

VIRGIN ISLANDS HORSE RACING COMMISSION

Tile 32, Virgin Islands Code, Chapter 11 and Code of U.S. Virgin Islands Rules and Regulations, Title 32, Ch. 11

HORSE RACE TEMPORARY PERMIT

This Permit is granted by the Virgin Islands Horse Racing Commission ("Permittor") to VIGL Operations, LLC, a U.S. Virgin Islands limited liability company ("Permittee") to conduct a horse race at the DOCTOR RANDALL NICHOLAS "DOC" JAMES Racetrack ("Racetrack Premises") in St. Croix, U.S. Virgin Islands on September 2, 2018, during the hours of 6:00 a.m. to 8:00 p.m. subject to the above statute and applicable rules and regulations, and the conditions set forth below.

VIGL, Operations, LLC shall enter into a Temporary License Agreement with the Department of Property and Procurement, on behalf of the Virgin Islands Department of Sports, Parks & Recreation for the use of the Racetrack Premises agreeing to:

- 1. Provide and arrange for one (1) Emergency Medical Service (EMS) Unit at the event.
- Provide all private security services, with a minimum of five (5) peace officers at the event.
- Request assistance from the Virgin Islands Police Department for additional security for the event.
- 4. Provide and compensate the Announcer for the event.
- 5. Provide and distribute a "Condition Sheet" to all horse owners and the Commission by July 27, 2018.
- 6. Present to the Permittor a "Race Card" by August 17, 2018, to be approved by the Commission.
- 7. Provide the funding for (6-8) purses in the amount of EIGHTY THOUSAND DOLLARS AND NO CENTS (\$80,000.00) base.
- 8. Provide proof of the total purse amount to the Permittor no later than August 16, 2018.



VIRGIN ISLANDS HORSE RACING COMMISSION

- 9. Prepare the race day program.
- 10. Pay all costs associated with the use of the announcer and jockeys, including, but not limited to, transportation, fees and payments.
- Manage and operate all concessions and vendors, including acquiring licenses.
- 12. Provide for and maintain and control all parking throughout the event.
- Organize and communicate all advertising of the event to all media outlets.
- 14. Obtain by April 3, 2018 an insurance policy with the minimum insurance limits as set forth in the Temporary License between the Department of Property and Procurement, on behalf of the Department of Sports, Parks and Recreation and keep those policies in full force and effect during the term of this Permit and the accompanying License.
- 15. Pay One Thousand Five Hundred Dollars and No Cents (\$1,500.00) to the Department of Property and Procurement, on behalf of the Department of Sports, Parks and Recreation, for the use of the Racetrack Premises.
- Provide the Permittor with a financial report within ten (10) days after the September 2, 2018 Race Day.

The Permittee shall bear the full cost of the Permittor providing the following personnel and services on the race day:

- 1. Starting Gate Handlers
- 2. Paddock Staff
- 3. Stewards
- 4. Time Keeper(s)
- 5. Clerk of Scales (Person to weigh jockeys)
- 6. Racing Secretary
- 7. Veterinary Services, specifically a physician/provider

This Permit expires at 11:59 p.m., September 2, 2018.



VIRGIN ISLANDS HORSE RACING COMMISSION

Pedro Cruz Chairman Virgin Islands Horse Racing Commission	
APPROVED as to legal sufficiency:	
DEPARTMENT OF JUSTICE	Date: 3-26-20/8
APPROVED:	
KENNETH E. MAPP	Date: 03-26-18

GOVERNOR OF THE U.S. VIRGIN ISLANDS

TEMPORARY LICENSE AGREEMENT DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK ST. CROIX, U.S. VIRGIN ISLANDS

THIS TEMPORARY LICENSE AGREEMENT (hereinafter "Agreement") is entered into by the Department of Property and Procurement, on behalf of the Department of Sports, Parks and Recreation (hereinafter "Licensor") and VIGL Operations, LLC, a U.S. Virgin Islands limited liability company (hereinafter "Licensee") under the terms and conditions set forth herein.

