Grand shall establish a tentative average daily overnight purse schedule for each race meeting and will exercise due care to avoid underpayment or overpayment of purses at all race meetings. Indiana Grand will also deliver to the QHRAI, at least twenty-one (21) days prior to the "final" condition book draft going to the printer, its first condition book and proposed purse schedules.

- B. Overpayment - Underpayment of Purses. Indiana Grand will make a best faith effort to insure that all Quarter Horse purse monies earned through the end of the Quarter Horse meet are paid out by the end of the Quarter Horse meet.
- C. Minimum Purses. No Quarter Horse race shall be run at Indiana Grand during the Term of this Agreement with a purse less than the minimum purse established by the Indiana Horse Racing Commission for any race meeting, but in no event less than Five Thousand Dollars (\$5,000.00).
- D. Purse Notices. The pari-mutuel handle, the pari-mutuel handle commission, breakage and purse distribution figures, and the percentage figures that represent the relationship between purses and the total of pari-mutuel income and breakage shall be posted on the bulletin board in the Racing Secretary's office each day of a race meeting. Indiana pari-mutuel handle figures shall be provided within forty-eight (48) hours after they are available to the President of the QHRAI at the address provided below.
- E. Payment of Purses. Indiana Grand agrees to distribute purses in the following manner, excluding stakes:

<u>No. of Starters</u>	<u>10</u>
First	55%
Second	20%
Third	10%
Fourth	5%
Fifth	3%
Sixth	2%
Seventh	1.5%
Eighth	1.5%
Ninth	1%
Tenth	1%

For any races with less than ten horses, the applicable extra unpaid purse allocation will revert to the Quarter Horse Purse Account.

- F. 2020 Purse Distribution. Notwithstanding anything to the contrary set forth in this Agreement, purses will be distributed for the 2020 race meeting based upon a reasonable estimate of purse money to be generated from all sources during the term of this Agreement. Actual purse money generated and not paid during the live meet, in addition to purse money generated after that date through December 31, 2020, from whatever source, shall be allocated to the appropriate purse account for the 2021 racing year in accordance with the rules of the Indiana Horse Racing Commission.
- G. Purse Reports. The Director of Racing will provide the QHRAI President and Executive Director with an up-to-date purse report every two weeks, beginning when the live race meet starts, until the final week of live racing is captured on the report.
9. Shared Trakus Expense. QHRAI agrees to pay monthly to Indiana Grand its share of the daily Indiana Grand Trakus fee, which shall be determined as follows:

Daily Fee x number of race days in the month ÷ 2, x number of Quarter Horse races ÷ the total number of Quarter Horse and Thoroughbred horse races = QHRAI Trakus Share (QHRAI Share).

EXAMPLE: $\$750 \times 20 \text{ days} \div 2 \times \frac{40}{200} = \$1,500.00$ is QHRAI Share.

10. Stalls and Track Facilities.
- A. Stalls and Track Facilities. Indiana Grand shall make available stall space to Quarter Horse horsemen during each race meeting without charge. The racing strip, barns, dormitories and other facilities at the Racetrack (Backside Facilities) necessary for training purposes shall be made available by Indiana Grand without charge to horsemen who have stalls allocated for the upcoming race meeting on March 10, 2020 (barring unforeseen circumstances), the track kitchen will open on April 1, 2020, and the barn area and dormitories shall also open on March 10, 2020. Indiana Grand shall make water and electricity available to each barn during the above periods without charge and will, at its own expense, keep the racetrack properly harrowed and watered during the periods before and after the end of each race meeting.

In addition, during the racing season, Indiana Grand will make the racing surface available for training (6) days per week beginning 35 days prior to beginning of current meet and continuing thereafter until the end of live racing. The starting gate to be available 2 weeks prior to beginning of current meet for schooling and work outs five (5) days per week. Clockers will be available six (6) days per week during training and prior to the meet.

After the current meet has ended, Indiana Grand will for a period of ten (10) days without cost to the QRHAI or QHRAI Members: (1) Allow horsemen to keep their horses stabled in stalls in the barn area of the Racetrack as assigned by Indiana Grand; (2) Make the racing surface available for training six (6) days per week; and (3) Provide a clocker during post-meet training days.

- B. Vendors. Indiana Grand may impose upon horsemen any exclusive arrangement concerning farriers, feed men, tack supplies, or any other suppliers or providers of service customarily used by owners and trainers that it deems reasonable and appropriate. Indiana Grand will use its best efforts to keep unlicensed persons in the above categories off its premises.
- C. Stall Applications. Before each race meeting, Indiana Grand shall establish a cutoff date for the submission of stall applications. Indiana Grand shall, in the exercise of its sole business judgment, approve or disapprove applications for stalls. The conditions for stabling shall be as set forth on Exhibit A hereto and such conditions shall not be materially modified without the consent of the QHRAI. Indiana Grand will consider, among other things, the following criteria in allocating stalls to horsemen for use during race meetings:
- (1) The general quality of the horses listed on the stall application;
 - (2) The quality of the racetrack(s) where the horses listed on the stall application have previously raced;
 - (3) The number of starts a trainer listed on the application has made at past Indiana Grand race meetings;
 - (4) The financial and professional integrity of the trainer listed on stall application;
 - (5) The total number of stalls requested by a trainer in relation to the number of unallocated stalls;
 - (6) The best interest of Indiana Grand and Quarter Horse racing; and
 - (7) Investments made in Indiana horses and farms.

By accepting a stall, a horseman shall be required to use his or her best efforts to run his or her horses during the race meeting consistent with the horses' physical condition, fitness and race conditions.

