

**THOROUGHBRED OWNERS OF CALIFORNIA  
BOARD OF DIRECTORS MEETING**

**Friday, August 16, 2013**

**Del Mar**

**Minutes**

**Directors Present:** Nick Alexander, Madeline Auerbach, Bob Baffert, Dennis Cardoza (by phone), Mark Dedomenico (by phone), Ron Ellis, Ed Moger, Billy Morey (by Phone), Jack Owens, Mike Pegram, George Todaro (by phone), Kathy Walsh, and Mike Wellman. Mike Harrington joined following appointment to the board.

**Directors Absent:** Pablo Suarez.

**Staff Present:** Joe Morris, Kellee Breen and Richard Scheidt.

**I. Call to Order**

The meeting was called to order at 11:03 a.m. by Mr. Morris.

**II. Replacement of Board Vacancy**

Subsequent to John Sadler's resignation from the board, Mr. Morris recommended that the board appoint Mike Harrington, who was the next highest vote getter in the recent election. Ms. Auerbach made a motion to appoint Mr. Harrington. There were several seconds, and the motion passed unanimously. Mr. Harrington joined the meeting at 11:05 a.m.

**III. Approval of Minutes**

On a motion by Ms. Walsh, seconded by Ms. Auerbach, minutes of July 19, 2013 were unanimously approved.

**IV. NTRA Presentation**

Mr. Morris introduced Alex Waldrop from the NTRA. Mr. Waldrop presented the NTRA Annual Report, which was also distributed as a handout. He touched on several key topics including the current status of medication reform and the new ARCI point system for violations. He also discussed the NTRA Advantage program, Safety and Integrity program, National Handicapping Championship, and legislative advocacy. He briefly discussed the status of fund raising, Internet poker, immigration reform and player withholding reform.

Mr. Waldrop noted that NTRA is becoming more self-sufficient – now receiving 80% of its funding from NTRA's own programs and 20% from dues. A two-year plan has been put in place to reduce dues even further.

There was a question and answer session, which included discussion on the future focus of NTRA.

**V. Australian Study – Exchange Wagering**

Mr. Mark Player gave a power point presentation report on Exchange Wagering in Australia, which was also distributed as a handout. He emphasized that most of the data collected came from various interviews of industry personnel.

Mr. Player also briefed the board on the integrity of Betfair in Australia, discussing their litigation history in Australia. He noted that he sees a lot of elasticity in the takeout rate for Betfair, based on history and legislation, and stated that a window of opportunity may exist for higher takeout.

A question and answer session ensued, during which the key discussion points were integrity, takeout and handle cannibalization. As there was no current proposal on the table, no action was taken at this time.

**VI. Executive Session**

The board then convened to Executive Session.

**VII. Adjournment**

The meeting adjourned at 3:20 p.m. at the end of Executive Session.