

2007 AGREEMENT

Suburban Downs at Hawthorne Race Course

This agreement made and entered into by and between the ILLINOIS HARNESS HORSEMEN'S ASSOCIATION, an Illinois not-for-profit corporation (hereinafter referred to as the "IHHA"), and SUBURBAN DOWNS, INC. authorized to do business in Illinois (hereinafter referred to as the "LICENSEE").

WITNESSETH:

WHEREAS, LICENSEE is an organization licensed by the Illinois Racing Board to conduct, and is engaged in the business of conducting pari-mutuel harness race meetings at Hawthorne Racecourse; and,

WHEREAS, the IHHA is a voluntary association of independent contractors who are owners, trainers and drivers of harness horses (the HORSEMEN); and,

WHEREAS, the IHHA represents that it has been designated by a majority of the HORSEMEN to represent all HORSEMEN racing at LICENSEE'S track as their agent for the purpose of negotiating the within Agreement; and,

WHEREAS, the parties hereto desire to cooperate in promoting the popularity of the sport of harness racing, and insuring the continuity of harness racing at LICENSEE'S track for the best interests of the parties hereto and the public.

NOW, THEREFORE IN CONSIDERATION OF THE MUTUAL BENEFITS TO BE DERIVED BY THE PARTIES HERETO, IT IS AGREED AS FOLLOWS:

1. The terms of this Agreement apply to and govern all harness race meetings to be conducted by the LICENSEE for the year 2007.

2. From LICENSEE'S retained share of the pari-mutuel handle, as provided for by the laws of the State of Illinois, the LICENSEE must pay to a HORSEMEN'S daily purse account, moneys as specified in the Horse Racing Act of 1975 as amended. From the HORSEMEN'S daily purse account payments must be made by the LICENSEE as follows:

A.) To IHHA, in an amount not to exceed SIX THOUSAND THREE HUNDRED (\$6,300.00) DOLLARS for each of the forty-five (45) days allocated to LICENSEE by the Illinois Racing Board as harness racing host track dates. The LICENSEE shall pay these monies, pursuant to section 37-29(d) of the Horse Racing Act of 1975 as amended. The payments shall be made within fourteen (14) days after weekly billing.

B.) The amount of SEVEN THOUSAND FIVE HUNDRED (\$7,500.00) DOLLARS for each of the forty-five (45) days allocated to LICENSEE by the Illinois Racing Board as harness racing host track dates shall be designated for payment of purses for stakes, including elimination and consolation races, futurities, and early and late closers per the stakes schedule in Exhibit A attached hereto. An amount per 2007 race program and a 2007 stakes schedule shall be determined by mutual consent. This stakes purse schedule may be changed only by mutual written agreement of LICENSEE and IHHA. Should any listed event be canceled, the specified purse money for those stakes shall become immediately available for purses in non-stake races. At the conclusion of the last scheduled harness race program for each year, any balance, positive or negative, in

the amounts designated for purses in stakes races shall be adjusted in the HORSEMEN'S purse account and become available for purses in non-stake races.

C.) To purses for stakes, including elimination and consolation races, futurities, and

early and late closers in an amount not to exceed TEN THOUSAND (\$10,000.00) DOLLARS per race.

D.) To purses for races other than those covered in paragraphs 2B & 2C, the purses paid will initially be based on the schedule in exhibit B attached hereto.

LICENSEE'S Race Secretary must make every possible effort to avoid the use of multiple, secondary or also eligible conditions. LICENSEE may reduce all purses by a fixed percentage if the HORSEMEN'S daily purse account has a debit

(overpayment) balance greater than TWO HUNDRED THOUSAND (\$200,000.00) DOLLARS at the time a new condition sheet is published. LICENSEE may

increase all purses by a fixed percentage if the HORSEMEN'S daily purse account has a credit (underpayment) balance greater than THREE HUNDRED THOUSAND

