



**Delaware Jockeys' Health & Welfare Benefit Board  
Minutes of Regular Meeting Held  
August 7, 2007**

The Delaware Jockeys' Health & Welfare Benefit Board held a regular meeting on August 7, 2007 at 10:00 AM in the second floor conference room of the Horsemen's Office at Delaware Park, 777 Delaware Park Boulevard, Wilmington, Delaware 19804.

**The following board members were present:**

Edward J. Stegemeier, Chairman
Bernard J. Daney, Ex-Officio
Billy Hollick, Jockey
Joe Rudisill, Sr. Vice President, Delaware Park
Larry Saumell, Jockeys' Guild Representative
Michael McCarthy, DTHA Representative

**The following board members were excused:**

Larry Saumell, Jockeys' Guild Representative
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**The following individuals also were present:**

John F. Wayne, DTRC, Executive Director
Andrew Kerber, Esq., Deputy Attorney General, Commission Counsel
Robert Colton, Delaware Jockeys' Association, Director
Pete Lizarzaburu, retired jockey

1. **WELCOME & CALL TO ORDER**

Chairman Stegemeier called the meeting to order at 10:09 AM and welcomed those in attendance.

Chairman Stegemeier recognized new board members: Mr. Joseph Rudisill, Sr. Vice President of Delaware Park replaces Mr. William Fasy, and Mr. William Hollick, a Delaware jockey replaces Mr. Oliver Castillo.

2. **APPROVAL OF MINUTES**

Upon a motion duly made (Rudisill) and seconded (Caraballo) minutes from June 26, 2007 were approved as submitted.

3. **OLD BUSINESS**

A. **Sign Agreement with Delaware Jockeys' Association**

Upon a motion duly made (Caraballo) and seconded (Rudisill) the agreement with the Delaware Jockeys' Association (DJA) is approved as submitted.

Signers to the agreement are Chairman Stegemeier and Mr. Robert Colton, Director of the DJA.

**Discussion: Mount Calculation**

Chairman Stegemeier concluded that mount calculation monitoring falls to the DJA and Mr. Colton, as stated in the contract with the DJA.

**Discussion: Retired Jockey Eligibility**

Mr. Hollick commented that eligibility for retired jockeys favoring not just Delaware jockeys but other jockeys in the area as well. Other "big" riders are qualifying at 50 mounts while local Delaware jockeys are missing eligibility because of the 5,000-mount requirement stated in the DJH&WBB Rules & Regulations.

**Public Hearing Requested for Rule Change**

As recommended by Mr. Wayne, Chairman Stegemeier ordered that a public hearing be called on October 23, 2007, at 10:00 AM, to amend DJH&WBB Rule 2.1.1.1 and Rule 2.1.1.2 to include, specifically, define and clarify the 50 mount criteria.

4. **ADJOURN**

Upon a motion duly made (Caraballo) and seconded (Hollick) the meeting was adjourned by Chairman Stegemeier at 10:50 AM.

## AGREEMENT

It is hereby agreed by the Delaware Jockeys' Health and Welfare Benefit Board (the "BOARD") and the Delaware Jockeys' Association, Inc. (the "DJA") on this 7th day of AUGUST, 2007 that both parties enter into this Agreement implementing the provisions of 29 Del. C. §4815 (b)(3)c (the "STATUTE").

1. **Fund and Board.** The BOARD administers a fund known as the Delaware Jockeys' Health and Welfare Benefit Fund (the "FUND") for the purpose of providing health and other welfare benefits to active, disabled, and retired Delaware jockeys (the "DELAWARE JOCKEYS") who meet eligibility standards.
2. **Regulations; Eligibility.** Pursuant to the STATUTE, the BOARD has promulgated as regulation(s) 2.0 through 2.3.1 (the "REGULATIONS") the eligibility criteria for DELAWARE JOCKEYS to participate in those health and welfare benefits offered through the FUND. Such regulations, and any amendments thereto, are hereby incorporated into this agreement as though fully set forth herein, and will govern the determination of eligibility for health and welfare benefits provided through the FUND. Attached hereto as Schedule A are the REGULATIONS effective and in force as of the date the Agreement is executed by the parties.
3. **Mount Calculation.** The number of qualifying mounts shall be calculated monthly by the DJA from the Delaware Park's Horsemen's Bookkeeper reports provided to the DJA. Each month the DJA shall post in the Delaware Park jockeys' room the mount calculation for all jockeys, and shall individually notify qualifying jockeys within ten days of the date the jockeys first have attained eligibility. A jockey may dispute the mount calculation by providing the DJA a report from an independent source at his or her expense. The DJA shall respond in writing, with a copy to the BOARD, stating its determination of the eligibility of the jockey. If the matter is not resolved to the jockey's satisfaction, s/he may request a hearing before the BOARD. Such request shall be made to the BOARD in writing, no later than 15 days after the written decision is issued by the DJA.
4. **Benefits.** The term health and welfare benefits ("BENEFITS") as used herein shall mean the health insurance, life insurance, and other benefits authorized by the BOARD and made available to DELAWARE JOCKEYS through the FUND. The parties agree that such BENEFITS may be added to, discontinued, and/or modified from time to time in the sole discretion of the BOARD. Attached hereto as Schedule B is a summary of such BENEFITS, including where applicable insurer and policy number, in effect as of December 1, 2006. Exhibits B-1 through B-2 hereto contain the insured plans so identified in Schedule B.
5. **Premiums**
  - a. DELAWARE JOCKEYS who elect to participate in BENEFITS shall make such election in writing and shall pay monthly to the DJA a portion of the premium costs therefore, as set forth in Schedule C. The parties agree that the obligations of the participating DELAWARE JOCKEYS may be modified from time to time, in the sole discretion of the BOARD and upon at least sixty (60) days notice to the participating DELAWARE JOCKEYS.
  - b. The DJA shall issue a monthly billing statement for such premium payment(s) to participating DELAWARE JOCKEYS. Payment therefore shall be due as set forth in the billing statement, provided that no payment shall be required upon less than 15 days

