

Ontario Racing
c/o Woodbine Mohawk Park
PO Box 160
Campbellville, Ontario
L0P 1B0

TRANSMITTED VIA E-MAIL

Attention: Andrew Gaughan, Chairman of the Board, Ontario Racing (agaughan@ontarioracing.com)

May 31, 2024

RE: First Term Notice

Dear Andrew,

Through your submission of the "First Extension Term - Content Requested from OLG" on April 30, 2024 (the "**1st Extension Content**"), Ontario Racing ("**OR**") has sufficiently demonstrated to OLG that all Covenants of OR, per Section 6.1(h), have been hereby met.

The 1st Extension Content provided, amongst other things, purse details, by racetrack allocation, and by breed for Covid Relief Programs, along with each cancelled race date by racetrack, reason and funds issued under *OLG Policy Directive No.1-2022: Cancellation Fees*.

OLG is hereby satisfied that OR has run the race dates - with the purse allocations – originally specified in the Approved Annual Business Plan during the first five (5) Funding Years (F20-24), subject to any Make-Up Tactic referred to in Section 6.1(h) below:

"6.1 Covenants of Ontario Racing"

- (h) *Race Dates and Purse Allocations. Ontario Racing shall ensure that, during each Funding Year of the Term, each of the OR Racetrack Members runs the race dates with the purse allocations specified in the Approved Annual Business Plan for such Funding Year. In the event that any date is cancelled, Ontario Racing shall cause the relevant OR Racetrack Member to replace the cancelled race date by running an additional race date, adding additional races to other race dates or increasing the purses on other race dates (or a combination of some or all of the foregoing), in each case after consultation with the applicable horsepersons group and OLG, and subject to complying with Applicable Law and Governmental Consents (each, a "**Make-Up Tactic**"); provided, however, that if it is not feasible to effect a Make-Up Tactic, or if no Make-Up Tactic is effected for any other reason, Ontario Racing shall apply such purse allocations to future races in the then current Funding Year or the next Funding Year.*"

As per Article 12.2: Extension Terms, referred to below, this letter hereby serves as formal written notice (the "**First Term Notice**") that the criteria for the automatic extension of the Long-Term Funding Agreement for Live Horse Racing (the "**LTFA**") have been satisfied, and therefore, the Initial Term is hereby formally extended for an additional six (6) years.

"12.2 Extension Terms"

- (a) *Subject to Section 12.2(c), if, during the first five Funding Years of the Initial Term, the OR Racetrack Members conducted the number of race dates for each applicable breed as specified in the Approved Annual Business Plan for each of such Funding Years (subject to any Make-Up Tactic referred to in Section 6.1(h), the Initial Term will automatically be extended for an additional six consecutive years (the "**First Extended Term**"). Prior to or on June 1, 2024, OLG shall provide written notice (the "**First Term Notice**") to Ontario Racing and WEG confirming that the criteria for such automatic extension have been satisfied.*"

Unless otherwise defined in this letter, any capitalized terms used herein will have the meanings ascribed to them in the LTFA.

Sincerely,



Tina MacMillan
Vice President, Casino Gaming and Horse Racing, OLG

cc: Gordon Thain, Executive Director, ORM
cc: Sean Duval, Director Horse Racing, OLG
cc: Isabelle Deonarain, Sr Commercial Contract Manager Horse Racing, OLG