NYRA

Code of Ethics and Business Conduct

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English:	800-605-1340
Español:	800-297-8592

INTRODUCTION

All employees and officers of The New York Racing Association, Inc. ("NYRA"), as well as the members of its Board of Directors, are expected to uphold NYRA's commitment to honesty and integrity. This means that everything we do should comply with both the letter and the spirit of this Code of Ethics and Business Conduct (the "Code"); and strict adherence to ethical principles should be the foundation of our intentions and actions.

YOUR OBLIGATIONS

- Avoid conflicts between personal and professional interests, and otherwise pursue the ethical handling of conflicts (whether actual or apparent) when conflicts or the appearance of conflicts are unavoidable;
- Comply with NYRA's *Conflict of Interest and Related Party Transaction Disclosure Policy* attached hereto as **Exhibit "A."**
- As applicable, provide full, fair, accurate, timely and understandable disclosure in reports required to be filed by NYRA with regulators and in other public communications made by NYRA;
- Seek guidance when necessary from a responsible manager or supervisor, or from NYRA's Chief Compliance Officer or from a member of the Compliance Department; and,
- Promptly report any violations of this Code or misconduct in accordance with *NYRA's Whistleblower Policy* attached hereto as **Exhibit "B."** Confidential and anonymous mechanisms for reporting improprieties are available and are described in the Whistleblower Policy. However, anonymous reporting does not serve to satisfy a duty to disclose your own potential involvement in a conflict of interest or in unethical or illegal conduct.

It is your responsibility to be aware of the laws, rules, and regulations affecting your job. If a law conflicts with a principle set forth in this Code, your conduct must comply with the relevant law, rule, or regulation. Certain regulatory obligations and NYRA policies and procedures that are particularly important are summarized below. Further information on any of these matters may be obtained by contacting the Chief Compliance Officer or a member of the Compliance Department.

SETTING THE TONE AT THE TOP

NYRA's executives, managers, directors and supervisors ("NYRA Leadership") have a heightened responsibility of demonstrating, through their actions, the importance of this Code. In any business, ethical behavior does not simply happen; it is the product of clear and direct communication of behavioral expectations, modeled from the top and demonstrated by example. Again, ultimately, our actions are what matters.

To make our Code work, NYRA Leadership must be responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. NYRA Leadership should not consider employees' ethics concerns as threats or challenges to their authority, but rather as another form of business communication. We want the ethics dialogue to become a natural part of daily work.

DOING THE RIGHT THING

Several key questions can help identify situations that may be unethical, inappropriate or illegal. Ask yourself:

- Does what I am doing comply with NYRA's shared values, Code of Ethics and Business Conduct, core goals, mission and company policies?
- Do my actions benefit NYRA as a whole or do they just benefit me personally?
- Have I used information that I learned at NYRA that I would not have otherwise been privy to in order to advance my own interests or that of my family?
- Have I been asked to misrepresent information or not conform to normal procedure?
- Would I feel comfortable disclosing what I have done to members of management and/or my fellow NYRA employees?
- How would it look for NYRA if my actions became a headline?
- Am I being loyal to NYRA above its competitors?
- What would I tell someone else to do in my situation?
- Is this the right thing to do or is there another course of action that would be more prudent?

DEFINING MISCONDUCT

Generally defined, misconduct is any act or omission that may be detrimental to NYRA's business or reputation. Misconduct may come in the form of a violation of NYRA's policies and procedures (e.g., this Code, *NYRA Employee Handbook* or *NYRA's Purchasing Policy*) or, in extreme circumstances, it may even rise to the level of a criminal act. Put simply, **trust your instincts. If *something feels wrong to you - - it probably is wrong*.** Examples of misconduct include, but are not limited to:

- Harassment (sexual or otherwise);
- Violation of NYRA's policies and procedures;
- Theft or misuse of NYRA assets or resources;
- Physical violence of any kind;
- Failing to comply with the rules and/or regulations of NYRA's regulators (i.e., Franchise Oversight Board, NYS Gaming Commission);
- Falsifying information; and
- Disclosing confidential NYRA information.

REPORTING MISCONDUCT

IF YOU WITNESS OR LEARN ABOUT A VIOLATION OF THIS CODE, OF THE LAW OR OF ANY OF NYRA'S POLICIES OR PROCEDURES, IT IS YOUR DUTY TO REPORT IT.

Ethical misconduct in the workplace reflects badly on NYRA and can create workplace dissension and erode the trust that we need to have for each other in order to prosper as a business. It may only take one act of misconduct to create a lasting negative impression with customers and stakeholders.

Even if something is "just a rumor," you should report it immediately. Although we all want to maintain good relationships at work, your first professional obligation is to the health of NYRA. Without a foundation of trust and honesty, the integrity of our entire workplace can rapidly deteriorate.

In addition to reaching out to a supervisor, the Chief Compliance Officer, a member of the Compliance Department, and/or the Human Resources Department to report misconduct, employees can report violations anonymously via the ethics hotline by calling the following phone number(s):

English: 1-800-605-1340
Español: 1-800-297-8592

Reports of violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

NO RETALIATION

Under New York's Not for Profit Law, those who report wrongdoing in good faith are protected from retaliation. NYRA does not tolerate retaliation in any form.

What is a good faith report? It is one in which the reporter reasonably believes to be true, and reasonably believes to constitute illegal conduct, fraud, or a violation of an organization's policy. The good faith requirement focuses on the existence of the violation or suspected violation, and not necessarily on the motives of the reporter in bringing it to the attention of NYRA.

What does retaliation look like? Retaliation and adverse employment consequences include intimidation, harassment and discrimination; and can include failure to promote, adverse impact on compensation, termination, discharge, suspension, demotion, other change in responsibilities, whether formal or informal, and other negative consequences.

MAINTAINING A SAFE, HEALTHY, AND AFFIRMATIVE WORKPLACE

NYRA is an equal opportunity employer and bases its recruitment, employment, development and promotion decisions solely on a person's ability and potential in relation to the needs of the job; and complies with local, state and federal employment laws. Below is an overview of some of NYRA's policies regarding harassment and alcohol and drug use. More details about these issues can be found in NYRA's *Employee Handbook* and its *Sexual Harassment Policy.*

SEXUAL AND OTHER FORMS OF HARASSMENT

Sexual harassment constitutes discrimination and employee misconduct and is illegal under federal, state, and local laws. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature or based on a person's gender.

Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Prohibited behaviors may include, among others:

- Explicit sexual propositions, advances, or requests for sexual favors;
- Sexual jokes and innuendo, or jokes about gender-specific traits;
- Lewd or suggestive comments or gestures or verbal abuse of a sexual nature;
- Leering or catcalls;
- Commentary about an individual's body, sexual prowess or sexual deficiencies;
- Displays of insulting or obscene printed or visual materials (including through email, text or social media);
- Physical contact such as hugging, patting, pinching, fondling, intentionally brushing against another individual's body, rape, sexual battery, molestation, or attempts to commit these acts; and
- Hostile actions taken against an individual because of that individual's sex, sexual orientation, gender identity/expression, and/or the status of being transgender.