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notice. DELAWARE JOCKEYS who fail to make timely payment shall be charged a late fee of 1.5% during each month that any portion of the payment remains due. Failure to make full payment of the premium and/or any late fee then due within sixty (60) days of the original due date shall constitute voluntary withdrawal from participation in the BENEFITS. In its sole discretion and upon the jockey's written application to the BOARD, the BOARD may reinstate a DELAWARE JOCKEY to participation in BENEFITS. Any reinstatement shall be subject to such terms and conditions as may be determined by the BOARD. In all events, any jockey so reinstated shall be liable for a reinstatement fee as determined by the BOARD.

- c. The DJA shall be responsible for making timely payment of all premium amounts for insured BENEFITS to the BOARD, and shall provide to the BOARD a monthly accounting of such payments as provided in paragraph 7 below.

**6. Representation.**

- a. The DJA shall represent DELAWARE JOCKEYS before all meetings of the BOARD.
- b. The DJA shall negotiate the purchase of, make all payments for, and otherwise represent DELAWARE JOCKEYS with, all health and welfare insurance providers; provided, however, that the DJA shall have no obligation in regard to claim determinations or other administration of the insurance plans made available through the FUND.

7. **Reporting.** The DJA shall provide the BOARD with monthly reports providing the following information: (i) statements listing mount calculations for all jockeys and identifying eligible DELAWARE JOCKEYS; (ii) amounts spent on BENEFITS, including the amount of payment to providers, date of payment, purpose and provider to whom payment was made; (iii) the monthly premium contribution(s) collected from eligible DELAWARE JOCKEYS; (iv) all other monies received or paid on behalf of the FUND; and (v) such other information as the BOARD may require.

8. **Audits.** The BOARD shall appoint and pay for a Certified Public Accountant for the purpose of providing annual audited statements, prepared in accordance with generally accepted accounting methods, of revenue received and expenditures made by the DJA for BENEFITS and related costs ("AUDITED STATEMENTS"). Such statements shall be prepared for the reporting period ending November 30, 2007 and each year thereafter. Within forty-five (45) days after the close of the reporting period, the DJA shall provide the Certified Public Accountant all necessary documentation to complete the AUDITED STATEMENTS; the annual AUDITED STATEMENT shall be completed no later than 120 days following the end of the reporting period.

9. **Administrative Expenses.** The term administrative expenses ("EXPENSES") as used herein shall mean those expenditures of the DJA arising from its obligations under this Agreement, including administrative, legal, accounting, and other such costs. The BOARD shall pay to the DJA the sum of two thousand five hundred dollars per month (\$2,500) in total compensation for all such expenses. In the event of extraordinary or increasing EXPENSES, the DJA may petition the BOARD for additional funds, which may be approved in the BOARD's sole discretion.

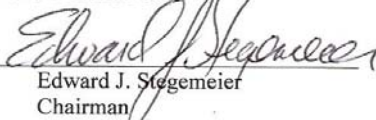
10. **Duration.** This Agreement shall be in effect from December 1, 2006 through November 30, 2008.



