



**RICK SNYDER**  
GOVERNOR

STATE OF MICHIGAN  
**MICHIGAN GAMING CONTROL BOARD**  
DETROIT

**RICHARD S. KALM**  
EXECUTIVE DIRECTOR

In the matter of:

HORSEMEN'S SIMULCAST  
PURSE POOL ACCOUNT

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**SUPPLEMENTAL ORDER REGARDING CHANGE OF FINANCIAL INSTITUTION FOR  
HORSEMEN'S SIMULCAST PURSE POOL FROM PNC BANK TO INDEPENDENT BANK,  
ADMINISTRATION OF NEW ACCOUNT(S), AND TRANSFER/DEPOSITS**

On January 24, 2012 a conference call was held by the State horse racing personnel designated by the Executive Director of the Michigan Gaming Control Board. The participants included the 2012 race meeting licensees and Michigan Harness Horsemen's Association. Specifically, Hazel Park Raceway, Sports Creek Raceway, Northville Downs, the Michigan Harness Horsemen's Association (MHHA).

During the 2011 horse racing season, PNC Bank advised the MHHA that it no longer would service the purse pool accounts. On December 19, 2011 the Executive Director issued an Order granting the change of financial institutions from PNC Bank to Independent Bank. Included were the following two provisions:

Under Sections 18(4) and (5)(b) of the Horse Racing Law of 1995, as amended, Public Act No. 279 of 1995 (hereafter "the Act"), each race meeting licensee that receives an interstate and/or intertrack simulcast to pay to the Horsemen's Simulcast Purse Pool, established under Section 19 of the Act, a certain portion of the licensee's net commission from all money wagered on such simulcasts.

Under Section 19(1)(a)(b) of the Act, all money designated by the Act to be paid into the Horsemen's Simulcast Purse Pool shall be deposited in a depository designated by all participating certified horsemen's organizations and distributed by their designated escrow agent back to the purse pools of the respective race meeting licensees, pursuant to statutory formulas set forth in Section 19(1)(a)(b) of the Act.

The Director of the Michigan Harness Horsemen's Association (MHAA) was historically designated as the escrow agent on the Horsemen's Simulcast Purse Pool accounts. As such, the MHHA took action following the notice by PNC Bank to move the Horsemen's Simulcast Purse Pool accounts elsewhere. Based upon discussions with the Michigan Horsemen's Benevolent and Protective Association (MHBPA) and Great Lakes Quarter Horse Association (GLQHA), both associations were in agreement with MHHA's actions to move the accounts.

During the conference call, the State was advised that, since 1996, the certified horsemen's organizations have worked with the race meeting licensees to meet the requirements under Sections 18(4), 18(5)(b), 19(1)(a), and 19(1)(b). Given the recent financial institution change, Hazel Park Raceway and Sports Creek Raceway have decided to defer solely to the MHHA under Section 19 of the Act.

At the conclusion of the call, the parties requested that the Executive Director act as a mediator and issue an Order addressing the concerns raised.

**IT IS ORDERED:**

The 2012 Certified Horsemen's Organizations shall open and maintain a depository account(s) for monies designated by the Horse Racing Law of 1995 that are to be deposited into the Horsemen's Simulcast Purse Pool for standardbred and thoroughbred breeds purse pools. These organizations shall designate an escrow agent(s) for the account(s) and create the account(s) under the name of the Certified Horsemen's Organization(s).

The 2012 race meeting and simulcast permit licensees (Hazel Park Racing Association, Inc., a/k/a Hazel Park Raceway, John Carlo/Peter Battista/Margaret Zayti Partnership d/b/a Northville Downs, Oil Capital Race Venture, Inc., a/k/a Mount Pleasant Meadows, and Sports Creek Acquisitions, Inc., d/b/a Sports Creek Raceway), in conjunction with the Certified Horsemen's Organizations shall transfer all funds held in their respective PNC Investment accounts to the accounts, referenced in the above paragraph. The transfer of funds must be completed within seven (7) days of the issuance of this order.

Any outstanding deposits by the race meeting licensees to the Horsemen's Simulcast Purse Pool Accounts shall be made within seven (7) days of the issuance of this order.

IT IS SO ORDERED.

Dated: January 26, 2012

/s/

Richard Kalm, Executive Director

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c: Michigan Horsemen's Benevolent and Protective Association (HBPA)  
Michigan Harness Horsemen's Association (MHHA)  
Great Lakes Quarter Horse Association (GLQHA)  
2011 Race Meeting Licensees and Simulcast Permit holders