WITNESSETH:

WHEREAS on October 27, 2016, Licensee entered into a Franchise Agreement ("Franchise Agreement") with the Government of the U.S. Virgin Islands ("Government") pursuant to which Licensee was awarded a franchise pursuant to 32 V.I.C. §209 and 32 VJ.Reg. §209-1 to promote and conduct horse racing and related activities in the United States Virgin Islands including an exclusive concession in the U.S. Virgin Islands for Live Horse Racing, Telephonic Account Betting, and Simulcast Wagering (as these terms are defined in the Franchise Agreement), and the daily occupancy, operation and use of all of the facilities and equipment located at the Clinton E. Phipps Racetrack and the Doctor Randall Nicholas "Doc" James Racetrack (collectively, "Racetracks"); and

WHEREAS the effective date of the Franchise Agreement was subject to approval by the Legislature and the Governor of the U.S. Virgin Islands; execution of lease or sub-lease agreements for the Racetracks between Licensee and Government, on behalf of the Licensor; execution by Licensee of Live Horse Racing agreements with the respective Horsemen's Organizations on St. Thomas and St. Croix; approval of a Racino Gaming License by the Virgin Islands Casino Control Commission, and; approval of all necessary licenses and permits for the construction and operation of at least one of the Racetracks; and

WHEREAS the Licensee has achieved all of the conditions to the Franchise Agreement with the exception of obtaining approval of all necessary licenses and permits for the construction and operation of at least one of the Racetracks; and; Licensee has submitted its application for the necessary licenses and permits for the Clinton E. Phipps Racetrack; and

WHEREAS the Licensee wishes to obtain access to the Racetracks in order to assess the conditions of the facilities and racing surfaces and to begin making repairs to said facilities and surfaces; and

WHEREAS the Licensee wishes to hold races and related events at the Doctor Randall Nicholas "Doc" James Racetrack, subject to Licensee's assessment and evaluation of the suitability of the facilities and equipment at the Doctor Randall Nicholas "Doc" James Racetrack ("Racetrack Premises"); and

WHEREAS the Virgin Islands Horse Racing Commission (hereinafter "the Commission") is authorized to grant temporary authorization, pursuant to Title 32, chapter 11, of the Virgin Islands Code, to an appropriate entity to promote and conduct horse racing and related activities in the U.S. Virgin Islands; and

WHEREAS such temporary authorization may be effectuated only by the Commissioner of Licensor providing for the occupancy, operation, and use of the facilities and equipment at the Racetrack Premises; and

Temporary License Agreement between the Department of Sports, Parks & Recreation and the VIGL Operations, LLC for the DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK ST. CROIX, U.S. VIRGIN ISLANDS 2 | P a g e

WHEREAS the Commission's temporary authorization is conditioned on the Licensee obtaining and submitting proof of appropriate liability insurance by April 3, 2018 and other conditions as set forth in this License;

WHEREAS Licensee wishes to hold races and related events at the Racetrack premises as follows:

Event: Live Horse Racing

Date: September 2, 2018

During the hours of: 6:00 a.m. to 8:00 p.m.

WHEREAS, Licensor has agreed to allow Licensee to hold racing and related events on the premises, on the date and time(s) specified, subject to the terms and conditions herein stated: (such activities being the "Event").

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

1. PREMISES

Licensor hereby grants to Licensee a temporary, nonexclusive, nontransferable license to occupy and use the Premises identified as:

Section No. 5 HENRY E. ROHLSEN AIRFIELD (formally ALEXANDER HAMILTON FIELD)

ST. CROIX, VIRGIN ISLANDS consisting of 65.1470 acres +/commonly known as Manning Bay,
As shown on P.W.D. 978

2. TERM AND EFFECTIVE DATE OF LICENSE

This term of this license shall be for a period of two hundred and ten (210) days, or until Licensee obtains approval of all necessary licenses and permits for construction and operation of at least one of the Racetracks, whichever comes first; the license shall become effective on the date signed by the Licensor.

3. FEES/PAYMENTS

In consideration for this agreement, Licensee agrees to pay to Licensor the sum of ONE THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$1,500.00) for each horse racing event. Rents shall be payable at the address of Licensor as designated herein.

Temporary License Agreement between the Department of Sports, Parks & Recreation and the VIGL Operations, LLC for the DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK ST. CROIX, U.S. VIRGIN ISLANDS 3 | P a g e

