

For Immediate Release:
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NEW YORK CITY OFF-TRACK BETTING CORPORATION BOARD OF DIRECTORS APPOINTS NEW CEO

*Greg Rayburn, Seasoned Restructuring Expert Will Lead Efforts
Creditors Approve of Board's Selection*

New York, NY – July 7, 2010 – This morning the Board of Directors of the New York City Off-Track Betting Corporation (NYCOTB) accepted the resignation of Mr. Raymond Casey from his position as President and Chief Executive Officer of NYCOTB, and appointed Mr. Greg Rayburn as his replacement.

Foremost, the Board thanks Mr. Casey for his service at NYCOTB, and for his commitment to the horseracing industry in New York. Mr. Casey has served with integrity and on behalf of the employees of NYCOTB, the Board applauds his unwavering commitment to the interests of the NYCOTB and its many employees.

“Ray Casey has stuck with NYCOTB through the good and the bad, and I commend him for his dedication,” Chairman Lawrence Schwartz said. “Characteristic of his commitment, he has agreed to aid Mr. Rayburn during the leadership transition.”

Mr. Rayburn’s appointment, which does not require the approval of the bankruptcy Court, began immediately.

A seasoned expert in corporate restructuring, Mr. Rayburn brings with him 28 years of experience. He has specialized in restructurings involving corporations in bankruptcy; most recently finalizing in April 2010 the successful reorganization of Magna Entertainment Corp., North America’s largest owner and operator of horse racetracks. Magna also runs off-track betting facilities, as well XpressBet a national account wagering business.

“Mr. Rayburn’s very specialized experience made him uniquely suited for the task, and we are pleased that he can begin working immediately,” added Chairman Schwartz.

Mr. Rayburn’s appointment comes on the heels of an unsuccessful reorganization plan submitted by former NYCOTB Board Chairman Meyer “Sandy” Frucher, which was rejected by the Legislature and creditors of the NYCOTB. This is a critical fiscal juncture for the NYCOTB, which will run out of operating cash as early as December absent a plan for reorganization.

NYCOTB Board member Anthony Bergamo said: “The nature of the crisis demands a short engagement and fast results. We feel confident that Mr. Rayburn has the experience, talent and reputation to deliver a timely reorganization plan that NYCOTB’s Board of Directors, its creditors and the Court will accept.”

Mr. Rayburn comes with the support of major creditors of NYCOTB, who are owed nearly \$100 million in total liabilities. As is typical with a bankruptcy restructuring, Mr. Rayburn’s compensation is effectively being paid by the creditors, who would be due some portion of

NYCOTB's assets in the event of a liquidation. A successful restructuring will bring with it relief from outstanding liabilities, and will also protect the City of New York from inheriting nearly \$700 million in pension and health legacy payments.

C. Steven Duncker, New York Racing Association (NYRA) Chairman, said: "As its largest creditor, the New York Racing Association, Inc. fully supports the appointment of Greg Rayburn as the new CEO of the New York City Off-Track Betting Corporation. His extensive experience of improving the operations of troubled companies across a range of industries gives us confidence that he will implement a viable plan of reorganization for NYC OTB that is mutually beneficial for the State of New York and the thoroughbred racing industry."

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