

NYRA FINANCING AGREEMENT  
CONTRACT #

THIS AGREEMENT ("Agreement") is made as of the 13<sup>th</sup> day of ~~SEPTEMBER~~ 2010 by and among GENTING NEW YORK LLC having an address at c/o Steven Wilner, 1 Liberty Plaza, New York New York, 10006 ("Video Lottery Facility Operator"), the NEW YORK STATE DIVISION OF THE LOTTERY ("Lottery"), an executive agency of the State of New York, with a mailing address of One Broadway Center, P.O. Box 7500, Schenectady, New York 12301, and the NEW YORK RACING ASSOCIATION, INC. ("NYRA"), a not-for-profit corporation incorporated pursuant to Section 402 of the Not-For-Profit Corporation Law of the State of New York as authorized by Chapter 18 of the Laws of 2008, with a place of business at 110-00 Rockaway Boulevard, Jamaica, New York 11417, sometimes collectively referred to herein as the "Parties" or singularly as a "Party."

WITNESSETH:

WHEREAS, the Lottery, on behalf of the State of New York, issued a Request for Proposals ("RFP") on May 11, 2010 to solicit Proposals from Vendors seeking the award of a Video Lottery License to develop and operate a Video Lottery Facility at Aqueduct Racetrack ("Aqueduct") in the Borough of Queens in the City of New York ("Video Lottery Facility"); and,

WHEREAS, pursuant to Chapter 90 of the Laws of 2010 and the LOAN Agreement, dated JUNE 10, 2010 ("ESDC Loan Agreement"), New York State Urban Development Corporation d/b/a Empire State Development Corporation ("ESDC") shall make a working capital loan to NYRA of up to twenty five million dollars (\$25,000,000) for expenses at Aqueduct, Belmont and Saratoga racetracks.

WHEREAS, the Vendor selected to develop and operate the Video Lottery Facility (the "Video Lottery Facility Operator") is required to make payments to NYRA to enable NYRA to repay such advance to ESDC and maintain racing operations until such time as Video Lottery revenues become available to NYRA pursuant to Tax Law Section 1612 (f).

WHEREAS, the Parties desire to enter into this Agreement upon the provisions contained herein.

NOW, THEREFORE, in consideration of the promises and the agreements of the Parties contained herein, the Parties agree as follows:

ARTICLE I  
LOAN AMOUNT

- 1.1 Pursuant to the ESDC Financing Agreement, ESDC shall make a loan to NYRA of twenty five million dollars (\$25,000,000) through three (3) disbursements, with the first to occur in June, and the second and third disbursements to be made on dates prior to March 31, 2011, as determined by the Director of the Division of the Budget. Within ten (10) business days after the Aqueduct Memorandum of Understanding ("MOU") is signed and delivered to the Vendor by the Governor, the

Temporary President of the Senate, and the Speaker of the Assembly pursuant to Subdivision e of Section 1612 of the Tax Law, the Video Lottery Facility Operator shall repay to ESDC an amount equal to the monies disbursed to NYRA by ESDC. The Video Lottery Facility Operator will assume from ESDC the obligation to disburse any portion of the \$25 million loan not disbursed by ESDC to NYRA under the ESDC Loan Agreement and shall lend such remaining portion to NYRA, in accordance with a plan approved by the Director of the Budget.

- 1.2. Upon the disbursement of the twenty five million dollar (\$25,000,000) loan pursuant to section 1.1 of this Agreement, at the direction of the Director of the Division of the Budget, the Video Lottery Facility Operator shall advance funds of no more than \$2 million per month to NYRA for racing operation expenses at Aqueduct, Belmont and Saratoga racetracks until video lottery gaming operations commence at the Video Lottery Facility. The amount that the Video Lottery Facility Operator shall advance to NYRA monthly for such racing operation expenses shall be approved by the Director of the Division of the Budget. The Video Lottery Facility Operator shall not advance any amount of such expenses unless approved by the Director of the Division of the Budget.
- 1.3. The annual rate of interest shall be equal to two percent per annum commencing each date any monies are paid to NYRA under the ESDC Loan Agreement and this Agreement until all monies are fully repaid to the Video Lottery Facility Operator.