Sexual harassment also occurs when a person in authority makes threats and demands that an individual submit to sexual requests in order to keep their job, or to avoid some other loss, as well as when a person in authority offers job benefits in return for sexual favors.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Unlawful harassment is defined as harassment based on any characteristic protected by applicable U.S. federal, state or local laws including race, color, creed, religion, gender, sexual orientation, national origin, age, veteran or disability status, which is sufficiently severe or pervasive as to alter the working conditions of an employee.

Such harassment can be defined as conduct that shows hostility or aversion toward an individual because of any protected characteristic. Harassing conduct includes but is not limited to: intimidating or hostile acts, the use of offensive materials, whether in the form of comments or jokes, degrading or offensive language (including racial slurs or epithets), photographs, cartoons, drawings, gestures, posters, or emails.

Individuals who believe they have been subjected to harassment on the basis of any protected classification should report that behavior to NYRA's Human Resources Department, the Chief Compliance Officer or a member of the Compliance Department. If the harassment involves physical touching, threats or intimidation, NYRA employees should contact the Security Department immediately.

Drug and Alcohol Use

NYRA is committed to providing a drug-free work environment. The illegal possession, distribution, or use of any controlled substances on NYRA's premises or at NYRA functions is strictly prohibited. Similarly, reporting to work under the influence of any illegal drug or alcohol and the abuse of alcohol or medications in the workplace is not in NYRA's best interest and violates this Code.

NYRA's Employee Assistance Program (EAP) offers employees a confidential source of assessment, short-term problem solving, and referral services on a wide range of issues, including drug and alcohol abuse. This program is administered by Corporate Counseling Associates. A consultant is available, 24-hours a day/7 days a week, at the EAP hotline: **1-800-833-8707**.

CONFLICTS OF INTEREST AND RELATED PARTY TRANSACTIONS

Care should be taken to ensure that no detriment to the interests of NYRA (or appearance of such detriment) may result from a conflict or potential conflict between those interests and any personal or business interests which you may have. In particular, you have an obligation to avoid, and where avoidance is not feasible, to disclose to the appropriate individual (as set forth in NYRA's *Conflict of Interest and Related Party Transaction Policy,* attached as **Exhibit "A"**), any activity, agreement, business investment or interest or other situation that might in fact or in appearance cause you to place your own interests, or those of another, in tension with or above your obligation to NYRA. Care should be taken about the appearance of a conflict since such appearance might impair confidence in, or the reputation of, NYRA, even if there is no actual conflict and no wrongdoing.

In all instances where the appearance of a conflict exists, you must disclose the nature of the apparent or actual conflict and all material facts related to such apparent or actual conflict.

Procedures relating to disclosure and review of conflicts of interest and related party transactions, including enhanced requirements for directors, officers, racing officials, and other key persons, are set forth in the policy attached as **Exhibit "A."**

GIFTS AND BUSINESS COURTESIES

The policy below only applies to gifts and business courtesies given to or received from a current or potential NYRA vendor, except for the special restrictions on receipt of gifts by racing officials, which are outlined herein.

GIFTS

A gift is something that is given or made without charge or consideration that is "freely bestowed" with no obligations attached. The following rules apply to gifts:

- No one is permitted to accept any single gift that has a value of more than one-hundred dollars ($100.00)[1];

[1] This does not preclude the acceptance of a gift on behalf of an entire department. In that instance, the $100.00 limit does not apply. However, the gift must still be reported by the most senior member of the department.

- Employees may not accept more than one gift from the same person or entity per year; and
- The aggregate of all gifts per employee should not total more than $500.00 per year from all vendors or entities combined.
- Gifts should be limited to special occasions and holidays. For example, a gift of a fruit basket or a bottle of wine during the holiday season is acceptable if it does not exceed the maximum amount.
- We must never offer or accept gifts that might compromise our ethical and/or legal obligations.
- If there is any question as to whether a gift is permissible, please contact the Chief Compliance Officer or a member of the Compliance Department.

Business Courtesies

A business courtesy is a benefit received such as meals, drinks, events or entertainment for which fair market value is not paid by the recipient. It may be permissible to accept a meal or other invitation from a current or potential vendor. However, the following rules must be followed:

- As a general rule, the cost of the business courtesy must be reasonable; and repeated acceptance of business courtesies from the same person or entity should be avoided.
- The business courtesy should be declined if acceptance could be reasonably perceived by anyone as having the intent to influence a business decision involving NYRA. For example, a current vendor is offering a new product and is trying to sell it to NYRA.
- The occasion resulting from the invitation should conform to the following guidelines:

  - ☑ The invitation is for an ordinary business meal or gathering during which the host is present. For example, receipt of tickets to a sporting event at which the host will not be present is generally unacceptable;
  - ☑ Travel costs and lodging should be paid for by NYRA[2] or out-of-pocket, as applicable; and
  - ☑ The meal or event is directly related to, or benefits NYRA's business.

- NYRA employees may not accept business courtesies on behalf of non-NYRA employees. Meaning, if a family member or friend is accompanying you to the meal or event, costs and expenses must be paid out-of-pocket for that person.

Special Restrictions on Gifts, Gratuities and Business Courtesies for Key Racing Employees

For purposes of this section, Key Racing Employees generally include, but are not limited to, any employee that is required to be approved by the Gaming Commission as a racing official.

Each Key Racing Employee performs a function at NYRA that is so inherently intertwined with NYRA's business of running fair and unbiased races, these employees are especially vulnerable to the appearance

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[2] There may be occasions when the payment of travel expenses by a vendor is acceptable <u>but only if it is preapproved by the Chief Compliance Officer</u>.

of impropriety. Thus, Key Racing Employees are strictly prohibited from receiving individual gifts, bonuses, business courtesies or gratuities of any kind from horsemen or patrons regardless of their form or value[3]. Department-wide gifts may be accepted with the approval of the most senior member of the department to which the gift is offered. The senior member is also responsible for reporting the gift.

Key Racing Employees are obligated to report any known violation of the no-gift policy. If it is determined that a Key Racing Employee knew of a violation but failed to report it, such Key Racing Employee will be subject to discipline up to and including termination from employment.

Active Bidding

Employees may never accept gifts or business courtesies of any value or in any form from a vendor who is participating in an active competitive bidding process with NYRA. The active bidding period spans from the first notification to bidders (advertisement or oral notification) until after the bid has been awarded and a contract has been finalized.

Reporting Gifts and Business Courtesies

NYRA employees must report all gifts on the form attached as **Exhibit "C,"** and all business courtesies on the form attached as **Exhibit "D."**

Violations and Obligation to Report

Violations of this policy are serious and may result in corrective action being taken against you, up to and including possible termination from employment. If you know of an instance where this Policy may have been violated, you are obligated to report such violation.