(\$300,000.00) DOLLARS at the time a new condition sheet is published. The actual percentage of such reductions and/or increases shall be set in such an amount as to

create the best possible probability of ending the race meeting with a HORSEMEN'S daily purse account balance of as close to ZERO (\$0) Dollars as possible. No such

percentage changes may occur in the first fourteen (14) days of each race meet covered by this agreement without the approval of the IHHA. Any modification of

the purses for specific conditions may be made only with mutual agreement of

LICENSEE and IHHA. LICENSEE'S Race Secretary and IHHA Condition Sheet and

Purse Account Committee members shall meet as necessary to discuss the use and purses of conditions not listed in the annual purse schedule agreement.

3. LICENSEE and the IHHA agree that if the amount appropriated by the State of Illinois and approved by the Governor for "reimbursement of 2007 recapture" for the 2007 race meet covered under this agreement should fall short of the NINE-HUNDRED TWENTY-SEVEN THOUSAND, THREE HUNDRED TWENTY SIX (\$927,326) DOLLARS of "2007 recapture" monies due to LICENSEES under the present law and separate agreement (See Exhibit E), that the "non-reimbursed recapture" shall be allocated as follows:

THIRTY PERCENT (30%) of the non-reimbursed 2007 recapture (\$278,198 if reimbursement is \$0) will be transferred permanently to LICENSEES from the HORSEMEN'S purse account. These amounts to be transferred may be carried as an overpayment balance by LICENSEE.

Transfer of the remaining SEVENTY PERCENT (70%) of the non-reimbursed recapture for 2007 (\$649,128 if reimbursement is \$0) from the HORSEMEN'S purse account to LICENSEES shall not occur unless and until:

- (a) new revenues become available, ("new revenue" is defined, for purpose of this provision as any legislatively enacted non-pari-mutuel revenue source such as, but not limited to, gaming, revenues other than that from horse racing), provided that this provision shall be applicable only to and including December 31, 2013 for the non-reimbursed recapture due in 2007 and if no such legislation becomes law and final on or before said date no 2007 recapture shall be transferred from new revenues,

The transfer of this deferred 70% of non-reimbursed 2007 recapture from the HORSEMEN'S purse account to LICENSEE plus the transfer of any other deferred non-reimbursed recapture due from other agreements shall be limited to one half of the HORSEMEN'S purse account money received in any given year from such alternative sources and shall continue until all deferred non-reimbursed recapture due is paid in full.

Should additional "reimbursement of 2007 recapture" monies be appropriated at any time in the future and paid to the HORSEMEN'S purse account after the first allocated race date of 2007, it shall be treated as if paid on that date and any and all money already transferred to or from the HORSEMEN'S purse account from or to LICENSEE for 2007 recapture shall be retroactively adjusted.

4. LICENSEE must provide transportation from the areas of the backstretch to the areas of the front stretch for all horsemen, their grooms and their equipment as necessary.

5. In the event LICENSEE is awarded dates for 2008, any debit (overpayment) or credit (underpayment) balance in the HORSEMEN'S daily purse account at the end of 2007 shall be carried forward to year 2008.

6. The LICENSEE must send, each and every week of racing, by facsimile machine or other electronic means, to the IHHA office, a purse account report indicating on a daily basis the total amount of moneys wagered, the LICENSEE'S commissions, and the HORSEMEN'S share of purses and all other transfers of moneys into and out of the HORSEMEN'S daily and stakes purse accounts. At the conclusion of the year, the LICENSEE will furnish the IHHA a composite weekly and annual statement of summaries of all totals of the aforesaid. LICENSEE, within SIX (6) months of the conclusion of the year, will furnish to the IHHA office a letter verifying the final balance in the HORSEMEN'S daily purse account.