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11. **Renewal; Notification.** If a new agreement is not reached by September 30, 2008, the BOARD, on its own motion and in its sole discretion, may provide that the provisions of this Agreement shall remain in effect until a subsequent agreement is reached or until such time as the BOARD may terminate the Agreement. Notice of any such renewal of this Agreement must be provided to the DJA prior to the expiration date of the Agreement. In the event this Agreement is so renewed, the BOARD may terminate the renewed Agreement on no less than sixty (60) days written notice to the DJA.
12. **Whole Agreement.** The Agreement is the entire Agreement between the parties regarding the STATUTE and supersedes all prior agreements, understandings, statements, conditions, or representations, whether written or oral. This Agreement may not be amended, altered, or changed except in a writing signed by both parties.
13. **Funding.** Funding under this Agreement is contingent upon the continuation and the availability of funding provided pursuant to 29 Del. C. §4815(b)(3)(c) and 3 Del. C. §10171. Accordingly, if the statutory funding or appropriations cease or are exhausted, this Agreement will terminate due to lack of funding. In the event funds are exhausted, the BOARD shall terminate this Agreement by giving the DJA written notice of the unavailability of funds. All payment obligations of the BOARD will cease ten (10) days after the date of such written notification.
14. **Accident insurance.** Beginning April 1, 2007 and annually thereafter, the BOARD shall direct the FUND to pay to Delaware Park fifty percent (50%) of the costs of an on-track accident insurance rider providing an additional one million dollars (\$1,000,000) in coverage to injured riders. Such payment shall be made within 30 days of the BOARD's receipt of proof of payment (or other documentation acceptable to the BOARD) from Delaware Park. Jockeys riding at Delaware Park shall be subject to an accident insurance assessment of four dollars (\$4) per mount (the "ASSESSMENT") or such amount as may be set by the BOARD from time to time, which shall be used to reimburse the FUND for such expenditure. To the extent the annual proceeds of such ASSESSMENT shall exceed the annual expenditure from the FUND pursuant to this paragraph, such excess amounts shall be applied to any deficiency in the prior year and/or to the future obligations of the FUND pursuant to this paragraph.

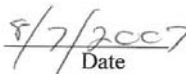
**Delaware Jockeys' Health and  
Welfare Benefit Board**

  
By: Edward J. Stegemeier  
Chairman

  
Date

**Delaware Jockeys' Association**

  
By: Robert E. Colton  
Director

  
Date

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**SCHEDULE A**

**Title 3 Agriculture**

**1002 Delaware Jockey's Health and Welfare Board**

**2.0 Eligibility Criteria for Health Coverage**

2.1 The Board will pay from the Fund for health coverage for active jockeys who regularly ride in Delaware, eligible retired jockeys, and disabled Delaware jockeys.

2.1.1 An Active Delaware Jockey, who regularly rides in Delaware, is eligible for health insurance coverage under the fund, if the jockey had twenty-five (25) mounts in a Delaware Park season at Delaware Park; and

2.1.1.1 If the jockey's Delaware Park mounts are less than 50 in a Delaware Park season, then 80% of that jockey's total mounts during the regular Delaware Park season must be at Delaware Park.

2.1.1.2 If the jockey's Delaware Park mounts are less than 100 but more than 50 in a Delaware Park season, then 50% of that jockey's total mounts during the regular Delaware Park season must be at Delaware Park.

2.1.1.3 If the jockey's Delaware Park mounts are 100 or more in a Delaware Park season, the jockey is eligible for health insurance coverage, regardless of the amount of total mounts at other tracks.

2.1.2 A Retired Delaware Jockey is eligible for health insurance coverage under the Fund if:

2.1.2.1 The Jockey was receiving health insurance coverage as a retired jockey provided by the Delaware Thoroughbred Racing Commission's health insurance plan with the Jockey's Guild on January 1, 2006; or

2.1.2.2 The Jockey rode a minimum of 100 mounts at Delaware Park during the regular Delaware Park season for at least seven years and had at least 5,000 career mounts at any track.

2.1.3 A disabled Delaware Jockey's spouse and dependents qualify for health benefits if the disabled jockey meets all of the following requirements:

2.1.3.1 Qualification as an active Delaware jockey as defined by 2.1.1 for at least three years preceding determination of permanent disability; and

2.1.3.2 Be deemed permanently disabled by Social Security and qualify for Medicare as a result of an injury sustained during the regular Delaware Park season on the premises of Delaware Park, and arising in the course of his/her participation as a licensed jockey.

2.2 A jockey and/or the jockey's family who meets the eligibility requirements of either an active Delaware jockey, a retired Delaware jockey, or a disabled Delaware jockey's family will be entitled to health coverage beginning on the first of the month after it can be determined the eligibility requirement has been met, and continuing until December 31<sup>st</sup> of the next calendar year.

2.3 The Board will pay from the Fund for health coverage for the dependents of active jockeys who regularly ride in Delaware, eligible retired jockeys, and disabled Delaware jockeys.

2.3.1 Eligibility for coverage for dependants will be determined by the company providing the insurance coverage.

9 DE Reg. 1749 (05/01/06)

Last Updated: Tuesday, 05-Jun-2007 11:11:39 EDT