PROTECTION AND PROPER USE OF NYRA'S ASSETS

You have a personal responsibility to protect the assets of NYRA from misuse or misappropriation, consistent with the *NYRA Employee Handbook* and other policies. NYRA's assets include tangible assets, such as products, equipment and facilities, as well as intangible assets, such as NYRA time, intellectual property, trade secrets, reputation and business information (including any non-public information learned as an employee, officer, or director of NYRA).

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[3] For the purposes of this Code, a horseman is defined as: Any person who has an interest in the outcome of a race, including, but not limited to: a horse owner, trainer, assistant trainer or jockey, or anyone employed by, or working on behalf of, any horse owner, trainer, assistant trainer or jockey.

Theft/Misuse of Assets

NYRA's assets may only be used for business purposes and such other purposes as are approved by NYRA. You must not take, make use of, or knowingly misappropriate the assets of NYRA for personal use, for use by another, or for an improper or illegal purpose.

Theft/misuse of assets includes using NYRA materials, equipment, supplies, vehicles, or NYRA labor for your or another's personal benefit, unless express permission to use such asset(s) was granted to you directly by someone with decision-making authority. This also includes selling or trading anything of value belonging to NYRA (e.g., Belmont Stakes tickets, Saratoga boxes, etc.) that you received for free or below market value because of your employment or position at NYRA, for something that will benefit you or someone else personally.

Confidential or Proprietary Information/Privacy

You must not use or disclose any confidential or proprietary information to any person or entity outside NYRA, either during or after service with NYRA, except with written authorization of NYRA or as may be otherwise required by law or regulation. You may not use confidential or proprietary information for your own personal benefit or the benefit of persons or entities outside NYRA. Confidential or proprietary information includes all non-public information learned as an employee, officer, or director of NYRA. Confidential information includes, but is not limited to:

- Non-public information that might be used by NYRA's competitors, patrons or stake holders (horsemen or other racing participants) to damage NYRA or gain an unfair competitive advantage over others (e.g., giving a friend a "tip" about a particular horse running in a NYRA race that you would not have known if you were not a NYRA employee).
- Non-public information relating to NYRA's operations, including financial information; mailing lists and any information relating to future business transactions; compensation information; minutes, reports and materials of the Board and its committees; trade secrets (a trade secret is any valuable business information that is not generally known and that gives one an advantage over competitors, including but not limited to plans, engineering and technical designs and drawings, product specifications, guest and patron lists, business strategies, computer programs, and sales and marketing information); and other documents identified as confidential;
- Non-public information about discussions and deliberations, relating to business issues and decisions, between and among employees, officers and directors; and,
- Non-public information about fellow employees, directors, or officers, or any other individuals about whom NYRA may hold information from time to time.

Special Obligations of NYRA Employees with Access to InCompass

InCompass is a proprietary software program run by The Jockey Club that contains, among other things, sensitive veterinary records of horses that run at NYRA's tracks, as well as non-public information about NYRA's races. It is the obligation of any NYRA employee granted access to InCompass to ensure that the information is kept strictly confidential and is only disclosed to those with express permission to use such information.

If NYRA discovers that an employee has misused information that he or she obtained from InCompass, corrective action will be taken, up to and including termination from employment; and, if appropriate, referral to the proper regulatory or law enforcement authorities.

POLITICAL AND CHARITABLE ACTIVITIES

As an organization, NYRA shall not make any monetary corporate political contribution to any elected official or candidate for political office. NYRA generally encourages participation by employees, officers, and directors in lawful community activities outside NYRA. However, all such participation must be on your own time, and at your own expense. No employee, officer, or director shall publicly utilize any affiliation of NYRA, or permit the use of any NYRA property, in connection with the promotion of partisan politics, religious matters, or positions on any issue not in conformity with the official position of NYRA.

OUTSIDE COMMUNICATIONS

As a general matter, no one other than an authorized spokesperson may communicate NYRA's material, nonpublic information to a third party.

Communications with the Public or Members of the Press. Occasionally, employees may be contacted by outside sources or the media requesting information about NYRA business. In order to avoid providing inaccurate, incomplete or confidential information to outside sources, all outside inquiries regarding NYRA must be referred to the Director, Communications & Public Affairs. No other individual is authorized to speak on behalf of NYRA.

All media inquiries should be directed to the NYRA Press Office at 718-659-2244 or pressoffice@nyrainc.com. NYRA's Director of Communications and Public Affairs serves as the chief spokesperson for the organization.

Communications with Regulators and/or Government Officials. All communications with NYRA's regulators (the Franchise Oversight Board or FOB, the Gaming Commission, etc.) or with Government Officials (e.g., the New York State (NYS) Governor, members of the NYS Legislature, local politicians, etc.) must be made through NYRA's General Counsel/Chief Compliance Officer or his or her official designee. No other individual is authorized to communicate material information regarding NYRA's business to these parties.[4]

[4] This directive does not apply to racing officials who have official business to conduct with the Gaming Commission on behalf of NYRA (i.e., stewards, track veterinarians, etc.).

NETWORK USE, INTEGRITY AND SECURITY

NYRA reserves the right to monitor or review any and all data and information contained on any employee's or officer's computer or other electronic device issued to any personnel. In addition, NYRA reserves the right to monitor or review an employee's or officer's use of the Internet, NYRA's Intranet and NYRA e-mail or any other electronic communications without prior notice.

In order to maintain systems integrity and protect NYRA's network, no employee or officer should divulge any passwords used to access any NYRA computer or database. Any suspected breach of NYRA's network security systems should be reported to the Chief Information & Technology Officer or a member of NYRA's Technology department immediately.

All employees and officers should refrain from using or distributing software that may damage or disrupt NYRA's work environment by transmitting a virus or conflicting with NYRA systems. No employee or officer should engage in the unauthorized use, copying, distribution or alteration of computer software whether obtained from outside sources or developed internally.

Access to NYRA systems will be revoked and disciplinary action may be taken in the event that such systems are used to commit illegal acts, or to violate the provisions of this Code or any other provisions set forth in the NYRA *Employee Handbook* or other NYRA information and technology policies.

USE OF SOCIAL MEDIA

Social media is broadly understood to include social networking sites; and other sites and services that permit users to share information with others in a contemporaneous manner. Please note: **Only authorized employees may officially communicate on behalf of NYRA.** However, there may be times when your personal use of social media intersects with NYRA's business, such as when you reference NYRA on your personal social media page or website, or when responding to someone else's comments about NYRA. In those instances, the following rules should be followed:

- Employees need to know and adhere to the *NYRA's Code of Ethics and Business Conduct*, *NYRA Employee Handbook*, and other company policies when using social media and making any references to NYRA.
- Employees should ensure that any material they post is material that is neither inappropriate nor harmful to NYRA, its employees, or customers. Employees should avoid posting commentary, content, or images that are defamatory, pornographic, proprietary, harassing, libelous, or that can create a hostile work environment. However, nothing in NYRA's Social Media Policy is designed to interfere with, restrain, or prevent employee communications regarding wages, hours, or other terms and conditions of employment.

