

**Cloverleaf Standardbred Owners' Association, Inc.**  
**Board Meeting November 17, 2010 Minutes**  
**VFW, Grasonville, Maryland**

Present:        President                                Thomas Cooke  
                  Secretary                                    William Long  
                  Treasurer                                    Daniel Bittle  
                  Executive VP                                Sharon Roberts

Directors:     William DeLodovico                        Ralph Hayward                                Tammy Lafferty  
                  Jackie MacLeod                                Don Milby                                        James Simmons  
                  Eli Solomon                                    William Spicer                                 Gary White

Absent:        Gary Ewing                                    Dan Myer                                        Jerry Nock  
                  Kenneth Schlotzhauer                        Judy Welty

The meeting was called to order at 6:00 pm. This is a joint meeting for the purpose of an update for Stockholders, CSOA, CEI and MSBA Boards.

**Hearing on Trustee Appointment** – November 18<sup>th</sup> there will be a Hearing to appoint a Trustee (Mr. Murphy). We are objecting to the appointment. The good news we are entitled to present our own plan. We will be submitting our plan with Chesapeake Racing. The Trustee will have an opportunity to pitch the track to other people interested in purchasing RCR.

**Chesapeake Racing** – Chartered and in Maryland. President of Chesapeake Racing will be Brian Elmore; he has worked in racing for thirty years. They have funded the Chesapeake Racing LLC with \$1.5M and hired Jerry Evans. The documents are being finalized. The Purse Agreement executed and the Breeders Agreement executed.

**Motion to Foreclose Hearing** – Will be held on November 29<sup>th</sup>.

**Legal Representation** – President Tom Cooke agreed to act as Legal Council for the board during this meeting.

This is not what we want but this is what we have.

By February we will know who our new owner will be.

With the "State Bond" all creditors get paid 100%.

**Purse Agreement:**

Race 40 days in 2011 and 2012. In 2013 may go to 60 days if needed and may increase from there but race on a circuit along with Ocean Downs and Colonial Downs.

The State of Maryland will loan the new buyer money (State Bond) and the State Purse money for RCR's share will be allowed to repay the Bond. After the Bond is paid off the money will go to purses.

The Prince Georges' County Delegation will not let any bill pass that does not help RCR.

**The meeting recessed at 6:35 pm**

**The meeting reconvened at 6:50 pm**

**Chesapeake Racing LLC** is seeking a local partner. They have spoken to Nathan Landow and will be speaking with Peter Angelos.

The CSOA office is tracking the slot revenue for the harness purses that have already been generated.

**Arundel Mills Mall** - On December 11<sup>th</sup> Mr. Cordish will ask for approval of a temporary building to put the slots in.

**Harness Purse Money** – Will be prorated by race days between Ocean Downs and Rosecroft (if RCR is licensed and open).

**Confidential Meeting - President Rogers asked that everyone keep this information confidential.**

**MRC Meeting** - The next MRC meeting is scheduled for November 29<sup>th</sup> at 2 pm in Laurel.

The Bankruptcy Hearing will be November 29<sup>th</sup> also.

**Purse Agreement:**

Pre Alternative Gaming - 17% of Net pari-mutuel revenue will be paid to CSOA. 85% allocated for purses and 15% allocated to CSOA – the 17% will increase to 24% when alternative gaming becomes operational.

5% in the years the bond is in place – 5% of the company's pre taxed income goes to purses.

Minimum and Maximum Purses has been addressed.

Training – The Company commits to having the racetrack open for training & qualifiers one day per week beginning with two weeks prior to the race meet through two weeks after the race meet.

CSOA will continue to be the horsemen's representative. Racing preferences requires membership in good standing in the CSOA association.

Race Days 2011 & 2012 - 40 days, days can increase if purses increase to \$50,000 a day.

CSOA office space rental \$1 a year.

Stall space – No on track stabling

Consents – Consents to simulcasting import and export of the signals.

Number 18 – Cooperation clause

Chesapeake Racing must apply for a MRC Racing license.

PNC's Appraisal \$1.9M for RCR

The Board agreed that this agreement will be the model agreement with CSOA and to give Kelley Rogers permission to make the agreement or better the agreement if the deal is not with Chesapeake Racing LLC.

**Tom Chuckas' Case** – is moving forward the depositions will be taken in early December.

**Anti Trust Case** – discovery has started and will come back on November 24 to schedule hearings.

**There will be no December meeting.**

**Schedule moving forward:**

On or before Nov 29<sup>th</sup> all agreements will be entered, and Chapter 11 disclosure statement.

An Evidentiary Hearing will be held within 7 days.

Once approved, file our Chapter 11 Plan on the earliest day possible, and must allow for 21 days.

The Trustee has to bring his deal.

Confirmation Hearing

Between February 2nd and 10th

Everyone needs to be thinking of a "Fall" meet for 2011 at Rosecroft.

The one thing that could change this would be a deal with the thoroughbreds.

**CSOA's Annual Meeting** – Will be held on February 7, 2011 at the VFW in Grasonville.

**MRC Open Seat:** Tammy Lafferty's name has been submitted for a seat on the MRC.

**Motion to Adjourn** – A motion was made by Tammy Lafferty, seconded by Bill Spicer to adjourn the meeting. The vote was unanimous. The meeting adjourned at 7:47 pm.

Respectfully submitted by,

Sharon L. Roberts

Executive VP