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To Whom it May Concern:

The Jockey Club is a not-for-profit entity dedicated to the improvement of Thoroughbred breeding and racing (www.jockeyclub.com). Because of our role in the Thoroughbred industry we are often asked to examine new initiatives which may be beneficial to racing. Recently, the Jockey Club was introduced to a new method for conducting pari-mutuel wagering on horse racing called single pool wagering. From this introduction and our limited analysis, we believe that single pool wagering has the potential to bring significant benefits to the gaming and horse racing industries and that serious consideration and study of this new approach to wagering is warranted.

As we understand the subject, single pool wagering permits the combination of wagers of multiple types into a single pari-mutuel pool, as opposed to placing those wagers into separate and distinct pools, as has historically been the case. This form of combining wagers has not been implemented for use in horse racing in any U.S. jurisdiction. However, it is an intriguing concept that deserves further study because of the numerous potential benefits – most significantly the great pool liquidity – which may be realized through utilization of the single pool system.

The Jockey Club became acquainted with the practical application of single pool wagering through Longitude LLC, a wholly owned subsidiary of International Securities Exchange Holdings, Inc. (ISE), which owns and operates a national securities exchange registered with the US Securities and Exchange Commission. Longitude LLC is the owner of the Longitude technology platform, a computer system offering single pool wagering. We understand from Longitude LLC that the potential benefits of utilizing single pool wagering include the creation of much larger, deeper and more liquid pools, greater transparency of information (including accurate odds displayed for all possible wager types), increased security, more complete and accurate recordkeeping and audit trail information / history of transactions, expanded wager types, less negative impact on odds due to large wagers, features designed to eliminate wager manipulation, etc. If study confirms the efficacy of single pool wagering as well as the aforementioned benefits, we are confident that use of single pool wagering will create an enhanced bettor experience, which has the resulting potential of attracting more bettors, generating greater track handle and increased revenues for the implementing racetracks, and greater tax income.

We understand that single pool wagering is now technologically possible, due to recent advancements in software and increases in computing power. Notably, as represented to us by representatives of Longitude LLC, a prior implementation of the ISE's Longitude technology platform was in use as early as 2005 for the trading of certain financial instruments. We understand that many aspects of that implementation are similar to Longitude's anticipated application in the horse racing industry and that the computer power and system capacity required for the financial services industry is currently far in excess of that which is currently available in the horse racing industry.

The Jockey Club recognizes that innovation is necessary to help our industry thrive and we believe that single pool wagering offers the kinds of benefits that demand further study.

Thank you for your time and consideration.

Best regards,

A handwritten signature in black ink, appearing to read 'James L. Gagliano', written in a cursive style.

James L. Gagliano
President & Chief Operating Officer