- Employees are not permitted to publish, post or release any information that is considered confidential or proprietary NYRA information. If there are questions about what is considered confidential, employees should check with the Chief Compliance Officer or a member of the Compliance Department.
- Keep in mind that social media networks, blogs and other types of online content sometimes generate press and media attention or legal questions. Employees should refer these inquiries to authorized NYRA spokespersons.
- If employees encounter a situation while using social media that threatens to become antagonistic, employees should disengage from the dialogue and seek the advice of a supervisor or the Chief Compliance Officer/Compliance Department.
- Employees should get appropriate permission before any NYRA-owned images are posted online. Employees must never use a third party's copyrights, copyrighted material, and or trademarks, service marks or other intellectual property unless they have been expressly granted permission to do so.
- Social media use should never interfere with an employee's responsibilities at NYRA. NYRA's computer systems are to be used for business purposes only. Personal use of social media networks or personal blogging of online content is discouraged, and excessive use could result in disciplinary action.
- Content published after-hours that involves work or subjects associated with NYRA, should include a disclaimer, such as: "The postings on this site are my own and may not represent NYRA's positions, strategies or opinions."

BRIBERY AND OTHER ILLEGAL PAYMENTS

Under no circumstance is it acceptable for NYRA employees to offer, give, solicit or receive any form of bribe, kickback, payoff, or inducement. Further, you may not use agents, consultants, independent contractors or other representatives to do indirectly what you could not do directly under this Code or under applicable law, rules and regulations.

BRIBERY

Bribery occurs when something of value is given or promised in order to influence the judgment or conduct of a person. Bribery is often used to obtain an illicit or illegal advantage. Bribery can occur when cash or other cash equivalent is offered as an incentive to choose a vendor, supplier, or bidder; when something of value is offered to get, or in exchange for, information that would provide a competitive advantage; or when an offer is made in order to change the results of an event, test, or document. Bribery is illegal and will not be tolerated by NYRA.

GOVERNMENT PERSONNEL

Care must be taken to avoid even the appearance of impropriety or influence when conducting business interactions with governmental entities, agencies, and personnel. Accordingly, no payments, gratuities or gifts of any kind are to be given to any local, state or federal government entity, agency, or personnel.

MONEY LAUNDERING, TAX EVASION, AND OTHER SUSPICIOUS CONDUCT

NYRA personnel may not participate in, or assist any patron or race participant in, any wagering or other activity that constitutes tax evasion, money laundering, or is in any other way suspicious. An example of suspicious tax-evasion activity is "ten-percenting." A "ten-percenter" is any person who offers or agrees to cash tickets that are subject to tax withholding regulations in exchange for a percentage of cash, cash equivalent, or something else of value.

Money laundering can be generally defined as the movement of cash or other financial assets attributable to illicit activities through one or more legitimate accounts, businesses, or other conduits for the purpose of making such cash or assets appear to be attributable to legitimate activities or otherwise more difficult to trace back to their illicit source. Money laundering is frequently used in connection with terrorist financing activities. Criminals, terrorists, or other parties in possession of ill-gained cash or financial assets try to "clean" the proceeds of a crime or other illicit activity by hiding such proceeds and making them appear legal or legitimate.

Further information concerning NYRA's protocols to combat money laundering and terrorist financing, including filing Suspicious Activity Reports, may be found in the *NYRA's Anti-Money Laundering Policy* or by consulting the Anti-Money Laundering Officer.

NYRA pari-mutuel, security, advanced deposit wagering, horsemen's identification and bookkeeping, and guest services staff are typically in direct contact with patrons, horsemen, and the public, and may notice unusual situations that may be indicative of tax evasion, money laundering, or other financial misconduct. Additionally, pari-mutuel staff and other NYRA personnel who handle cash or cash equivalents must carry out their responsibilities with the utmost of care and integrity.

NYRA personnel should report any situation that occurs between NYRA personnel and a guest, patron, or horseman that is out of the ordinary (including but not limited to arguments, disputes over wagers, or inappropriate requests) to a manager or supervisor, who must in turn report the matter appropriately in accordance with applicable NYRA policies and procedures.

EMPLOYEE WAGERING

PARI-MUTUEL EMPLOYEES

It is unlawful in New York State for a pari-mutuel employee to place a wager on a horse race while the teller is working at a racetrack.[5] All pari-mutuel tellers receive the *Mutuel Department Rules and Regulations* and are expected to know the rules and abide by them. If you have any questions about the rule against pari-mutuel tellers wagering, please contact the Chief Compliance Officer.

OTHER EMPLOYEES

Employees of the Racing Department are not permitted to wager on NYRA races. Employees in all other departments must consult with the head of their department regarding any restrictions or prohibitions that exist regarding wagering for a particular job category.

HORSE OWNERSHIP

Owning race horses is permitted unless such ownership is in direct conflict with an employee's role at NYRA. Those contemplating horse ownership should check with the Chief Compliance Officer or a member of the Compliance Department to ensure that no such conflict exists. Directors, officers, and employees who are horse owners shall not receive any preferential treatment based on their position with NYRA. All NYRA personnel have a duty to act in the best interests of NYRA and ensure that its assets are protected in accordance with the provisions of this Code.

COMPETITIVE BIDDING

NYRA is required to procure goods and services competitively and in accordance with an FOB-approved purchasing policy. In addition to adhering to *NYRA's Purchasing Policies and Procedures*, we follow certain FOB-required processes and procedures, which include reporting procedures. You should familiarize yourself with *NYRA's Purchasing Policies and Procedures* for a full understanding of the rules we must follow when purchasing goods or services. However, the following basic requirements should be strictly adhered to:

- **Restricted Period.** Once NYRA advertises a Request for Proposal (RFP) or a Request for Quotation (RFQ), only a designated purchasing agent is permitted to contact a bidder or potential bidder. You

[5] See: 9 NYRCC § 4005.4.

should never, under any circumstances, contact an active bidder. If a bidder contacts you, such contact should be immediately reported to the Director of Procurement.[6]

- **Bid Specifications and Outside Consultants**. Sometimes it is necessary to use outside consultants to draft the specifications for a bid, and the use of consultants for this purpose is permitted. However, such consultant may not bid on any Request for Proposal (RFP) or Request for Quotation (RFQ) that they helped create. If you need assistance in creating the scope of services for your bid, you may be able to hold a "roundtable" session where you can get input from bidders prior an RFP or RFQ being issued. If this is required, please contact the Director of Procurement to help you.

- **Use of Exceptions to the Purchasing Policy ("Exception Memos")**. Although NYRA requires that goods or services be competitively bid when they are over a certain threshold amount, there certain circumstances where a competitive bid is not feasible. Exception memos should only be used when they fall squarely within one of the defined categories. Use of exceptions to the competitive bidding process for any other reason is strictly prohibited and NYRA employees are encouraged to plan their purchases carefully so they have time to go through the required process.