11. Uplink. The QHRAI will reimburse Indiana Grand \$100 per race, for every live Quarter Horse race run from the Quarter Horse Purse Account to help defray the satellite uplink costs for export Simulcasting.
12. Representations and Warranties.
 - A. QHRAI. In addition to the representations and warranties contained elsewhere in this Agreement, the QHRAI warrants, represents to and covenants with Indiana Grand that during the Term:
 - (1) This Agreement has been approved by its Board of Directors of the QHRAI;
 - (2) This Agreement is valid and enforceable according to its terms;
 - (3) The QHRAI is the "horsemen's association" representing Quarter Horse owners and trainers for purposes of I.C. 4-31-8-6;
 - (4) The QHRAI and its officials shall not participate in, delay, interrupt, dispute, or cause temporary or permanent cessation or suspension of racing at Indiana Grand during any race meeting and that they will not threaten, intimidate, interfere with or interrupt any agent, servant or employee of Indiana Grand or another person participating in racing at Indiana Grand;
 - (5) Each QHRAI official shall use all of his or her powers of persuasion and all legal means at their disposal to ensure that all QHRAI Members and other backside personnel comply with the terms of this Agreement;
 - (6) The QHRAI and its officials shall use their best efforts to respond to requests for consents and other approvals by Indiana Grand in a timely and business-like manner, considering the need of Indiana Grand to move quickly and decisively;
 - (7) The QHRAI shall use its best efforts to ensure that the backside area of the Racetrack is maintained in a safe, clean and orderly condition;
 - (8) The QHRAI shall not discriminate against horsemen at Indiana Grand who are not members in connection with any provision of this Agreement; and

- B. Indiana Grand. In addition to the representations and warranties contained in this Agreement, Indiana Grand warrants, represents to and covenants with the QHRAI that during the Term:
- (1) This Agreement has been approved by its General Manager of Racing;
 - (2) This Agreement is valid and enforceable according to its terms;
 - (3) Indiana Grand and its officers, directors and employees shall not threaten, intimidate or otherwise coerce any horsemen, QHRAI Member, employee or representative thereof;
 - (4) Indiana Grand shall use its best efforts to keep the backside area of the Racetrack in a safe, clean, and orderly condition;
 - (5) Indiana Grand shall use its best efforts to assist the QHRAI in developing health and welfare programs for backstretch personnel; and
 - (6) Indiana Grand shall use its best efforts to reschedule any programmed race lost due to cancellation.
 - (7) Indiana Grand shall meet with representatives from the QHRAI at a mutually convenient time prior to December, 2020, and additionally will meet again in February, 2021, to discuss and receive recommendations from QHRAI regarding the following year's program including, but not limited to: purse structure, races; dates for all quarter horse days; and use of purse surplus.
13. Governmental Approval. Nothing contained in the Agreement shall be construed as requiring either party to perform any term or terms when such performance is contrary to law or requires prior governmental approval; provided, however, both parties shall use their best efforts to obtain governmental approval if such is required including approval by the Indiana Horse Racing Commission.
14. Default. Either party may terminate this Agreement upon the other party's failure to substantially perform as required under the terms of this Agreement and such failure continues for fifteen (15) days following the date written notice of default is mailed or delivered pursuant to Paragraph 19. Such termination shall not constitute an election of remedies nor shall it constitute a waiver of a party's other remedies in law or equity.
15. Indemnification. The QHRAI shall indemnify and hold harmless Indiana Grand from and against any damage, deficiency, loss, action, judgment, cost and

expense (including reasonable attorneys' fees) resulting from any claim, demand or cause of action made or brought by a member, or other person, because of any payment made to the QHRAI under the provisions of Paragraphs 5, 7, 8, 9 or 12.

16. Further Assurances. The QHRAI and Indiana Grand shall execute such assignments, instruments and documents and shall give such further assurances as may be necessary to accomplish the purpose and intent of this Agreement.
17. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute the same instrument
18. Rights of Others. Nothing contained in this Agreement shall be construed as giving a QHRAI Member a preference with respect to the eligibility to race, to obtain stalls, to share in purses, to purchase admission tickets for racing events or to participate in any benefit provided by Indiana Grand to horsemen.
19. Notices. All notices, requests, demands or other communications as may be required by this Agreement shall be in writing and, if mailed, shall be by certified mail, return receipt requested, and shall be deemed given when received by purposes of this Agreement, the following are the addresses of the parties:

Indiana Grand:

Jon Schuster
4200 N. Michigan
Shelbyville, IN 46176

QHRAI:

Paul Martin, President
3409 W Bethel Ave.
Muncie, Indiana 47304

Copy to:

Teresa Myers, Secretary
9439 W 200 S
Dunkirk, In 47336

20. Waivers. No waiver of any breach of this Agreement or any terms hereof shall be effective unless such waiver is in writing and signed by the party against whom such waiver is claimed. No waiver of any breach shall be deemed to be a waiver of any other or any subsequent breach.
21. Applicable Law. This Agreement is executed and delivered in the State of Indiana and shall be construed and enforced in accordance with the laws of that state.

- 22. Severability. If any provision of this Agreement is declared invalid by any tribunal, or becomes invalid or inoperative by operation of law, the remaining provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.
- 23. Assignment. This Agreement shall not be assigned by the QHRAI without the written approval of Indiana Grand.
- 24. Entire Agreement; Modification. This is the entire agreement between the parties and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. No modification, variation or amendment of this Agreement shall be effective unless such modification, variation or amendment is in writing and has been signed by the parties hereto.

IN WITNESS WHEREOF; the parties have executed this Agreement effective as of December __, 2019.

CENTAUR ACQUISITION, LLC
D/B/A Indiana Grand Racing and Casino

By: _____
Jon Schuster, Vice President and General
Manager of Racing

QUARTER HORSE RACING ASSOCIATION
OF INDIANA

By: _____
Paul Martin, President