

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

-----X
:
In re : **Chapter 11**
:
MAGNA ENTERTAINMENT CORP., et al., : **Case No. 09-10720 (MFW)**
:
Debtors. : **Jointly Administered**
: **Re: Docket Nos.**
: **1432 & 1433**
:
-----X

**ORDER PURSUANT TO SECTION 502(B)(9)
OF THE BANKRUPTCY CODE, BANKRUPTCY RULES
2002(A)(7), (F), (L), AND 3003(C)(3), AND LOCAL RULE 2002-1(E)
ESTABLISHING THE DEADLINE FOR FILING PROOFS OF
CLAIM IN THE CHAPTER 11 CASE OF MEC LONE STAR, LP
AND APPROVING THE FORM AND MANNER OF NOTICE THEREOF**

Upon the motion, dated November 12, 2009 (the "Motion")¹, of Magna Entertainment and its affiliated debtors, as debtors in possession,² for entry of an order, pursuant to section 502(b)(9) of the Bankruptcy Code, Bankruptcy Rules 2002(a)(7), (f), and (l) and 3003(c)(3), and Rule 2002-1(e) of the Local Rules (i) establishing **January 18, 2010 at 5:00 p.m. (prevailing Eastern Time)** (the "Bar Date") as the deadline for

¹ Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Motion.

² The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are: (i) Magna Entertainment Corp., 8374; (ii) The Santa Anita Companies, Inc., 6180; (iii) Los Angeles Turf Club, Incorporated, 6200; (iv) Pacific Racing Association, 5367; (v) MEC Land Holdings (California) Inc., 7410; (vi) Gulfstream Park Racing Association Inc., 6292; (vii) GPRA Thoroughbred Training Center, Inc., 2326; (viii) MEC Dixon, Inc., 7005; (ix) MEC Holdings (USA) Inc., 8494; (x) Sunshine Meadows Racing, Inc., 4288; (xi) Thistledown, Inc., 5742; (xii) MEC Maryland Investments, Inc., 4637; (xiii) 30000 Maryland Investments LLC, 1704, (xiv) Remington Park, Inc., 2024; (xv) GPRA Commercial Enterprises Inc., 6156; (xvi) Pimlico Racing Association, Inc., 4527; (xvii) The Maryland Jockey Club of Baltimore City, Inc., 3840; (xviii) Laurel Racing Association Limited Partnership, 0504; (xix) Laurel Racing Assoc., Inc., 0505; (xx) Prince George's Racing, Inc., 6493; (xxi) Southern Maryland Racing, Inc., 9850; (xxii) Southern Maryland Agricultural Association, 9661; (xxiii) Maryland Jockey Club, Inc., 3124; (xxiv) AmTote International, Inc., 1143; (xxv) MEC Pennsylvania Racing Services, Inc., 9924; and (xxvi) MEC Lone Star, LP, 0489.

each person (including, without limitation, individuals, partnerships, corporations, joint ventures, and trusts) to file Proofs of Claims based on prepetition claims against Lone Star, (ii) establishing **March 13, 2010 at 5:00 p.m. (prevailing Eastern Time)** (the "Government Bar Date," and together with the Bar Date, the "Bar Dates") as the deadline for governmental units (as such term is defined in section 101(27) of the Bankruptcy Code) to file Proofs of Claims against Lone Star, (iii) approving the proposed form of Proof of Claim (the "Proof of Claim Form"), substantially in the form attached to the Motion as Exhibit "B," (iv) approving the proposed notice of the Bar Date (the "Bar Date Notice"), substantially in the form attached to the Motion as Exhibit "C," (v) approving the proposed publication notice (the "Publication Notice"), substantially in the form attached to the Motion as Exhibit "D," and (vi) approving the notice procedures proposed herein for the Bar Dates (the "Notice Procedures"), all as more fully described in the Motion; and the Bankruptcy Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. § 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and Lone Star submits that it has complied with the requirements of Rule 2002-1(e) of the Local Rules to have the relief requested in the Motion be entered without notice and a hearing; and upon the Motion and the papers in support thereof; and the Bankruptcy Court, after due deliberation, having found and determined that the proposed deadline for filing Proofs of Claims provides sufficient time for all parties in interest (including governmental units) to file Proofs of Claims in this chapter 11 case; that the Notice Procedures as provided herein are fair and reasonable and will provide good, sufficient, and proper notice to all creditors of the means by which they may assert claims

