

FOURTH AMENDMENT
TO AMENDED AND RESTATED FUNDING AGREEMENT FOR LIVE HORSE RACING

THIS FOURTH AMENDMENT TO AMENDED AND RESTATED FUNDING AGREEMENT FOR LIVE HORSE RACING (this “**Fourth Amendment**”) made as of the 1st day of January, 2025.

BETWEEN:

ONTARIO LOTTERY AND GAMING CORPORATION,

a corporation established pursuant to the *Ontario Lottery and Gaming Corporation Act, 1999*,

(hereinafter referred to as “**OLG**”)

- and -

HORSE RACING ONTARIO,

a non-share capital corporation incorporated under the laws of Canada,

(hereinafter referred to as “**Ontario Racing**”)

- and -

ONTARIO RACING MANAGEMENT INC.,

a corporation incorporated under the laws of the Province of Ontario,

(hereinafter referred to as “**ORM**”)

- and -

WOODBINE ENTERTAINMENT GROUP,

a non-share capital corporation incorporated under the laws of the Province of Ontario,

(hereinafter referred to as “**WEG**”)

WHEREAS OLG, Ontario Racing, ORM and WEG are parties to that certain Amended and Restated Funding Agreement for Live Horse Racing made effective as of April 1, 2019, as amended by the First Amendment to Amended and Restated Funding Agreement for Live Horse Racing made as of April 9, 2020, as further amended by the Second Amendment to Amended and Restated Funding Agreement for Live Horse Racing made as of December 16, 2020, as further amended by the Third Amendment to Amended and Restated Funding Agreement for Live Horse Racing made as of January 26, 2021 (collectively, the “**Funding Agreement**”);

AND WHEREAS capitalized terms that are used but not defined in this Fourth Amendment have the respective meanings specified in the Funding Agreement;

AND WHEREAS pursuant to Section 6.5 of the Funding Agreement, Ontario Racing, ORM and WEG agreed to use reasonable efforts to cooperate with OLG in its review and consideration of the recommendations made by the Auditor General in the 2019 Annual Report, issued by the Office of the Auditor General of Ontario, relating to provincial support to sustain the horse racing industry, including matters contemplated by the Funding Agreement and other matters ancillary thereto;

AND WHEREAS the Parties have agreed to implement certain recommendations made by the Auditor General and, in connection therewith, they desire to amend the Funding Agreement as set forth in this Fourth Amendment;

NOW THEREFORE THIS FOURTH AMENDMENT WITNESSES THAT in consideration of the respective covenants and agreements of the Parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereby agree as follows:

1. **Amendment to Schedule 7.2(b)(ii) – Semi-Annual Financial Reporting Requirements (OR Racetrack Members)**

Schedule 7.2(b)(ii) of the Funding Agreement is hereby deleted in its entirety and replaced with the document attached to this Fourth Amendment as Exhibit 1.

2. **Amendment to Section 7.2 (Quarterly and Semi-Annual Financial Reporting)**

Section 7.2 of the Funding Agreement is hereby amended by adding the following provision as subsection (c) thereof:

“(c) Within 30 days following the end of each quarter (including the fourth quarter) of each Funding Year, Ontario Racing shall publish, on Ontario Racing’s website or by such other means as OLG approves from time to time, a written quarterly purse statement that includes all Member Racetracks.

3. **Amendment to Section 7.6 (Additional Reporting)**

Section 7.6 of the Funding Agreement is hereby amended by adding the following provision as subsection (d) thereof:

“(d) On an annual basis, Ontario Racing shall cause each OR Racetrack Member to prepare a Corporate Responsibility Report in respect of the immediately preceding Funding Year, which, at a minimum, addresses the matters set forth in Schedule 7.6(d) in respect of such OR Racetrack Member. Ontario Racing shall deliver to OLG the Corporate Responsibility Report prepared by such OR Racetrack Member by no later than June 30th of each year. Following receipt of a Member’s Corporate Responsibility Report, OLG may validate the financial information contained therein using information reported to OLG by Ontario Racing. If

OLG notifies Ontario Racing of any discrepancies between the quantitative information contained in the Corporate Responsibility Report and the information provided to OLG by Ontario Racing, Ontario Racing shall promptly address such discrepancies with the OR Racetrack Member. Subject to the foregoing, Ontario Racing shall cause each OR Racetrack Member to publish its Corporate Responsibility Report on such OR Racetrack Member's website or by such other means as OLG approves from time to time by no later than July 31st of each year."