7. During the life of this Agreement, the LICENSEE may conduct any stakes, including elimination and consolation, futurity and early and late closing races requiring a nomination, sustaining, entry and/or starting payments using no more than Ten THOUSAND (\$10,000.00) DOLLARS of HORSEMEN'S daily purse account funds per race. The LICENSEE may also conduct the stakes races, including eliminations and

consolations, agreed to (see Paragraph 2B) as long as the purse money in excess of TEN THOUSAND (\$10,000) DOLLARS per race is paid from the HORSEMEN'S stakes purse account and the HORSEMEN'S stakes purse account funds used do not exceed the maximums agreed to and specified for each race. The LICENSEE agrees to furnish the IHHA a list of all such stake, futurity and early and late closing races, no later than thirty days prior to advertising.

8. It is agreed, that FOUR THOUSAND (\$4,000.00) DOLLARS has been established as the minimum claiming price of the horses racing under this agreement. However, the Race Secretary and the IHHA Stall and Eligibility Committee must mutually approve the minimum eligibility requirements.

9. The LICENSEE shall provide, without cost to the IHHA or to the HORSEMEN, policies of insurance providing coverage, for licensed USTA member trainers and/or drivers including trainers and/or drivers licensed by the state racing commission where the track is located who are actively participating as drivers and/or trainers at a covered track in an amount not less than ONE HUNDRED THOUSAND (\$100,000.00) DOLLARS for accidental death or dismemberment, TWO HUNDRED FIFTY THOUSAND (\$250,000.00) DOLLARS medical accident coverage for racing participants, and THREE HUNDRED FIFTY (\$350) DOLLARS per week for a period of up to 104 weeks disability insurance, covering life, injury or accident to participants during activities related to jogging, training, and the warm-up for and conduct of any race. LICENSEE must pay any and all deductibles and/or co-payments under said insurance policies. The LICENSEE shall provide the IHHA with copies of all insurance policies purchased and notices with respect thereto and the IHHA must receive evidence of all premium payments.

10. From the LICENSEE'S retained share of the pari-mutuel handle, the LICENSEE must be liable for the payment of sulky claims. No payment will be made unless the owner of the sulky is a member of the IHHA at the time of loss. The IHHA and LICENSEE shall work

together

to insure that no abuse occurs under this paragraph and agree that all sulky claims must be approved by a two person committee which shall be agreed to by and between the LICENSEE and the HORSEMEN. Claims must be paid based on the rules and guidelines adopted and incorporated into this Agreement and more fully set forth in Exhibit C attached hereto.

11. LICENSEE'S racing secretary shall have posted at all times condition sheets for a minimum of one week's racing with new sheets published weekly no later than twenty-four (24) hours prior to the first deadline for entries on said sheet. No race may be scheduled which has not been listed on the condition sheet or specified as a condition revision on an overnight sheet.

12. Qualifying races shall take place the same scheduled day and time of each week, weather permitting. Schedule additions and/or changes shall be allowed by mutual consent of LICENSEE and IHHA.

13. A representative of the IHHA may be present when the entry box is opened. The LICENSEE Race Secretaries must publicly announce the draw, and then wait at least ten (10) minutes to proceed with the draw. If a horseman enters a horse in more than one class, his entry must indicate the first choice for that horse. LICENSEE must publish and consistently apply rules for the entry of a horse in a race other than the first choice indicated. No LICENSEE employee may be involved in the draw of a race or resolution of multiple claims on a particular horse if they are the spouse, parent, child or sibling of a horseman entering in that race or involved in that claim.

14. It is agreed that, from the date of execution of this Agreement until five years after the expiration of this Agreement, there may be, at the option of the IHHA, an audit, at the

expense

of the requesting party, by a mutually agreed upon accountant, of the HORSEMEN'S daily purse

account to determine any underpayment or overpayment prior to or during the period covered by this Agreement, as the case may be. Upon completion of said audit, the parties hereto agree to fulfill their obligations as the case may be, with payment to be effected on an agreed pro-rated basis, without interest.

