

**NEW YORK STATE THOROUGHBRED BREEDING AND
DEVELOPMENT FUND CORPORATION
MINUTES OF THE MEETING OF THE BOARD OF
DIRECTORS HELD JANUARY 27, 2011**

A meeting of the Board of Directors of the New York State Thoroughbred Breeding and Development Fund Corporation (the "Fundö") was held at 10:00 a.m. on January 27, 2011 at the Fundö's office in Saratoga Springs, New York.

Present

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| John Sabini, Chairman | Chairman, Racing and Wagering Board |
| John Tesiero | Commissioner, State Racing Commission (via phone) |
| Jackie Moody-Czub | Deputy Commissioner, Agriculture and Markets |
| Jeff Cannizzo | NYTB, Executive Director |
| William Wilmot, DVM | Breeder |
| Howard Nolan | Breeder |
| Joseph McMahon | Breeder |
| John Graziano | Breeder |
| Ed Kelly | Breeder (via phone) |
| Tracy Egan | Executive Director |
| Michael DeMarco | Chief Financial Officer |
| Kyle Flaherty | Counsel (via phone) |
| Robert Feuerstein | Guest |
| Kristen Buckley | Guest |

Chairman Sabini called the meeting to order at 2:00 p.m. As the first order of business, Chairman Sabini made opening remarks regarding the closure of New York City OTB, increases in attendance and handle at NYRA and the progress with the Acqueduct Racino.

As the first order of business, Chairman Sabini directed the Board members to review the December 2010 Minutes. After a review, a motion to accept the Minutes was duly made, seconded and approved by the Board.

As the next order of business, Chairman Sabini asked Michael DeMarco to review the Fundö's Financial Report for the period ending November 30, 2010. Mr. DeMarco reviewed the highlights of that report.

Chairman Sabini then asked Jeff Cannizzo to give the Fund's promotional report. Mr. Cannizzo then distributed NYTB's promotional report and spoke to the Board about the promotional activities that the Breeders have done for the Fund since the last meeting.

As the next order of business, Chairman Sabini asked Tracy Egan to give an update on the Breeding Fund's 2010 holdbacks. Ms. Egan reported that the Fund would be able to pay out every penny that was withheld from breeder, owner and stallion awards during 2010. It would mean the Fund would be sending out 1,204 individual checks totaling \$3,235,369 in March.

With no further business pending before the Board, the meeting was adjourned. The next meeting is scheduled for March 31, 2011.