

JOSEPH A. FARALDO

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February 3, 2014

Marvin Newberg, Esq.
33 North Street
Monticello, New York 12701

Joseph D'Amato, CEO
c/o Empire Resorts
204 Route 17B
Monticello , NY 12701

Via e-mail, fax and certified mail

Re: Expiration of Horsemen's Association consent for export of interstate simulcast signal at Monticello Raceway

Dear Mr. Newberg:

As you are aware, I represent the Monticello Harness Horsemen's Association, the representative horsemen's association at Monticello Raceway for purposes of Federal and New York State law.

As you are further aware, the horsemen's agreement extant through January 31, 2014 at Monticello Raceway has expired and has not been extended. Negotiations towards a new agreement are presently at an impasse.

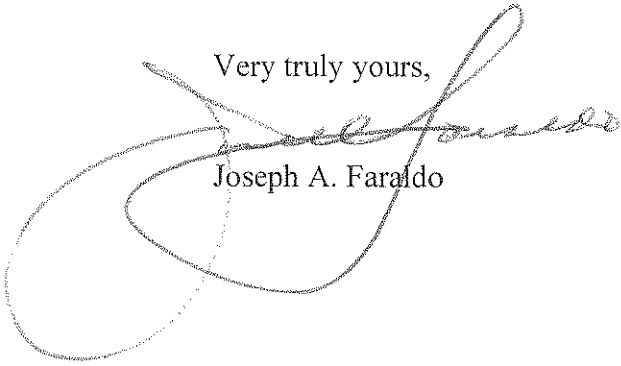
Accordingly, the horsemen association's consent to export the live racing signal to simulcast venues outside of New York State contained in Section 26 of the aforementioned agreement also expired on January 31, 2014.

Pursuant to the Interstate Horseracing Act of 1978 (15 U.S.C. §3001, et seq.) and specifically the language contained at 15 U.S.C. 3004(a)(1)(A) and 3004(a)(1)(B), Management is required to immediately cease and desist from engaging in export of the signal of live racing at Monticello Raceway across state lines. Your attention is further directed to 15 U.S.C. 3005 and 15 U.S.C. 3006, as well as the holding of the Sixth Circuit United States Court of Appeals in *Horsemen's Benevolent and Protective Association v. DeWine*, 666 F.3d 997 (2012).

Kindly copy the undersigned on all correspondence between your client and the affected simulcast entities regarding the termination of export of the live Monticello Raceway signal pursuant to Federal law.

JOSEPH A. FARALDO

Very truly yours,

A handwritten signature in cursive script, appearing to read 'Joseph A. Faraldo', written in black ink. The signature is fluid and somewhat stylized, with a large loop at the end.

Joseph A. Faraldo

Cc: Robert Williams
Ronald G. Ochrym
William Sekellick, Esq.