15. The LICENSEE further agrees to pay the premium on an insurance policy covering

perils such as fire, lightning, windstorm, cyclone, tornado, explosion, riot, earthquake, or flood, provided that the terms of such policy includes coverage on all horses stabled at Hawthorne Race Course, up to FIFTEEN THOUSAND DOLLARS (\$15,000) for any one horse, except that unraced horses aged one year eight months or older are limited to FIVE THOUSAND DOLLARS (\$5,000) per horse, and TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) per occurrence, that the LICENSEE is named in the policy as an insured, and that the insurance underwriter is legally qualified to issue policies of insurance that cover risks located in Illinois. As a condition to LICENSEE'S liability for premiums, IHHA agrees that it will deliver, to the LICENSEE, a duly executed copy of the policy, together with evidence from the Illinois Department of Insurance that the said underwriter is legally qualified and registered to insure risks located in Illinois. In lieu of paying premiums on a policy issued by an underwriter selected by IHHA, LICENSEE may provide similar coverage on all horses stabled at Hawthorne Race Course under a policy issued by an underwriter selected by LICENSEE, provided the LICENSEE must furnish IHHA with evidence of such coverage and of the underwriter's qualification to issue such policy on risks located in Illinois.

16. LICENSEE hereby recognizes the IHHA and its respective standing committees, i.e., Backstretch Committee, Stall & Eligibility Committee, Negotiating Committee,

Drivers

Committee, Condition Sheet Committee, Purse Account Committee and Inclement Weather Committee as being duly designated representatives of all harness HORSEMEN racing at said meet or meets in all matters affecting said HORSEMEN during the term of this Agreement as well as any renewals thereof. The LICENSEE must be provided with a current roster of the members of said committees and their duties prior to start of meet.

17. LICENSEE must provide free official programs to owners, trainers, and drivers of

horses scheduled to race. These free official programs must be available in the paddock and race office no later than one (1) hour prior to the first race. LICENSEE must also provide, on request, at no cost to IHHA members or for a fee of \$10.00 (TEN) DOLLARS to non-members, one video tape of each race to the owners of the winning horse of that race.

18. No HORSEMAN may be denied stall space or racing privileges because of

membership in or activity on behalf of the IHHA. Revocation of stall space or racing privileges,

once allocated must be for just cause and the reason for such revocation must be set forth in writing delivered to the HORSEMAN concerned.

19. LICENSEE and IHHA agree that horses entered in races with nominating, entry

and/or starting fees must meet all and only those conditions published for said races.

Horses entered in overnight races with no nominating entry or starting fees must meet published qualifying standards and reasonable standards of competitiveness.

Preference shall be accorded certain horses entered in overnight races with no nominating entry or starting fees as defined in Exhibit D.

20. The LICENSEE and the IHHA must mutually agree on the Outrider and said

Outrider must be on duty during all races, including, but not limited to pari-mutuel, qualifying and non-betting races. In the event the Outrider is not available, racing may take place with the mutual consent of the IHHA Drivers Committee and the LICENSEE.

21. The terms and conditions of this agreement apply and pertain only to race meets conducted by the LICENSEE at its respective facility. In the event the LICENSEE races at any other racetracks, all terms and conditions provided in this agreement shall be of no force and effect and not binding upon either party with respect to race meetings conducted at such other racetrack, unless mutually agreed. Negotiations of a new agreement with respect to such other racetracks shall commence upon written request by either party.

22. Prior to the LICENSEE entering into any agreement with any third party whereby the LICENSEE receives additional income or revenues by reason of the receiving (except with respect to simulcasts to the extent expressly provided by statute) or transmissions of any signal, electronic or otherwise, or any other type of coverage relative to harness racing, the parties covenant and agree they shall enter into good faith negotiations to determine the HORSEMEN'S share in such revenue income, if any. In the event that no agreement is reached, then and in that event, the LICENSEE must not conduct any of the foregoing, to wit: cable casting, commercial broadcasting, simulcasting, or any other form of signal transmission or reception. The negotiations referred to in this paragraph refer only to the subject matter of the within paragraph. The remainder of the agreement must remain in full force and effect.