4. New Schedule 7.6(d) – Minimum Content for OR Racetrack Member Corporate Responsibility Report

The Funding Agreement is hereby amended by adding the document attached to this Fourth Amendment as Exhibit 2, as Schedule 7.6(d) (*Minimum Content for OR Racetrack Member Corporate Responsibility Report*) to the Funding Agreement.

5. Amendment to Section 15.4 (Permitted Disclosures by OLG)

Section 15.4 of the Funding Agreement is hereby amended by adding the following provision as subsection (c) thereof:

"(c) Notwithstanding any other provision of this Agreement to the contrary, WEG on its own behalf, and Ontario Racing and ORM on their own behalf and on behalf of the OR Racetrack Members other than WEG, acknowledge and agree that OLG is entitled to disclose or publish (including on websites) information relating to the source and amount of betting, from Ontario or from outside of Ontario, on live horse racing that occurs in Ontario or outside of Ontario, in each case on a Member Racetrack-by-Member Racetrack basis and on an aggregate basis for the industry as a whole. Without limiting the generality of the foregoing, such disclosure may include the aggregate dollar amount of wagers made (i) at a Member Racetrack in respect of live horse racing that is run at such Member Racetrack, at any other Member Racetrack or outside of Ontario, and (ii) outside of Ontario in respect of live horse racing that is run at any Member Racetrack."

6. Amendment to Appendix 2 to Schedule 5.1(a) – Horse Racing Profit and Loss Statement by Racetrack

Schedule 5.1(a) of the Funding Agreement is hereby amended by deleting Appendix 2 of such Schedule and replacing it with the document attached to this Fourth Amendment as Exhibit 3.

7. Effect of Fourth Amendment on Funding Agreement

Except as modified by this Fourth Amendment, the Funding Agreement remains unchanged and in full force and effect.

8. Publishing of Fourth Amendment

Ontario Racing, ORM and WEG acknowledge that OLG is required to publish this Fourth Amendment on its website pursuant to *Ontario Regulation 265/18: Payments to Support Live Horse Racing In Ontario*, made pursuant to the *Ontario Lottery and Gaming Corporation Act, 1999*.

9. Counterparts

This Fourth Amendment may be executed in several counterparts, each of which will be deemed to be an original and all of which will together constitute one and the same instrument.

10. Electronic Delivery

Delivery of an executed copy of this Fourth Amendment by any means of electronic communication capable of producing a copy will be deemed to be execution and delivery of this Fourth Amendment as of the date set forth on page one of this Fourth Amendment.

[The next page is the signature page.]

IN WITNESS WHEREOF this Fourth Amendment has been executed by the Parties.

ONTARIO LOTTERY AND GAMING CORPORATION

by (signed) Tina MacMillan
Name: Tina MacMillan
Title: VP, Casino Gaming & Horse Racing

(signed) Dave Pridmore
Name: Dave Pridmore
Title: Chief Gaming Officer

HORSE RACING ONTARIO

by (signed) Andrew Gaughan
Name: Andrew Gaughan
Title: Independent Chair

(signed) Sue Leslie
Name: Sue Leslie
Title: Board Member

ONTARIO RACING MANAGEMENT INC.

by (signed) Gordon Thain
Name: Gordon Thain
Title: Executive Director

(signed) Katherine Curry
Name: Katherine Curry
Title: VP, Legal & Compliance

WOODBINE ENTERTAINMENT GROUP

by (signed) Bill Ford
Name: Bill Ford
Title: General Counsel

(signed) Katherine Curry
Name: Katherine Curry
Title: VP, Legal & Compliance

Signature Page - Fourth Amendment to Amended and Restated Funding Agreement

EXHIBIT 1

**SCHEDULE 7.2(B)(II)
SEMI-ANNUAL FINANCIAL REPORTING REQUIREMENTS
(OR RACETRACK MEMBERS)**

Semi-Annual Profit and Loss Reporting

	Actual September 30 / March 31	Target September 30 / March 31	Variance	YTD Total	Year End Projection
Revenues					
Wagering-Related Revenues					
Ontario Wagering on Ontario Races	\$ -	\$ -	\$ -	\$ -	\$ -
Live Racing					
Simulcast					
Teletheatre					
HPI/TAB					
Digital (e.g., Dark Horse)					
Non-Ontario Wagering on Ontario Races					
Ontario Wagering on Non-Ontario Races	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Commissions					
Simulcast Host Fees					
Breakage					
Outstanding Ticket Revenue					
Subtotal - Wagering Related Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Wagering Racing Related Revenue					
Food and Beverage (racing facilities)					
Casino Lease Revenue to Support Horse Racing					
Rent Revenue					