- **Reporting to the FOB**. NYRA is required to report all contracts over $50,000 to the FOB on a monthly basis. Employees are strictly prohibited from manipulating quotes or invoices in order to fall below the reporting requirement amount (e.g., receiving several separate quotes for the same goods or services in amounts that fall under $50,000 to "stay under the radar"). NYRA is also required to give 30 days' advance notice to the FOB of any exception with a value of $200,000 or greater. Employees should plan in advance to allot for this time period when they know they will need to request an exception.

For further information regarding NYRA's competitive bidding protocols, please contact the Legal Department or the Director of Procurement.

RECORD RETENTION

Compliance with applicable law, rules, and regulations and internal protocols regarding record retention is mandatory. Destroying or altering a document with the intent to impair the document's integrity or availability for use in any potential official proceeding is a crime. Destruction of records may only take place in compliance with applicable law and internal protocol. Documents relevant to any pending, threatened, or

[6] Under certain circumstances, you may be permitted to discuss current or prior business with an active bidder who is also an existing vendor. However, you should never make such contact on your own and should always get permission to do so from NYRA's Legal Department.

anticipated litigation, investigation, or audit shall not be destroyed for any reason. If you believe that NYRA records are being improperly altered or destroyed, you must report it to a responsible supervisor or the appropriate internal authority in accordance with the NYRA *Whistleblower Policy*. More information about document retention can be found in your department's retention policy.

VIOLATIONS OF THIS CODE

Those who violate the standards in this Code will be subject to corrective action. Failure to follow this Code, or to comply with federal, state, local and any applicable foreign laws, and NYRA's policies and procedures may result in, among other actions, suspension of work duties, diminution of responsibilities or demotion, and termination of board service or employment with NYRA.

CODE ADOPTION AND OVERSIGHT

The Board, through its Finance and Audit Committee, is responsible for providing oversight of the adoption and implementation of, and compliance with, this NYRA Code of Ethics and Business Conduct and all of its Appendices, including the *NYRA Conflict of Interest and Related Party Transaction Policy* and the *NYRA Whistleblower Policy.*

This NYRA Code of Ethics and Business Conduct and all of its Appendices, were adopted by the NYRA Board of Directors, upon recommendation of the Chair of the Finance and Audit Committee, on July 3, 2019.

EXHIBIT A

NYRA Conflicts of Interest Policy & Disclosure

THE NEW YORK RACING ASSOCIATION, INC.
CONFLICT OF INTEREST
AND RELATED PARTY TRANSACTION POLICY

I. Purpose

This Conflict of Interest and Related Party Transaction Policy (this "Policy") is applicable to all employees, officers, and members of the Board of Directors (the "Board") of the New York Racing Association, Inc. ("NYRA"). The purpose of this Policy is to set forth procedures for monitoring, reporting, and reviewing actions taken in connection with conflicts of interest and related third party transactions.

II. Meanings

For the purposes of this Policy:

a. "employees" means all people employed by NYRA other than directors and officers;

b. "directors" means all members of the Board including the NYRA President and Chief Executive Officer;

c. "officers" means all members of NYRA executive management, other than the President and Chief Executive Officer.

d. "racing officials" means any person who has been approved by the New York State Gaming Commission as such or has been determined to be a key racing employee by NYRA.

e. "key persons" means any person, other than a director or officer, who[1]:

   (i) has responsibilities, or exercises powers or influence over NYRA as a whole similar to the responsibilities, powers, or influence of directors and officers;

   (ii) manages NYRA, or a segment of NYRA that represents a substantial portion of the activities, assets, income or expenses of NYRA; or

   (iii) alone or with others controls or determines a substantial portion of NYRA's capital expenditures or operating budget.

III. General Obligations

No director, officer, or employee may have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any

[1] If you are unsure whether you fall under this definition, please consult with the General Counsel's office or a member of the Compliance department.

nature that is in conflict with the proper discharge of such director's, officer's, or employee's duties on behalf of NYRA.

It is important to avoid even the appearance of impropriety, which may occur if a reasonable observer might assume there is a loss of objectivity while acting on behalf of NYRA. Your conduct should not give a reasonable basis for the impression that any person can improperly influence you or can unduly enjoy your favor in the performance of your duties and/or job. Likewise, you should endeavor always to pursue a course of conduct that will not raise suspicion among the public that you are likely to be engaged in acts that are in violation of any trust.

All conflicts of interests are not necessarily prohibited or harmful to NYRA. However, NYRA requires full disclosure of all actual and potential conflicts to the best of each director's, officer's, and employee's knowledge.

Where feasible, disclosures should be made in advance, before any action is taken on the matter. Conflict identification and analysis can be difficult and, therefore, you are at all times required to err on the side of caution and disclose all instances where a conflict of interest or the appearance of a conflict may exist, even if you do not believe that there is an actual conflict.

IV. Conflicts of Interest Defined

A conflict of interest can arise when a director, officer or employee, or a member of his or her family, receives an improper personal benefit as a result of his or her position with NYRA and the possibility of personal gain influences or appears to influence any business decision or judgment.

While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest typically arises whenever a director, officer, or employee has (directly or indirectly):

- An interest (financial or otherwise) in a transaction, agreement or any other arrangement (including employment) in which NYRA or any affiliate participates;
- A compensation arrangement or other interest in a transaction with NYRA;
- A compensation arrangement or other interest in or affiliation with any entity or individual that:
    - sells goods or services to, or purchases goods or services from, NYRA;
    - competes with NYRA; or
    - NYRA has, or is negotiating, or contemplating negotiating, any other transaction or arrangement with.

- The ability to use his or her position, or confidential information or the assets of NYRA, to his or her (or an affiliated party's or relative's) personal advantage or for an improper or illegal purpose;

- Been indebted to NYRA, other than for amounts due for ordinary travel and expense advances; or

- Any other circumstance that may, in fact or in appearance, make it difficult for the director, officer, or employee to exercise independent, objective judgment or otherwise perform effectively.

The above also applies to the interests of your immediate family. Your immediate family means your spouse, unemancipated child(ren), and any other family member who lives in the same household as you do, or to whom you provide more than 25% of that person's income in a calendar year. An unemancipated child is a child who is not self-supporting and is under the financial care of his or her parent(s).

V. Disclosure Obligations

The disclosure form is attached hereto. All employees, officers and directors must complete **"Part A"** of the form upon their commencement of employment with NYRA. Throughout their tenure at NYRA, employees, officers and directors must complete **"Part B"** if there is a change in circumstance or they are seeking approval to engage in outside business interests that may be in conflict with NYRA. **Directors**, **officers**, **key persons** and **racing officials must complete "Part C" of the form on an annual basis**.

For Directors Only: Disinterested members of the NYRA Finance & Audit Committee shall make a determination as to whether a conflict exists with regard to directors. The NYRA Finance & Audit Committee shall inform the Board of such determination. Pursuant to New York Not-for-Profit Corporation Law, the person with the conflict shall not be present or participate in board or committee deliberation or vote on the matter giving rise to such conflict nor influence improperly the deliberation or voting on the matter giving rise to such conflict.
Section 715(a) (3) and (4). The existence of the conflict and the resolution of the conflict shall be documented in NYRA's records, including the minutes of the meeting at which the conflict was discussed or voted upon. The Board shall retain the right to modify or reverse such determination and shall retain the ultimate enforcement authority with respect to the interpretation and application of this Policy.