23. The LICENSEE must assign a stall person to coordinate the LICENSEE'S allotment of stalls and placement of horses. The stall person will confer with any duly

authorized representative of the IHHA if requested.

24. The LICENSEE and the IHHA mutually agree that the track must be open

(6) hours per day, seven (7) days per week for training and/or qualifying races.

25. The LICENSEE must furnish office space at no charge to the HORSEMEN to be

used by the IHHA Field Representatives.

26. The LICENSEE must have secured bulletin boards in the track kitchen, Race office or other suitable location. The bulletin board must have a lock and the key must be placed under the control of an IHHA representative. The bulletin board shall be used for posting official IHHA and LICENSEE'S notes and communications to backstretch personnel. The person in charge of the bulletin board must maintain the board in a clean, orderly and professional manner.

28. The LICENSEE must furnish at the beginning of each meeting various items of paddock equipment as required under the IRB rules. The LICENSEE agrees to set up a procedure whereby the paddock judge would check in and out said equipment in order to account for the same.

29. The LICENSEE must make available a track kitchen which shall be open from Noon. to 12:00 Midnight. Any changes to this schedule shall require IHHA approval.

30. An Inclement Weather Committee or other designated representative of the IHHA shall be selected and shall advise, without discrimination, whether or not weather conditions may cause a cancellation of a carded event. Those decisions shall be made, along with representatives of the IRB and track management, by no later than 12:00 p.m. (NOON) prior to the scheduled post time of the first race. The committee's decision must be considered final, if permitted by Rule 1314.30 of the IRB rules. It is agreed that if the weather is predicted by the National Weather Service to be at or is at thirty degrees below zero wind chill factor at post time, and if the committee decides to race, then

any driver not wishing to drive or any trainer who wishes to withdraw his entered horse with permission of the Stewards, due to cold weather, will do so at no penalty to himself and in the case of the driver, the trainer may replace the driver without penalty.

31. LICENSEE recognizes the importance of advertising to the general public in various forms and through various media and that LICENSEE'S promotion of the harness racing industry is vital to the success of the parties hereto and other participants in the industry.

32. It is hereby acknowledged by the LICENSEE and IHHA that in order to help maintain the integrity and safety of racing, it is necessary to conduct spot testing of drivers, trainers and caretakers, involved in a scheduled race program, relative to the use and abuse of controlled substances. The LICENSEE and IHHA mutually agree to support and develop the testing program and timing of such testing and to strictly adhere to all Governmental Laws and guidelines relative to such testing. It is also agreed that the drug testing program is intended to be a remedial one. LICENSEE and IHHA shall share any costs of such testing.

33. LICENSEE'S race offices must be open and adequately staffed to receive entries by phone or in person from 9:00 a.m. to 12:00 noon every day which has a deadline for entries after 3:00 p.m. at that office. LICENSEE'S race offices must be open and adequately staffed to receive entries by phone or in person from 6:00 p.m. to 9:00 p.m. the evening before every day which has a deadline for entries before 3:00 p.m. at that office. They must also be open and adequately staffed for this purpose, for one and one half (1.5) hours prior to the actual deadline for entries.

34. LICENSEE must schedule a minimum of seventy-five (75) races per week in each week for which they have been awarded seven (7) days of race programs.

LICENSEE must schedule a minimum of 66 races per week in each week for which they have been awarded 6 days of race programs. LICENSEE and IHHA agree that LICENSEE will schedule more or less than 66 races per week based on horse population and the ability to fill races. LICENSEE must schedule a minimum of ten (10) races in each race program.