4. RESTRICTIONS ON USE OF PREMISES; REGULATIONS AND CONDUCT

- a) Licensee shall have access to the Racetrack Premises in order to assess the conditions of the facilities and racing surfaces; to determine the feasibility of conducting horse racing at the facility, and to begin making repairs to said facilities and surfaces.
- b) If Licensee determines that it is economically feasible and safe for horses and jockeys to race at the Racetrack Premises and for the general public to attend races, then Licensee agrees to use the described property solely for the purposes of conducting horse racing and related activities, as authorized by the Commission, for the public's recreation and enjoyment.
- c) If Licensee determines that the condition of the Racetrack Premises, particularly the racing surface and equipment, and/or Licensee's inability to obtain the necessary insurance, renders it not economically feasible, dangerous or unsafe to conduct races, the Licensee shall not be obligated to conduct any races but shall be authorized to begin making repairs to said facilities and surfaces
- d) Licensee agrees not to engage in any use of the described real property that endangers the public's welfare, nor the welfare of race horses and jockeys or that results in waste or the degradation of such property.
- e) Licensee shall not construct any permanent or temporary structure on the racetrack premises without first obtaining prior written approval of the Licensor, provided that this Section 4(c) shall not prevent Licensee from performing such repairs to the racing surfaces and related facilities as are necessary to hold races and related events on the Racetrack Premises.
- f) Licensee shall not use the premises or suffer or permit anything to be done in or about the premises which will in any way conflict with any law, statute, zoning ordinance, fire regulations, regulation or requirement of duly constituted public authorities now in force or which may hereafter be in force or regulating the condition, use or occupancy of the premises.
- g) Licensee shall not dump or store waste materials or refuse or allow such to remain in or about the premises. Licensee shall, at all times, keep the premises in a clean and safe condition. All materials must be stored in areas specifically designated for storage.
- h) Licensee shall return the Racetrack Premises to Licensor in its original condition prior to the Event, and shall remove any and all debris, trash, and any equipment used during the Event.
- i) Licensee shall not do, nor permit, anything to be done which will interfere with free access and passage of others to the premises or any streets, ways and walks near the premises.
- j) Licensee shall not transfer, assign, sublet, mortgage or otherwise encumber the license or the Licensee's interest in the premises.

Temporary License Agreement between the Department of Sports, Parks & Recreation and the VIGL Operations, LLC for the DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK ST. CROIX, U.S. VIRGIN ISLANDS 4 | Page

- k) Licensee shall obey all rules and regulations, as set forth by the Commissioner of Sports, Parks and Recreation, governing use of the Racetrack Premises.
- l) Licensee shall not assign or transfer this License to any other party without the prior, written consent of Licensor.

5. INSURANCE AND INDEMNITY

a) INSURANCE REQUIREMENTS: Licensee shall obtain by April 3, 2018 an insurance policy with the following minimum insurance limits and keep those policies in full force and effect during the term of this License:

Commercial General Liability: Five Hundred Thousand Dollars (\$500,000.00) per occurrence for bodily injury, personal injury and property damage; or \$1 million (\$1,000,000.00) for policy with Aggregate Limit.

- b) LICENSOR AS INSURED: All such insurance policies shall name the Government of the Virgin Islands as an additional insured and as a loss payee.
- c) PROOF OF INSURANCE: Licensee shall furnish Licensor with an appropriate Certificate of Insurance and Endorsement or Insurance Binder Agreement by April 3, 2018; otherwise this License will be cancelled and have no force and effect.

d) INDEMNIFICATION:

- Scope of Indemnity: Licensee shall indemnify and hold harmless the Licensor and its employees and instrumentalities against any and all claims, including but not limited to third-party claims, suits, causes of action, proceedings and judgments for damages, personal injury, or equitable relief, arising out of operation or maintenance of horse racing and related activities.
- 2) Exceptions: Notwithstanding the above provision, Licensee shall not be obligated to indemnify Licensor and its employees for acts directly caused by the negligence of Licensor and its employees.
- 3) Licensor's indemnification rights under this License are not intended to inure to the benefit of any third-party.
- 4) NON-LIABILITY: Licensor shall not be responsible or liable to Licensee for any loss or damage that may be occasioned by the acts or omissions of persons occupying any property adjacent to the racetrack premises, or for any loss or damages resulting to Licensee or its property, to include damage from water, gas, steam, fire, or the bursting, stoppage or leakage of pipes, or any other damage, provided such loss or damage was not the result of the sole negligence of Licensor.
- 5) REPAIRS: Licensee agrees to use or turn over to Licensor all insurance proceeds, if any, to repair damages to the licensed premises.

Temporary License Agreement between the Department of Sports,
Parks & Recreation and the VIGL Operations, LLC
for the DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK
ST. CROIX, U.S. VIRGIN ISLANDS 5 | Page