VI. Compliance

If NYRA has reasonable cause to believe that an employee, officer or director has failed to comply with this Policy, NYRA may make such further investigation as may be warranted in the circumstances and if it determines that an employee, officer or director has failed to comply with this Policy, it shall take appropriate action up to, an understanding removal from the Board or termination of service or employment with NYRA.

Conflict of Interest and Related Party Transaction Disclosure Form

NAME (LAST) (FIRST) (M.I.)

TITLE OR POSITION DEPARTMENT, IF APPLICABLE

ADDRESS OF PRESENT OFFICE OFFICE PHONE NUMBER

MARITAL STATUS - IF MARRIED, PLEASE GIVE SPOUSE'S FULL NAME (INCLUDING MAIDEN NAME WHERE APPLICABLE)

LIST THE NAMES OF ALL UNEMANCIPATED CHILDREN

Part A – To be Completed by all NYRA Personnel at Time of Joining NYRA

Business Interests: List any entity of which **you** are an officer, director, trustee, member, owner (either as a sole proprietor or a partner) or employee, whether compensated or not, or an investor that (i) is in the horse racing, breeding or welfare business; (ii) is in the gaming industry; or (iii) has any relationship or conducts any transaction with NYRA. List the name of any such entity and the nature of its relationship with NYRA. Include compensated honorary positions; do NOT list membership or uncompensated honorary positions.

☐ **NONE**

POSITION OR INVESTMENT	**NAME OF ENTITY**	**DEALINGS/RELATIONSHIP WITH NYRA**

Immediate Family Business Interests: Your immediate family means your spouse, unemancipated child(ren), and any other family member who lives in the same household as you do, or to whom you provide more than 25% of that person's income in a calendar year. List any entity of which any of **your immediate family member(s)** is an officer, director, trustee, member, owner (either as a sole proprietor or a partner) or employee, whether compensated or not, or an investor that (i) is in the horse racing, breeding or welfare business; (ii) is in the gaming industry; or (iii) has any relationship or conducts any transaction with NYRA. List the name of any such immediate family member and his or her position with the entity, the name of the entity, and the nature of its relationship with NYRA. Include compensated honorary positions; do NOT list membership or uncompensated honorary positions.

☐ **NONE**

IMMEDIATE FAMILY MEMBER NAME AND POSITION OR INVESTMENT WITH ENTITY	**NAME OF ENTITY**	**DEALINGS/RELATIONSHIP WITH NYRA**

Other Racing or Breeding Industry Business Interests: List any **racing or breeding industry** business interests of **yourself or any member of your immediate family**, **other than those disclosed above**, where the racing or breeding business does not take place at NYRA tracks or facilities and/or does not otherwise have any relationship with or connection to NYRA.

☐ **NONE**

POSITION OR INVESTMENT AND IMMEDIATE FAMILY MEMBER NAME IF APPLICABLE	NAME OF ENTITY	NATURE OF RACING OR BREEDING INDUSTRY BUSINESS

Part B – To be Completed by NYRA Personnel During the Course of their Board Service or Employment to Request Approval Prior to Engaging in Outside Business Interests

Prospective Business Interests: List any entity of which **you are considering** becoming an officer, director, trustee, member, owner (either as a sole proprietor or a partner) or employee, whether compensated or not, or an investor that (i) is in the horse racing, breeding or welfare business; (ii) is in the gaming industry; or (iii) has any relationship or conducts any transaction with NYRA. List the name of any such entity and the nature of its relationship with NYRA. Include compensated honorary positions; do NOT list membership or uncompensated honorary positions.

POSITION OR INVESTMENT	NAME OF ENTITY	DEALINGS/RELATIONSHIP WITH NYRA

THIS SECTION TO BE COMPLETED BY NYRA'S GENERAL COUNSEL OR CHIEF COMPLIANCE OFFICER:

☐ **APPROVED**

☐ **DENIED**

☐ LIST ANY CONDITIONS TO APPROVAL HERE:

x

(Signature of General Counsel or Chief Compliance Officer)

Date (month/day/year)

Part C – To be Completed by NYRA Directors, Officers, Racing Officials and Key Employees on an Annual Basis

Changes to Interests Business: Have there been any changes to your personal business interests or those of your immediate family members since the last reporting period (either at the time you joined NYRA or as of the last annual report you submitted)?

☐ **NO CHANGES**

☐ **SINCE THE LAST REPORTING PERIOD, I SUBMITTED PART B OF THIS FORM REQUESTING PRIOR APPROVAL TO ENGAGE IN OUTSIDE BUSINESS INTERESTS**

☐ **OTHER CHANGES ARE LISTED BELOW**

1. List any **NEW** entity of which **you <u>or</u> any of your immediate family member(s)** have become, since the last reporting period, an officer, director, trustee, member, owner (either as a sole proprietor or a partner) or employee, whether compensated or not, or an investor (i) is in the horse racing, breeding or welfare business; (ii) is in the gaming industry; or (iii) has any relationship or conducts any transaction with NYRA. List the name of any such entity and the nature of its relationship with NYRA. Include compensated honorary positions; do NOT list membership or uncompensated honorary positions.

2. List any **other NEW racing or breeding industry** business interests of **yourself <u>or</u> any member of your immediate family** where the racing or breeding business does not take place at NYRA tracks or facilities and/or does not otherwise have any relationship with or connection to NYRA.

3. If you did not request prior approval for any of your NEW business interests, please so state and include a request for approval here. Upon review of any such request, you may be asked to explain why prior approval was not sought.

4. List any previously reported positions or investments of which you or any of your immediate family member(s) have resigned or left since the last reporting period.

_____

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ACKNOWLEDGMENT

The answers to the foregoing questions are stated to the best of my knowledge and belief.

I also acknowledge that I have received a copy of, read, and understand the NYRA Conflict of Interest and Related Party Transaction Policy and agree to comply fully with its provisions. I further agree that I will abide by NYRA's determinations concerning whether the business interests disclosed herein constitute conflicts, and if so, whether such conflicts are acceptable to NYRA.

x _____ _____

(Signature of Reporting Individual) Date (month/day/year)

Printed Name: _____

EXHIBIT B

NYRA Whistleblower Policy

Whistleblower Policy for The New York Racing Association, Inc.

The New York Racing Association, Inc., a New York not-for-profit corporation ("**NYRA**"), requires its Covered Persons (defined below) to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As used herein, "**Covered Persons**" means all employees, officers and directors of NYRA, and natural persons engaged by NYRA as independent contractors. As representatives of NYRA, each Covered Person must practice honesty and integrity in fulfilling his or her responsibilities owing to NYRA and comply with each applicable (i) federal, state or local statute or ordinance or executive order; (ii) rule or regulation promulgated pursuant to such statute or ordinance or executive order; and (iii) any judicial or administrative decision, ruling or order (collectively, "**Legal Requirements**"). NYRA is committed to creating an environment where Covered Persons feel comfortable raising concerns about potential workplace wrongdoing. Among other ways to report such concerns (as detailed below), Covered Persons can call NYRA's anonymous whistleblower hotline at 800-605-1340 (English) / 800-297-8592 (Spanish).