35. LICENSEE and the IHHA agree to form a grievance committee to resolve any and all disputes pertaining to, and only to, violations of this Agreement between LICENSEE and individual horsemen, the HORSEMEN as a group and/or the IHHA. Any horseman and / or the IHHA may file a grievance or complaint alleging a violation, misrepresentation and / or misapplication of this Agreement. This grievance committee shall consist of two people identified by LICENSEE and two people identified by the IHHA. LICENSEE and the IHHA further agree that disputes which are not resolved by the grievance committee shall be jointly submitted and resolved by binding arbitration in Chicago, IL under the rules of the Federal Mediation and Conciliation Service. Cost of arbitration (arbitrator, FMCS and court reporter fees and transcripts) shall be shared equally by LICENSEE and the IHHA. In the event there is an arbitration hearing each party will be limited to one day of testimony in front of the arbitrator. Each party shall bear their own attorney fees and expenses.

The grievance and mediation procedures described above shall not apply to disputes arising from an exclusion or denial of racing privileges of any horseman by the LICENSEE. Instead, disputes concerning exclusions by the LICENSEE shall be resolved by the Board of Stewards. The Board of Stewards decisions shall be final and binding, except that the horseman shall retain all rights devolved from section 5/9(e) of the Horse Racing Act.

36. This Agreement must be binding and inure to the benefit of the successors and

assignees of the parties. The above and foregoing constitutes the entire Agreement between the parties hereto. Any modification and amendment thereof must be in writing and signed by the parties and their duly authorized agents or representatives.

IN WITNESS WHEREOF, the parties have entered into this Agreement this day of _____, 2007

ILLINOIS HARNESS HORSEMEN'S ASSOCIATION

By: _____

SUBURBAN DOWNS, INC.

By: _____

**EXHIBIT A
2007 STAKES**

**Maximum Purse Account Funds To
Be Used
In Excess of \$10,000.00 per Race**

Date	Trk	Stakes Race	Class	ICF	2007 Amount	
5/28/2006	haw	Forest View Claiming Leg 1	nw2 f		\$0	
5/31/2006	haw	Stickney Claiming Leg 1	nw2 c&g		\$0	
6/1/2006	haw	Cicero Claiming Leg 1	nw4 c&g		\$0	
6/2/2006	haw	Berwyn Claiming Leg 1	nw4 f		\$0	
6/4/2006	haw	Forest View Claiming Leg 2	nw2 f		\$0	
6/7/2006	haw	Stickney Claiming Leg 2	nw2 c&g		\$0	
6/8/2006	haw	Cicero Claiming Leg 2	nw4 c&g		\$0	
6/9/2006	haw	Berwyn Claiming Leg 2	nw4 f		\$0	
6/13/2006	haw	Forest View Claiming Final	nw2 f		\$0	
6/17/2006	haw	Stickney Claiming Final	nw2 c&g		\$0	
6/17/2006	haw	Cicero Claiming Final	nw4 c&g		\$0	
6/17/2006	haw	Berwyn Claiming Final	nw4 f		\$0	
6/22/2007	haw	Dunkster Leg 1	nw5 t		\$0	
6/23/2007	haw	Chicago	3cp		\$25,000	
6/23/2007	haw	Lady Chicago	3fp		\$25,000	
6/23/2007	haw	Cubs Leg 1	nw5 cp		\$0	
6/24/2007	haw	Sox Leg 1	nw5 fp		\$0	
6/29/2007	haw	Dunkster Leg 2	nw5 t		\$0	
6/30/2007	haw	Cubs Leg 2	nw5 cp		\$0	
7/1/2007	haw	Sox Leg 2	nw5 fp		\$0	
7/6/2007	haw	Dunkster Final	nw5 t		\$5,000	
7/7/2007	haw	Cubs Final	nw5 cp		\$5,000	
7/8/2007	haw	Sox Final	nw5 fp		\$5,000	
7/14/2007	haw	Dygert Mem Elims	3&up t		\$15,000	each
7/17/2007	haw	Fox Valley Dynamic Leg 1	2cp	ICF	\$0	
7/18/2007	haw	Plesac Leg 1	2ct	ICF	\$0	
7/18/2007	haw	Broadway Tax Leg 1	2fp	ICF	\$0	
7/18/2007	haw	Star Slinger Leg 1	2ft	ICF	\$0	
7/19/2007	haw	Guncorner Lad Leg 1	3ct	ICF	\$4,000	\$2000 each
7/19/2007	haw	Fox Valley Evita Leg 1	3ft	ICF	\$4,000	\$2000 each
7/20/2007	haw	Determination Leg 1	3fp	ICF	\$4,000	\$2000