against Lone Star in this chapter 11 case and the deadlines therefor, and that the relief requested in the Motion is in the best interests of Lone Star, its estate, and all parties in interest; and due and proper notice of the Motion having been provided and no other notice is necessary; and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Proof of Claim Form, attached hereto as Exhibit "A," is hereby approved.
3. **January 18, 2010, at 5:00 p.m. (prevailing Eastern Time)** shall be the deadline for each person (including, without limitation, individuals, partnerships, corporations, joint ventures, and trusts) to file a Proof of Claim against Lone Star.
4. **March 13, 2010 at 5:00 p.m. (prevailing Eastern Time)** shall be the deadline for each governmental unit (as such term is defined in section 101(27) of the Bankruptcy Code) to file a Proof of Claim against Lone Star.
5. The following procedures for filing Proofs of Claims are hereby approved and adopted in these cases:
 - (a) Except as otherwise provided herein, all persons and entities (including, without limitation, individuals, partnerships, corporations, joint ventures, trusts, and governmental units) that assert a claim, as defined in section 101(5) of the Bankruptcy Code, against Lone Star which arose on or prior to the Lone Star Petition Date, including any such claims which may have been preserved in any written agreement with Lone Star or in any pleading filed with the Bankruptcy Court, shall file a Proof of Claim on or before the applicable Bar Date;
 - (b) Any person or entity (including, without limitation, individuals, partnerships, corporations, joint ventures, trusts, and governmental units) that asserts a claim that arises from the rejection of an executory contract or unexpired lease must file a Proof of Claim based on such rejection on or before the later of (i) the applicable

Bar Date, or (ii) the date that is twenty-five (25) days following the effective date of such rejection (unless the order authorizing such rejection provides otherwise); **provided, however**, that a party to an executory contract or unexpired lease that asserts a claim on account of unpaid amounts accrued and outstanding as of the Lone Star Petition Date pursuant to such executory contract or unexpired lease (other than a rejection damages claim) must file a Proof of Claim for such amounts on or before the Bar Date, unless one of the exceptions identified in paragraph 6 below applies;

- (c) Proofs of Claims must substantially conform to the Proof of Claim Form or Official Bankruptcy Form No. 10 ("Official Form 10")³;
- (d) Proofs of Claims must be received on or before the applicable Bar Date by Kurtzman Carson Consultants LLC ("KCC"), the official claims agent in the Debtors' chapter 11 cases, at the following address (the "MEC Claims Processing Center");

MEC Claims Processing
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, CA 90245

- (e) Lone Star and KCC shall **not** be required to accept a Proof of Claim sent by facsimile, telecopy, or electronic mail transmission;
- (f) Proofs of Claims will be deemed timely filed only if **actually received** by the MEC Claims Processing Center on or before the applicable Bar Date;
- (g) Proofs of Claims must: (i) be signed by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant; (ii) include supporting documentation or, if voluminous, a summary or explanation as to why documentation is not available; (iii) be in the English language; and (iv) be denominated in United States currency;
- (h) Proofs of Claims must specify by name Lone Star as the entity against which the Proof of Claim is asserted;
- (i) Because Official Form 10 does not include a separate designation for section 503(b)(9) claims, to the extent a claimant seeks to assert a claim under section 503(b)(9) of the Bankruptcy Code, a claimant must check the "Other" box, in box 5 of the Proof of

³ Official Form 10 can be found at <http://www.uscourts.gov/bkforms/index.html>, the Official Website for the United States Bankruptcy Courts.

Claim Form, and designate the claim as a claim under sections 507(a)(2) and 503(b)(9) of the Bankruptcy Code; and

- (j) Any person or entity that files a Proof of Claim by mail and wishes to receive a filed-stamped copy by return mail must include an additional copy of the Proof of Claim and a self-addressed postage-paid envelope.