Semi-Annual Profit and Loss Reporting

	Actual September 30 / March 31	Target September 30 / March 31	Variance	YTD Total	Year End Projection
Deferred Revenue from Capital Improvements					
Racetrack Racing Revenue					
Track-Related Non-Racing Events					
Other Revenues					
Subtotal Non-Wagering Related Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
Racing Operations Expenses					
Salaries and Wages					
Marketing/Promotion/Advertising					
Food & Beverage COGS					
Backstretch and Track					
Race Office					
Backstretch/Stabling/Paddock					
Track and Track Related					
Wagering Customer and Grandstand					
Track-Related Non-Racing Events					
Donations and Corporate Social Responsibility					
Licensing/Regulatory/Compliance					
Purse Top-ups/Sponsorships					
General & Admin (Racing Related)					
Foreign Exchange					
Depreciation (Racing Related)					

Semi-Annual Profit and Loss Reporting

	Actual September 30 / March 31	Target September 30 / March 31	Variance	YTD Total	Year End Projection
Non-Wagering Related Taxes					
Other Expenses					
Subtotal Racing Operations Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
PMTR					
PMTR Deductions (6.9%)					
CPMA Levy (0.8%)					
Ontario Tax (0.5%)					
Pari-Mutuel Tax Reduction (PMTR) - Rebate					
Regulatory (0.75%)					
Tracks (1.25%)					
Customers (1.5%)					
Loyalty Program Costs					
Total Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Profit Before Ontario Racing Shared Services Costs & Total Ontario Racing Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Profit Before Ontario Racing Shared Services Costs & Total Ontario Racing Funding as % of Gross Revenue	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Membership Agreement - Shared Services					

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Semi-Annual Profit and Loss Reporting

	Actual September 30 / March 31	Target September 30 / March 31	Variance	YTD Total	Year End Projection
Wagering Related Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Revenue Allocation Payment					
Net PMTR paid by WEG	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes, CPMA paid by WEG	\$ -	\$ -	\$ -	\$ -	\$ -
Loyalty program paid by WEG	\$ -	\$ -	\$ -	\$ -	\$ -
Cost Allocation Services (placeholder)					
Membership Agreement Total Impact	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Profit Before Ontario Racing Shared Services Costs & Total Ontario Racing Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Profit Before Total Ontario Racing Funding as a % of Gross Revenue	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Operational Funding from Ontario Racing Racetrack Payment - Operational Support Allocation					
Operational Enhancement Payment					
Other (i.e. Transition Payment Operating Costs)					
Total Funding from Ontario Racing	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Profit After Funding from Ontario Racing	\$ -	\$ -	\$ -	\$ -	\$ -

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Semi-Annual Profit and Loss Reporting

	Actual September 30 / March 31	Target September 30 / March 31	Variance	YTD Total	Year End Projection
Gross Profit After Funding Total Ontario Racing Funding as a % of Gross Revenue	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

EXHIBIT 2

SCHEDULE 7.6(D)
MINIMUM CONTENT FOR OR RACETRACK MEMBER
CORPORATE RESPONSIBILITY REPORT

<TRACK NAME>

Responsibility Performance

DIRECT CONTRIBUTIONS	FY 21-22
Capital Investment at Racetrack	\$
Payroll & Benefits	\$
Payments to Vendors & Suppliers	\$

Economic Impact [To be provided by OLG]

*<Track Name> creates jobs and economic benefits
for the communities that it serves.*



Direct Spending

\$XXM



Gross Domestic
Product

\$XXM



Full-Time Equivalent
Jobs

XX



Provincial Tax
Revenue

\$XXM

Source: OLG Economic Impact Study (<Fiscal Year>)

Community Support

<Track Name> is committed to supporting the growth and prosperity of its communities by responsibly giving back and making a positive difference through its involvement in important local initiatives, including:

- Volunteering and fundraising activities
- Responsible gambling initiatives
- Community programs
- Knowledge and skills development workshops
- Efforts to reduce environmental footprint
- Hosting career days for academic institutions
- Etc.