7/21/2007	haw	Dygert Mem Final	3&up t		\$45,000	each
7/21/2007	haw	Master Shawn Leg 1	3cp	ICF	\$4,000	\$2000 each
7/24/2007	haw	Fox Valley Dynamic Leg 2	2cp	ICF	\$0	
7/25/2007	haw	Plesac Leg 2	2ct	ICF	\$0	
7/25/2007	haw	Broadway Tax Leg 2	2fp	ICF	\$0	
7/25/2007	haw	Star Slinger Leg 2	2ft	ICF	\$0	
7/26/2007	haw	Guncorner Lad Leg 2	3ct	ICF	\$4,000	\$2000 each
7/26/2007	haw	Fox Valley Evita Leg 2	3ft	ICF	\$4,000	\$2000 each
7/27/2007	haw	Determination Leg 2	3fp	ICF	\$4,000	\$2000 each
7/28/2007	haw	Carey Mem Elims	3&up p		\$15,000	\$2000 each
7/28/2007	haw	Master Shawn Leg 2	3cp	ICF	\$4,000	\$2000 each
8/4/2007	haw	Fox Valley Dynamic Final	2cp	ICF	\$15,000	
8/4/2007	haw	Plesac Final	2ct	ICF	\$15,000	
8/4/2007	haw	Broadway Tax Final	2fp	ICF	\$15,000	
8/4/2007	haw	Star Slinger Final	2ft	ICF	\$15,000	
8/4/2007	haw	Master Shawn Final	3cp	ICF	\$15,000	
8/4/2007	haw	Guncorner Lad Final	3ct	ICF	\$15,000	
8/4/2007	haw	Determination Final	3fp	ICF	\$15,000	
8/4/2007	haw	Fox Valley Evita Final	3ft	ICF	\$15,000	
9/4/2007	haw	Carey Mem Final	3&up p		\$45,000	
6/17/2006	haw	Meet End Balancing			\$500	
Totals:					\$337,250	
Per Day:					\$7,500	

EXHIBIT B

Conditions and Base Purses(1)

Claiming Races:

Claiming	Base
Price	Purse(2)
\$4,000	\$3,250
\$5,000	\$3,700
\$6,000	\$4,200
\$8,000	\$5,200
\$10,000	\$6,200
\$12,000	\$6,700
\$15,000	\$7,400
\$17,500	\$8,100
\$20,000	\$8,900
\$22,500	\$9,500
\$25,000	\$10,300
\$30,000	\$11,800
\$35,000	\$12,900
\$40,000	\$13,700
\$50,000	\$14,700

EXHIBIT B
Conditions and Base Purses(1)

Conditioned Claiming Races:

Condition Purse(2)	Claiming Price	Base
Not 1-2-3 Last 4 Starts	\$4,000	
\$3,250		
NW \$1,500 Last 5 Starts	\$4,000	
\$3,250		
NW 1 race (3) Lifetime	\$6,000	
\$3,250		
NW 2 races(3) or \$5,000 Lifetime	\$6,500	
\$3,400		
NW 3 races(3) or \$10,000 Lifetime	\$7,000	
\$3,700		
NW 4 races(3) or \$20,000 Lifetime	\$7,500	
\$4,000		
NW 5 races(3) or \$30,000 Lifetime	\$8,000	
\$4,100		
NW 6 races(3) or \$40,000 Lifetime	\$8,500	
\$4,200		
NW \$10,000 Lifetime	\$10,000	
\$4,200		
NW \$20,000 Lifetime	\$11,000	
\$4,400		