- e) FORCE MAJEURE: Neither party shall be held responsible for delay or default caused by acts of God or war if the event is beyond the party's reasonable control.
- 6. GENERAL RESPONSIBILITIES OF LICENSEE In addition to the responsibilities cited in this License, Licensee agrees to maintain the race track, which includes:
 - a) Harrowing and Watering of track on a daily basis.
- b) Repairing certain areas of the facility which includes the stands, bathrooms, and stables.
 - c) Assuring operability of Starting Gate.
 - d) Making Changing Rooms available for the Jockeys
 - e) Landscaping.
- 7. RACE DAY EVENT RESPONSIBILITIES OF LICENSEE In addition to the responsibilities cited in this License, Licensee agrees to the following:
- a) Provide and arrange for one (1) Emergency Medical Service (EMS) Unit at the event and will be responsible for all costs associated for having the EMS Unit at the event.
- b) Provide all private security services, specifically, a minimum of five (5) peace officers at the event.
- c) Request assistance from the Virgin Islands Police Department for additional security for the event.
- d) Provide the Announcer for the event who will be paid by the Licensee. The Licensor assumes no responsibility for payment of the announcer for the event.
- e) Prepare and distribute a "Condition Sheet" to all horse owners and the Commission by July 27, 2018.
- f) Present to the Commission a "Race Card" by August 17, 2018 to be approved by the Commission.
- g) Provide the funding for (6-8) purses in the amount of EIGHTY THOUSAND DOLLARS AND NO CENTS (\$80,000.00) base.
- h) Provide proof of the total purse amount to the Commission no later than August 16, 2018.
 - Prepare the race day program.
- j) Pay all costs associated with the use of the jockeys, including, but not limited to, transportation, fees and payments.

Temporary License Agreement between the Department of Sports, Parks & Recreation and the VIGL Operations, LLC for the DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK ST. CROIX, U.S. VIRGIN ISLANDS 6 | Page

- k) Manage and operate all concessions and vendors. The Licensee shall be responsible for acquiring any licenses required to operate the concession. In the event alcoholic beverages are sold on the premises, all necessary licenses associated with the sale of those beverages shall be presented to the Licensor no later than August 17, 2018; otherwise, the Licensee is prohibited from selling any alcoholic beverages on the premises on the day of the races.
- l) Provide for and maintain and control all parking throughout the event. Vehicles cannot obstruct roadways or park illegally on or around the premises.
- m) Organize and communicate all advertising of the event to all media outlets, including but not limited to print, radio and electronic.

8. GOVERNING LAW

This License, and any disputes surrounding its validity, performance and enforcement, shall be governed by the laws of the U.S. Virgin Islands with venue exclusive in the U.S. Virgin Islands.

9. WAIVERS AND AMENDMENTS

No waiver, modification or amendment of any term, condition or provision of this License shall be valid or of any force or effect unless made in writing, signed by the parties hereto or their duly authorized representative, and specifying with particularity the nature and extent of such waiver, modification or amendment. Any such waiver, modification or amendment in any instance or instances shall in no event be construed to be a general waiver, modification or amendment of any of the terms, conditions or provisions of this License, but the same shall be strictly limited and restricted to the extent and occasion specified in such signed writing or writings.

10. ENTIRE AGREEMENT

This License constitutes the entire agreement between the parties hereto, and all prior understandings or communications, written or oral, with respect to the subject matter of this License are merged herein.

11. CONDITIONS PRECEDENT

This Temporary License Agreement shall be subject to the Licensor receiving authorization of the St. Thomas Racing Commission and the approval of the Governor, after the Licensee assesses the feasibility and safety of conducting horse racing.

Execution page follows

Temporary License Agreement between the Department of Sports, Parks & Recreation and the VIGL Operations, LLC for the DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK ST. CROIX, U.S. VIRGIN ISLANDS 7 | Page

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day

and year written:	
WITNESS:	LICENSOR:
Find John	Lloyd Bough, Jr., Commissioner Department of Property and Procurement Sub Base, Building No. 1 St. Thomas, Virgin Islands 00802 DATE:
Natividad Operio	Pedro Cruz, Commissioner Department of Sports, Parks And Recreation Williams D. Roebuck Industrial Park Bldg. 1, Suite 1 St. Croix, U.S.V.I. 00840 DATE: 3-26-/X
	DATE: 3 26-78
WITNESS:	LICENSEE:
	Jason Williams, Manager VIGL OPERATIONS, LLC DATE: 3/33/18

Temporary License Agreement between the Department of Sports, Parks & Recreation and the VIGL Operations, LLC for the DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK ST. CROIX, U.S. VIRGIN ISLANDS 8 | Page

ACKNOWLEDGMENT AND CERTIFICATION

I, Chairman of the Temporary Virgin Island Horse Race Commission, hereby acknowledge and certify that on March 26, 2018, the Temporary Virgin Islands Horse Racing Commission authorized VIGL Operations, LLC, to conduct a horse race on September 2, 2018 at the DOCTOR RANDALL NICHOLAS "DOC" JAMES RACETRACK, ST. CROIX, U.S. VIRGIN ISLANDS.

VIRGIN ISLANDS HORSE RACING COMMISSION:

Pedro Cruz, CHAIRPERSON

William D. Roebuck Industrial Park Bldg. 1, Suite 1, St. Croix 00840

DATE: 3-26-18