ARTICLE 1
PURPOSES

Section 1.01 The purposes of this whistleblower policy ("**Policy**") are to:

(a) encourage and enable Covered Persons and former NYRA employees to raise concerns regarding suspected illegal or unethical conduct or practices, or violations of NYRA's policies on a confidential and, if desired, anonymous basis;

(b) protect Covered Persons and former NYRA employees from retaliation for raising such concerns; and

(c) establish policies and procedures for NYRA to:

(i) receive and investigate reported concerns; and

(ii) address and correct inappropriate conduct and actions.

ARTICLE 2
REPORTING RESPONSIBILITY

Section 2.01 Reporting Responsibility. Each Covered Person has the responsibility to report in good faith any concerns about actual or suspected violations of NYRA's policies or any applicable Legal Requirement governing NYRA's operations (each, a "**Concern**"). Appropriate subjects to report under this Policy include but are not limited to financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices, such as:

(a) fraud;

(b) theft;

(c) embezzlement;

(d) bribery or kickbacks;

(e) misuse of NYRA's assets;

(f) undisclosed conflicts of interest; and

(g) any other matter covered by NYRA's Code of Ethics.

Section 2.02 Acting in Good Faith. Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information disclosed indicates a violation of any Legal Requirement and/or ethical standard contained in NYRA's Code of Ethics. Any unfounded allegation that proves to have been made maliciously, recklessly or knowingly to be false will be viewed as a serious offense and result in disciplinary action up to and including termination of employment status.

ARTICLE 3
NO RETALIATION

Section 3.01 No Covered Person or former employee of NYRA who in good faith reports a Concern or participates in a review or investigation of a Concern will be subject an adverse action taken by NYRA or any of its agents to discharge, threaten, penalize or in any other manner discriminate against any such Covered Person or former employee of NYRA because of such report or participation. Adverse action includes, without limitation,

(a) termination from employment;

(b) demotion;

(c) reassignment to a less desirable position or duties;

(d) reduction of work hours;

(e) relocation to a less desirable work place (for example, further from the employee's home or requiring the employee to move);

(f) failure to promote;

(g) disciplinary actions and particularly those that have an adverse effect on the employee's pay or opportunities for advancement, including, without limitation, (i) suspension, (ii) performance improvement plans or (iii) written warnings;

(h) poor performance evaluations, especially those that have an adverse effect on the employee's pay;

(i) failure to award pay increases or raises;

(j) placement on an unpaid leave of absence;

(k) placement on paid administrative leave where that leave is stigmatizing;

(l) disclosure of an employee's identity as the filer of a Concern;

(m) actions or threats to take such actions that would adversely impact a former employees current or future employment; and

(n) threatening to contact or contacting United States immigration authorities or otherwise reporting or threatening to report an employee's suspected citizenship or immigration status or the suspected citizenship or immigration status of an employee's family or household member to a federal, state, or local agency.

The foregoing protection extends to Covered Persons or former employees of NYRA who report in good faith, even if the allegations are, after an investigation, not substantiated.

Section 3.02 NYRA shall not take any retaliatory action covered by Section 3.01 against any Covered Person because such Covered Person does any of the following:

(a) discloses, or threatens to disclose to a Supervisor (defined below) or to a Public Body (defined below) an activity, policy or practice of NYRA that such Covered Person reasonably believes is in violation of any Legal Requirement or that the Covered Person reasonably believes poses a substantial and specific danger to the public health or safety;

(b) provides information to, or testifies before, any Public Body conducting an investigation, hearing or inquiry into any such activity, policy or practice by NYRA; or

(c) objects to, or refuses to participate in any such activity, policy or practice.

The protection against retaliatory action with respect to any action covered by Section 3.02(a) pertaining to disclosure to a Public Body will not apply to an employee who makes such disclosure to a Public Body unless the employee has made a good faith effort to notify his or her employer by bringing the activity, policy or practice to the attention of a Supervisor of the employer and has afforded such employer a reasonable opportunity to correct such activity, policy or practice. Such employer notification will not be required where:

(a) there is an imminent and serious danger to the public health or safety;

(b) the employee reasonably believes that reporting to the Supervisor would result in a destruction of evidence or other concealment of the activity, policy or practice;

(c) such activity, policy or practice could reasonably be expected to lead to endangering the welfare of a minor;

(d) the employee reasonably believes that reporting to the Supervisor would result in physical harm to the employee or any other person; or

(e) the employee reasonably believes that the Supervisor is already aware of the activity, policy or practice and will not correct such activity, policy or practice.

As used herein, the term "**Supervisor**" means any individual within NYRA's organization who has the authority to direct and control the work performance of the affected Covered Person or who has managerial authority to take corrective action regarding the Concern of which such Covered Person complains.

As used herein, the term "**Public Body**" means (i) the United States Congress, any state legislature, or any elected local governmental body, or any member or employee thereof; (ii) any federal, state, or local court, or any member or employee thereof, or any grand or petit jury; (iii) any federal, state, or local regulatory, administrative, or public agency or authority, or instrumentality thereof; (iv) any federal, state, or local law enforcement agency, prosecutorial office, or police or peace officer; (v) any federal, state or local department of an executive branch of government; or (vi) any division, board, bureau, office, committee, or commission of any of the public bodies described in the foregoing clauses (i) through (v).

Section 3.03 No Covered Person or former employee of NYRA will be subject to liability or retaliation for disclosing a trade secret in compliance with 18 U.S.C. §1833 either:

(a) in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a Concern or

(b) in a complaint or other document filed in a lawsuit or other proceeding under seal.

Section 3.04 Any Covered Person who retaliates against someone who in good faith has reported or participated in a review or investigation of a Concern will be subject to discipline, up to and including termination of employment status.

Section 3.05 Anyone who believes that a Covered Person has been subject to harassment, retaliation or adverse employment consequences as a result of making a good faith report or participating in a review or investigation of a Concern should contact a Compliance Officer listed in Article 5 of this Policy.

ARTICLE 4
CONFIDENTIALITY

Section 4.01 NYRA encourages anyone reporting a Concern to identify themselves in order to facilitate the investigation of the Concern. However, Concerns may be submitted on a confidential and/or anonymous basis. NYRA shall take reasonable steps to protect the identity of the submitter of a Concern, and shall keep reports of Concerns confidential to the extent possible, consistent with the need to conduct an adequate investigation. In furtherance of the foregoing, NYRA shall

(a) not disclose the identity of the submitter of a Concern without such submitter's consent, unless required by a Legal Requirement,

(b) store information relating to a Concern in a secure manner; and

(c) limit access to that information relating to a Concern to only those persons requiring it for investigative or remedial purposes.