NW \$30,000 Lifetime	\$12,000
\$4,600	
NW \$50,000 Lifetime	\$15,000
\$4,800	
3&4 Year Olds Not 1-2-3 Last 4 Starts	\$5,000
\$3,250	
3&4 Year Olds	\$5,000
\$3,400	
3&4 Year Olds	\$7,500
\$3,800	
3&4 Year Olds	\$10,000
\$4,200	
3&4 Year Olds	\$15,000
\$4,800	

EXHIBIT B
Conditions and Base Purses(1)

Conditioned Races:

Condition	Base Purse(2)
Starter in \$8,000 Claimer or Less Last Start Not 1-2-3 Last 4 Starts	\$3,700
NW 1 race(3) Lifetime	\$4,700
NW 2 races(3) or \$5,000 Lifetime	\$5,400
NW 3 races(3) or \$10,000 Lifetime	\$6,100
NW 4 races(3) or \$20,000 Lifetime	\$6,800
NW 5 races(3) or \$30,000 Lifetime	\$7,500
NW 6 races(3) or \$40,000 Lifetime	\$8,000
NW \$2,000 Last Five Starts (W/O \$35,000 in 2004-5 NE)	\$3,700
NW \$3,000 Last Five Starts (W/O \$50,000 in 2004-5 NE)	\$4,200
NW \$4,000 Last Five Starts	\$6,200
NW \$5,000 Last Five Starts	\$7,200
NW \$7,500 Last Five Starts (Opt \$22,500 Cimg)	\$8,000
NW \$10,000 Last Five Starts (Opt \$32,500 Cimg)	\$10,700
NW \$12,500 Last Five Starts (Opt \$45,000 Cimg)	\$12,300
Open	\$15,500
Preferred (Posted)	\$17,000
Invitational (Posted)	\$18,500
Free For All (Posted)	\$21,500

Notes:

- 1). All races other than Free For All must be limited by gait and may be limited by sex, age and/or to Illinois Conceived and Foaled (ICF) horses registered under sub-paragraph(j)(2) of section 31 of the Illinois Horse Racing Act of 1975.
- 2). If a race is not limited exclusively to ICF horses, a 12% purse bonus must be paid from the HORSEMEN'S purse account to any ICF horse finishing first, second or third. This does not include races where entry, nominating or starting fees are paid.
- 3). LICENSEE'S Race Secretary may optionally count only Extended Pari-mutuel races as wins. Which wins do or don't count must be clearly delineated on all specified conditions where applicable.

EXHIBIT C
SULKY INSURANCE

Sulky Insurance at Hawthorne Race Course will be limited to sulkies only (no jog carts or wheels). Damage must be incurred between the start of the post parade and the end of an actual race (including qualifiers).

Damaged sulkies will be paid for per the following schedule:

<u>Sulky Age</u>	<u>Amount Covered</u>
0-2 years	\$1500.00
3-4 years	\$1200.00
5 years and older	\$900.00

The appointed committee must approve claims within thirty (30) days of the accident or claim will not be paid.

EXHIBIT D
ENTRY PREFERENCE

Horses entered in overnight races shall be given preference if:

- A.) The horse's last pari-mutuel start was in the state of Illinois or

- B.) The horse is Illinois Conceived and Foaled (ICF) as defined in subparagraph(j)(2) of section 31 of the Illinois Horse Racing Act of 1975 as amended or

- C.) The horse is Illinois owned and is being entered and trained by an Illinois trainer or

- D. The horse's last pari-mutuel start was for a claiming price of \$20,000 or more or in a conditioned race with equivalent purse or

- E.) The horse's last pari-mutuel start was for a claiming price of \$10,000 or more or in a conditioned race with equivalent purse and the horse is being entered and trained by an Illinois trainer.

Horses entered in overnight races with a claiming price of less than \$10,000 with conditions based on races and/or money won and whose last start was outside the state of Illinois must, in addition to meeting one of the above conditions, show a finish of 1, 2 or 3 in one of its last three races to be granted preference.

Exhibit E to be inserted.