## ARTICLE II REPAYMENT

- 2.1. All monies paid to NYRA under the ESDC Loan Agreement and this Agreement shall be repaid to the Video Lottery Facility Operator from the portion of the vendor fee that would otherwise be due to NYRA pursuant to paragraphs 3 and 4 of subdivision f of section 1612 of the Tax Law on account of video lottery revenues from the Video Lottery Facility ("NYRA Portion").
- 2.2. The Video Lottery Facility Operator shall have no other recourse against NYRA, ESDC or the Lottery to collect repayment of any monies paid to NYRA under the ESDC Loan Agreement and this Agreement, except from the NYRA Portion.
- 2.3. The Parties agree that, commencing six months from the date VLT operations at Aqueduct begin, the Lottery will authorize the Video Lottery Facility Operator to retain amounts in accordance with a plan approved by the Director of the Division of the Budget equal to twenty-five percent (25%) of the total NYRA Portion until all monies paid to NYRA under the ESDC Agreement and this Agreement are fully repaid to the Video Lottery Facility Operator.

## ARTICLE III MISCELLANEOUS

- 3.1. This Agreement may not be amended, modified, supplemented or terminated unless in writing and duly executed by the party against whom the same is sought to be asserted, subject to the approval of the Office of the State Comptroller and the Office of the Attorney General, and constitutes the entire agreement between the parties with respect to the subject matter hereof.


- 3.2. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the laws of the State of New York.
- 3.3. Documents Incorporated: Appendix A, "Standard Clauses for all New York State Contracts" and Appendix B, The ESDC Loan Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above-written.

VIDEO LOTTERY FACILITY  
OPERATOR

By: \_\_\_\_\_  
Name:  
Title:  
Date:

NEW YORK STATE  
DIVISION OF THE LOTTERY

By:   
Name: GORDON MEDENICA  
Title: DIRECTOR  
Date: 6/9/10


NEW YORK RACING  
ASSOCIATION, INC.

By: \_\_\_\_\_  
Name:  
Title:  
Date:


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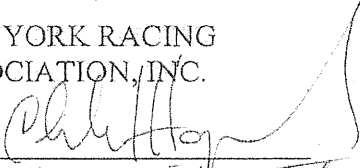
VIDEO LOTTERY FACILITY  
OPERATOR

By:   
Name: Barry A. Hoffman  
Title: Director  
Date: June 25, 2010

NEW YORK STATE  
DIVISION OF THE LOTTERY

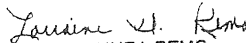
By:   
Name: GORDON MEDENICA  
Title: DIRECTOR  
Date: 6/9/10

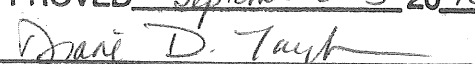
*The* NEW YORK RACING  
ASSOCIATION, INC.

By:   
Name: Charles E. Hayward  
Title: President/CEO  
Date: June 9, 2010

APPROVED AS TO FORM  
NYS ATTORNEY GENERAL

SEP 08 2010

  
LORRAINE I. REMO  
ASSOCIATE ATTORNEY

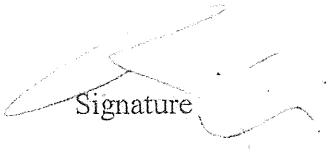
APPROVED September 13 2010  
  
FOR THE STATE COMPTROLLER

ACKNOWLEDGMENTS

STATE OF NEW YORK )  
 ) : ss.  
COUNTY OF Nassau )

On the 9<sup>th</sup> day of June, in the year 2010, before me, the undersigned, personally appeared Charles E. Hayward, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Witness My Hand and Official Seal.

  
Signature

**Pasquale Viscusi**  
**Notary Public, State of New York**  
**No. 02V16068172**  
**Qualified in Queens County**  
**Commission Expires Dec. 24, 2013**

My Commission expires on \_\_\_\_\_

STATE OF NEW YORK )  
 ) : ss.  
COUNTY OF )

On the 25<sup>th</sup> day of June, in the year 2010, before me, the undersigned, personally appeared Barry Hoffman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Witness My Hand and Official Seal.

Signature   
Signature

My Commission expires on August 4, 2012

**Gregory Coates**  
**Notary Public, State of New York**  
**No. 01CO6191149**  
**Qualified in New York County**  
**Commission Expires August 4, 2012**