EXHIBIT 3

**APPENDIX 2 TO SCHEDULE 5.1(A)
HORSE RACING PROFIT AND LOSS STATEMENT BY RACETRACK**

Business Plan Input

	Actual Six Months Ending September 30th	Target Six Months Ending March 31st	Year End Target
Revenues			
Wagering-Related Revenues			
Ontario Wagering on Ontario Races	\$ -	\$ -	\$ -
Live Racing			
Simulcast			
Teletheatre			
HPI/TAB			
Digital (e.g., Dark Horse)			
Non-Ontario Wagering on Ontario Races			
Ontario Wagering on Non-Ontario Races	\$ -	\$ -	\$ -
Gross Commissions			
Simulcast Host Fees			
Breakage			
Outstanding Ticket Revenue			
Subtotal - Wagering Related Revenue	\$ -	\$ -	\$ -
Non-Wagering Racing Related Revenue			
Food and Beverage (racing facilities)			
Casino Lease Revenue to Support Horse Racing			
Rent Revenue			
Deferred Revenue from Capital Improvements			
Racetrack Racing Revenue			
Track-Related Non-Racing Events			
Other Revenues			
Subtotal Non-Wagering Related Revenue	\$ -	\$ -	\$ -
Gross Revenue	\$ -	\$ -	\$ -
Expenditures			
Racing Operations Expenses			
Salaries and Wages			

Business Plan Input

	Actual Six Months Ending September 30th	Target Six Months Ending March 31st	Year End Target
Marketing/Promotion/Advertising			
Food & Beverage COGS			
Backstretch and Track			
Race Office			
Backstretch/Stabling/Paddock			
Track and Track Related			
Wagering Customer and Grandstand			
Track-Related Non-Racing Events			
Donations and Corporate Social Responsibility			
Licensing/Regulatory/Compliance			
Purse Top-ups/Sponsorships			
General & Admin (Racing Related)			
Foreign Exchange			
Depreciation (Racing Related)			
Non-Wagering Related Taxes			
Other Expenses			
Subtotal Racing Operations Expenses	\$ -	\$ -	\$ -
PMTR			
PMTR Deductions (6.9%)			
CPMA Levy (0.8%)			
Ontario Tax (0.5%)			
Pari-Mutuel Tax Reduction (PMTR) - Rebate			
Regulatory (0.75%)			
Tracks (1.25%)			
Customers (1.5%)			
Loyalty Program Costs			
Total Expenditure	\$ -	\$ -	\$ -

Business Plan Input

	Actual Six Months Ending September 30th	Target Six Months Ending March 31st	Year End Target
Gross Profit Before Ontario Racing Shared Services Costs & Total Ontario Racing Funding	\$ -	\$ -	\$ -
Gross Profit Before Ontario Racing Shared Services Costs & Total Ontario Racing Funding as % of Gross Revenue	#DIV/0!	#DIV/0!	#DIV/0!
Membership Agreement - Shared Services			
Wagering Related Revenue	\$ -	\$ -	\$ -
Net Revenue Allocation Payment			
Net PMTR paid by WEG	\$ -	\$ -	\$ -
Taxes, CPMA paid by WEG	\$ -	\$ -	\$ -
Loyalty program paid by WEG	\$ -	\$ -	\$ -
Cost Allocation Services (placeholder)			
Membership Agreement Total Impact	\$ -	\$ -	\$ -
Gross Profit Before Ontario Racing Shared Services Costs & Total Ontario Racing Funding	\$ -	\$ -	\$ -
Gross Profit Before Total Ontario Racing Funding as a % of Gross Revenue	#DIV/0!	#DIV/0!	#DIV/0!
Operational Funding from Ontario Racing Racetrack Payment - Operational Support Allocation Operational Enhancement Payment Other (i.e. Transition Payment Operating Costs)			
Total Funding from Ontario Racing	\$ -	\$ -	\$ -
Gross Profit After Funding from Ontario Racing	\$ -	\$ -	\$ -
Gross Profit After Funding Total Ontario Racing Funding as a % of Gross Revenue	#DIV/0!	#DIV/0!	#DIV/0!

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