ARTICLE 5
REPORTING PROCEDURES

Section 5.01 Prompt Reporting. All Concerns should be reported as soon as practicable consistent with this Policy.

Section 5.02 Reporting Concerns.

(a) Employees of NYRA should discuss the Concern with their direct Supervisors. However, NYRA employees should follow the procedures outlined in Section 5.02(b) or (c) if any of the following apply:

(i) the employee reasonably believes that the Supervisor will disregard or otherwise not fairly consider the Concern,

(ii) The Supervisor is a subject of the Concern or

(iii) The employee does not feel comfortable discussing the Concern with the Supervisor.

(b) The Concern may be reported to NYRA's anonymous whistleblower hotline by calling 800-605-1340 (English) / 800-297-8592 (Spanish).

(c) Concerns may be reported to Joi L. Garner or Iris Roberts (each, a "**Compliance Officer**"). When reporting Concerns, the Covered Person or former NYRA employee should describe in detail the specific facts that support the report. A Concern may be reported via phone call or in writing. If by phone, please call 718-659-2349 (Joi Garner) or 718-659-3503 (Iris Roberts). If by email, Jgarner@nyrainc.com or iroberts@nyrainc.com. If by regular mail:

Joi L. Garner
The New York Racing Association, Inc.
110-00 Rockaway Boulevard
Jamaica, New York 11417

-or-

Iris Roberts
The New York Racing Association, Inc.
60 Railroad Pl
Saratoga Springs, New York 12866

If a Compliance Officer is the subject of the Concern or the submitter of the Concern is not comfortable reporting the Concern to a Compliance Officer, the Concern may alternatively be reported to:

Tatiana Torres
Vice President, Human Resources
ttorres@nyrainc.com
718-659-2228

Section 5.03 Questions. Any questions relating to the scope, interpretation or operation of this Policy should be directed to a Compliance Officer.

Section 5.04 Investigation of Reported Concerns.

(a) **Compliance Officer.** Compliance Officers are responsible for promptly investigating or overseeing the investigation of each reported Concern and advising the Finance and Audit Committee of NYRA's Board of Directors ("**Board**") of reported Concerns that may have significant legal, financial or reputational consequences for any material business activity engaged in by NYRA or any of its affiliates.

(b) **Acknowledgment of Receipt.** Any Supervisor or member of the Board who receives a report of a Concern must promptly notify a Compliance Officer of such report in writing. A Compliance Officer shall notify the submitter of the Concern and acknowledge receipt of such Concern within a reasonable time period, unless the Concern was submitted anonymously, or no return address is provided.

(c) **Investigation.** The Compliance Officer shall conduct a prompt, discreet, and objective review or investigation based on the submitted Concern. A full investigation may not be possible if a report made anonymously is vague or general. If deemed necessary in his or her sole discretion or upon the recommendation of the Finance and Audit Committee, the Compliance Officer may engage legal counsel, accountants or other experts to assist in the investigation. A Compliance Officer may delegate the investigation responsibilities to any Board committee or other individual, including third parties, as long as:

(i) The delegate is not a subject of the reported Concern.

(ii) The delegation does not compromise the identity of the Covered Person or former NYRA employee who reported anonymously or confidentially.

(d) **Resolution.** A Compliance Officer shall:

(i) Recommend appropriate corrective action, if warranted by the investigation.

(ii) Oversee the implementation of a resolution.

(iii) Follow up with the submitter of the Concern, if possible, for closure of such Concern.

ARTICLE 6
PERIODIC REVIEWS

Section 6.01 To ensure that NYRA operates in a manner consistent with applicable Legal Requirements and does not engage in activities that could jeopardize its reputation or tax-exempt status, the Finance and Audit Committee shall conduct periodic reviews of this Policy. The Finance and Audit Committee shall present any recommended changes, modifications, or deletions of the provisions of this Policy to the Board at its regularly scheduled meeting following the Finance and Audit Committee's review.

ARTICLE 7
MISCELLANEOUS

Section 7.01 NYRA shall retain any records related to the investigation and resolution of a reported Concern. All such records are considered privileged and strictly confidential.

Section 7.02 This Policy shall be distributed to all Covered Persons.

Section 7.03 NYRA has discretion to the maximum extent permitted by law to interpret, administer, change, modify, or delete this Policy at any time with or without notice. No statement or representation by a Supervisor or any other NYRA employee, whether oral or written, can supplement or modify this Policy.

Section 7.04 Any delay or failure by NYRA to enforce this Policy in whole or in part shall not constitute a waiver of NYRA's right to do so in the future.

Section 7.05 Neither this Policy nor any other communication by any Supervisor or any other employee of NYRA, whether oral or written, is intended in any way to create a contract of employment.

Section 7.07 The provisions of this Policy extend to each agreement or other policy of NYRA. Any provision in any agreement by NYRA that requires confidentiality of information to the extent that such provisions may impede the action of any of NYRA's directors, officers and employees to make a report as described above under Article 5 or to fully cooperate with any investigation of any violation or suspected violation is hereby irrevocably waived by NYRA.

Section 7.08 This Policy could not, and is not intended to, address every possible situation that may arise. Each individual is responsible for acting lawfully and ethically in all of his or her business dealings, for reporting any unlawful and/or unethical conduct, and for seeking further guidance when in doubt.

Section 7.09 The current terms and conditions of this Policy shall be maintained in NYRA's Code of Ethics and Business Conduct or a supplement provided to the employees and on NYRA's website.

EXHIBIT C

Gift Report

RECIPIENT

Name of Recipient: _____

Email: _____

Department: _____

Direct Supervisor: _____

GIFT DESCRIPTION

Description of Gift: _____

Reason for Gift: _____

Value of Gift: $_____

PERSON OR COMPANY ISSUING GIFT

Name of Person or Company: _____

Relationship to NYRA: _____

Total Value of Gifts Received from Person or Company to Date: $_____

CERTIFICATION:

I certify that I have received the gift indicated above and that I have read NYRA's Code of Ethics and Business Conduct and I confirm that such gift, to the best of my knowledge, does not violate NYRA's Gift and Business Courtesy Policy.

Signature: _____Date: _____

EXHIBIT D

Business Courtesy Report

RECIPIENT

Name of Recipient: _____

Email: _____

Department: _____

Direct Supervisor: _____

BUSINESS COURTESY DESCRIPTION

Description of Business Courtesy: _____

Purpose of Business Courtesy: _____

Approximate Value of Business Courtesy: $_____

PERSON OR COMPANY ISSUING BUSINESS COURTESY

Name of Person or Company: _____

Relationship to NYRA: _____

Total Value of Business Courtesies Received from Person or Company to Date: $_____

CERTIFICATION:

I certify that I have received the business courtesy indicated above and that I have read NYRA's Code of Ethics and Business Conduct and I confirm that such business courtesy does not, to the best of my knowledge, violate NYRA's Gift and Business Courtesy Policy.

Signature: _____Date: _____