



## Franchise Oversight Board

### Resolution No. 23-02

**WHEREAS**, in 2008, the New York State Legislature (i) amended the New York Racing, Pari-Mutuel Wagering and Breeding Law to establish the Franchise Oversight Board (the "Board") to represent the interests of the People of the State of New York as owner of the Aqueduct Racetrack, Belmont Park, and Saratoga Race Course (the "Franchised Racetracks") and (ii) conferred upon The New York Racing Association, Inc. ("NYRA") the right and responsibility to, among other things, operate all functions at the Franchised Racetracks; and

**WHEREAS**, pursuant to N.Y. Racing, Pari-Mutuel Wagering and Breeding Law § 212(8)(a)(iv), the Board is required to evaluate, review and approve NYRA's selection of a vendor to provide totalizator services; and

**WHEREAS**, pursuant to Section 2.7 of the Franchise Agreement among NYRA, the State of New York, and the Board dated as of September 12, 2008 (the "Franchise Agreement"), NYRA has the right to select a vendor to provide totalizator services subject to the review and approval by the Board of any agreement in connection therewith, and, in reviewing and approving any such agreement, the Board shall consider a proposed vendor's ability to reduce totalizator expenses and the general development and production costs of any internet wagering platform of NYRA and any authorized off-track betting corporation; and

**WHEREAS**, on August 11, 2022 Churchill Downs Incorporated announced that it had entered an agreement to sell 49 percent of United Tote Company, a wholly owned subsidiary of Churchill Downs, to NYRA Content Management Solutions, LLC, a subsidiary of NYRA; and

**WHEREAS**, NYRA has negotiated a Tote Service Agreement with United Tote to provide totalizator equipment, technology, and services with a favorable cost structure reflective of NYRA's equity partnership in United Tote; and

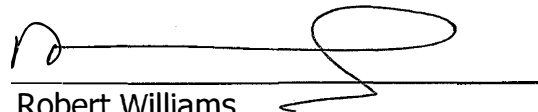
**WHEREAS**, NYRA has requested that the Board approve its selection of United Tote as the provider of totalizator services and approve the Tote Services Agreements between United Tote and NYRA commencing as of September 6, 2023, which Agreements provide for a 10-year term with a right to a 2-year renewal term; and

**NOW, THEREFORE,** be it resolved that the Board hereby approves NYRA's selection of United Tote as the provider of totalizator services and hereby approves the Tote Services Agreements between United Tote and NYRA commencing as of September 6, 2023.

VOTE:

<b><i>Member</i></b>	<b><i>Aye</i></b>	<b><i>Nay</i></b>	<b><i>Abstain</i></b>	<b><i>Absent</i></b>
Victor E. Franco, Jr.	<b>x</b>			
Christopher T. Higgins	<b>x</b>			
Robert Smith	<b>x</b>			
James T. Towne, Jr.	<b>x</b>			
Robert Williams	<b>x</b>			

Adopted by the affirmative vote of a majority of the members at a duly constituted meeting of the Board conducted on August 3, 2023.

  
Robert Williams  
Chair