

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

MAGNA ENTERTAINMENT CORP. and
MI DEVELOPMENTS, INC.

FOURTH REVISED ORDER

THIS MATTER came on regularly for hearing before the Nevada Gaming Commission ("Commission") on July 27, 2006, at Las Vegas, Nevada pursuant to the Stipulation for Settlement and Order received settling the Complaint filed in the matter of the State Gaming Control Board vs. Magna Entertainment Corp.; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT MI Developments, Inc., Magna Entertainment Corp.; Santa Anita Companies, Inc.; Los Angeles Turf Club, Incorporated, dba Santa Anita Park; Pacific Racing Association, dba Golden Gate Fields; Gulfstream Park Racing Association, Inc., dba Gulfstream Park; Remington Park, Inc., dba Remington Park; Thistledown, Inc., dba Thistledown; Great Lakes Downs, Inc., dba Great Lakes Downs; and Bay Meadows Operating Company, LLC, dba Bay Meadows Racecourse are each granted approval to share in the revenue from the conduct of off-track pari-mutuel race wagering, said approval conditioned as follows:

a. That MI Developments, Inc., and Magna Entertainment Corp., (collectively, "Magna") shall comply with the provisions of NRS 463.639(1) and NGC Regulation

16.330, and shall also comply with any requests for additional reporting requirements made by the Board.

b. That the following information shall be reported to the Board, in writing, within 30 days after the end of the quarter concerning the occurrence or absence of the following:

(1) Any changes in the officers, directors, or key personnel of Los Angeles Turf Club, Incorporated, Pacific Racing Association, Gulfstream Park Racing Association, Inc., Remington Park, Inc., Thistledown, Inc., Great Lakes Downs, Inc., or Bay Meadows Operating Company, LLC (collectively, "Magna Racetrack Subsidiaries") or Magna, who are directly or indirectly engaged in the active administration or supervision of the gaming operations conducted at Santa Anita Park, Golden Gate Fields, Gulfstream Park, Remington Park, Thistledown, Great Lakes Downs or Bay Meadows Racecourse (collectively, the "Magna Tracks") and related facilities who earn \$50,000 or more annually.

(2) All gaming related complaints, investigations into alleged misconduct, orders to show cause, and disciplinary actions instituted by, presided over, or in connection with the California Horse Racing Board, the State of Florida, Department of Business and Professional Regulation-Division of Pari-Mutuel Wagering, the Oklahoma Horse Racing Commission, the Ohio State Racing Commission, the Michigan Office of Racing Commissioner, the Securities and Exchange Commission or any gaming regulatory agency (collectively, the "Regulatory Agencies"), involving Magna, Santa Anita Companies, Inc., Magna Racetrack Subsidiaries, Magna Tracks, their officers, directors, owners, agents or employees.

(3) All arrests made of any officer, director, owner, agent, employee or patron of Magna, Santa Anita Companies, Inc., Magna Racetrack Subsidiaries or Magna Tracks involving gaming misconduct or felony charges in the States of California, Florida, Oklahoma, Ohio or Michigan. The report shall include the name, position, charge, arresting agency and a brief description of the event.

(4) Any known gaming cheating or theft wherein an arrest was not made.

(5) A copy of the application for licensure to conduct horse racing, and any exhibits or attachments thereto, as provided to any of the Regulatory Agencies.

c. THAT no agreements approved pursuant to NGC Regulation 26A shall be changed, altered, modified or amended without the prior administrative approval of the Chairman of the Board or his designee. If the Chairman of the Board or his designee determines that any proposed change, alteration, modification or amendment is substantial, then the approval of the Commission shall be required.

d. That Magna shall fund and maintain with the State Gaming Control Board a revolving fund in the total amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of said account for the payment of costs and expenses incurred by the Board and its staff in the surveillance, monitoring, and investigative reviews of the activities of Magna, Santa Anita Companies, Inc., the Magna Racetrack Subsidiaries, the Magna Tracks and their controlled affiliates.

2. THAT Magna Entertainment Corp. and the State Gaming Control Board entered into a Stipulation for Settlement and Order on June 8, 2006, arising out of a Complaint, NGC Case No. 05-05. Magna Entertainment Corp. agreed in the Stipulation for Settlement and Order that its approval to share in the revenue from the conduct of off-track pari-mutuel race wagering shall be further conditioned. In accordance with the Stipulation for Settlement and Order in NGC Case No. 05-05, the approval to share in the revenue from the conduct of off-track pari-mutuel race wagering for Magna Entertainment Corp. is hereby further conditioned as follows:

a. Magna Entertainment Corp. shall maintain procedures to ensure future compliance with Nevada Gaming Commission Regulation 16.330 and compliance with this revised order or any subsequent revised order. Specifically, Magna Entertainment Corp. shall:

(1) Create and maintain a written checklist that sets forth the procedures to be followed by Magna Entertainment Corp. for each and every filing to be made with the State Gaming Control Board, including but not limited to Magna Entertainment Corp. filings made with the U.S. Securities and Exchange Commission (SEC), pursuant to Nevada Gaming Commission Regulation 16.330 and this revised order or any subsequent revised order. Such checklist shall be provided to and followed by those individuals responsible for making filings for Magna Entertainment Corp. to the State Gaming Control Board. Such checklist shall be designed to assist Magna Entertainment Corp. in its compliance with Nevada Gaming Commission Regulation 16.330 and with this revised order or any subsequent revised order. Such checklist shall be submitted to the State Gaming Control Board for administrative approval within thirty (30) days of this Stipulation for Settlement being accepted by the Nevada Gaming Commission.

(2) Require that Magna Entertainment Corp. employee(s) who makes any filing on behalf of Magna Entertainment Corp. with the SEC, or with any national or regional securities exchange, to send a copy of such filing by e-mail to gcbcs@gcb.nv.us, or as otherwise designated by the State Gaming Control Board, within five (5) business days of making the filing. This requirement shall be an item contained in the checklist.

(3) Require that Magna Entertainment Corp. employee(s) who makes any filing on behalf of Magna Entertainment Corp. with the SEC, or with any national or regional securities exchange, to send two (2) hard copies of such filing within five (5) business days of making the filing by overnight delivery with receipt confirmation requested addressed to State Gaming Control Board, Corporate Securities Division, 1919 East College Parkway, Carson City, Nevada 89702. This requirement shall be an item contained in the checklist.

ENTERED at Las Vegas, Nevada, this 27th day of July 2006.