6. The following parties are **not** required to file a Proof of Claim on or before the Bar Date:

- (a) any person or entity that has **already** properly filed a Proof of Claim against Lone Star with the Clerk of the Bankruptcy Court or KCC in a form substantially similar to Official Form 10;
- (b) any person or entity whose claim is listed on Schedule D, E, or F of the Lone Star Schedules, and (i) the claim is **not** described as "disputed," "contingent," or "unliquidated"; (ii) the claimant agrees with the amount, nature, and priority of the claim set forth in the Lone Star Schedules; **and** (iii) the claimant agrees that the claim is an obligation of Lone Star which has listed the claim in the Lone Star Schedules;
- (c) any holder of a claim that has been allowed by order of the Bankruptcy Court entered on or before the applicable Bar Dates;
- (d) any person or entity whose claim has been satisfied in full prior to the applicable Bar Date;
- (e) any other Debtor holding a claim against Lone Star;
- (f) any wholly-owned direct or indirect subsidiary of any other Debtor holding a claim against Lone Star;
- (g) any officer, director, or employee for a claim for indemnification, contribution, or reimbursement; **provided, however,** that any officer, director, or employee must file a Proof of Claim if they wish to assert any other claims against Lone Star, unless another exception identified herein applies;
- (h) any holder of a claim allowable under sections 503(b) or 507(a) of the Bankruptcy Code as an administrative expense of Lone Star's chapter 11 case; **provided, however,** that any party asserting a claim pursuant to section 503(b)(9) of the Bankruptcy Code who disputes Lone Star's scheduling and treatment of such claims in the Lone Star Schedules must file a Proof of Claim on or before the applicable Bar Date;

- (i) any current employee asserting a claim solely to the extent that an order of the Bankruptcy Court authorized Lone Star to honor such claim in the ordinary course as a wage or benefit; and
- (j) any holder of a claim for which the Bankruptcy Court has already fixed a specific deadline to file a Proof of Claim.

7. Any holder of a claim against Lone Star who receives notice of the Bar Dates (whether such notice was actually or constructively received) and is required, but fails, to file a Proof of Claim in accordance with this Order on or before the Bar Date applicable to such claim holder, shall not be permitted to vote to accept or reject any chapter 11 plan filed in the Debtors' chapter 11 cases, or participate in any distribution in the Debtors' chapter 11 cases on account of such claim or to receive further notices regarding such claim.

8. The Bar Date Notice, attached to the Motion as Exhibit "C," is approved.

9. Pursuant to Bankruptcy Rule 2002(a)(7), Lone Star shall serve the Bar Date Notice and a Proof of Claim Form by first-class mail on:

- (a) the Office of the United States Trustee for the District of Delaware;
- (b) counsel to the Creditors' Committee;
- (c) all known holders of claims listed on the Lone Star Schedules at the addresses stated therein (as amended or supplemented from time to time);
- (d) all parties known to Lone Star as having potential claims against its estate;
- (e) all counterparties to Lone Star's executory contracts and unexpired leases listed on the Lone Star Schedules (including all collective bargaining agreements) at the addresses stated therein (as amended or supplemented from time to time);
- (f) all parties to litigation with Lone Star (as of the date of the entry of the Bar Date Order);

- (g) all parties who have requested notice pursuant to Bankruptcy Rule 2002;
- (h) all persons or entities that have previously filed proofs of claims;
- (i) the Internal Revenue Service;
- (j) all governmental units in this chapter 11 case; and
- (k) the United States Attorney's Office for the District of Delaware.

10. The Publication Notice, attached to the Motion as Exhibit "D," is approved.

11. Pursuant to Bankruptcy Rules 2002(f) and (l), Lone Star shall publish the Publication Notice once in *The Dallas Morning News*, at least thirty (30) days prior to the Bar Date, thus satisfying the requirements of Bankruptcy Rule 2002(a)(7), which publication shall be deemed good, adequate, and sufficient publication notice of the Bar Dates and the procedures for filing Proofs of Claims in this chapter 11 case. Fed. R. Bankr. P. 2002(a)(7), (f), & (l).

12. If Lone Star amends or supplements the Lone Star Schedules subsequent to the date hereof, and if an amendment to the Lone Star Schedules reduces the liquidated amount of a scheduled claim, or reclassifies a scheduled, undisputed, liquidated, or non-contingent claim as disputed, unliquidated, or contingent and the affected claimant has not filed a proof of claim, the affected claimant may file a proof of claim on the later of (i) the applicable Bar Date or (ii) the first business day following thirty (30) calendar days after the mailing of the notice of such amendment in accordance with Bankruptcy Rule 1009(a), but, in the case of any amendment to the Lone Star Schedules after the Bar Date where the affected claimant did not file a proof of claim prior to the Bar Date, the affected claimant may file a proof of claim only to the extent such proof of claim does

not exceed the amount scheduled for such claim before the amendment; provided, however, that creditors are not entitled to an extension of the Bar Date if an amendment to the Lone Star Schedules increases the scheduled amount of an undisputed, liquidated, or non-contingent claim.

13. If Lone Star determines that, after the mailing date of the Bar Date Notice, an additional party or parties should appropriately receive the Bar Date Notice, the date by which a proof of claim must be filed by such party or parties shall be the later of (i) the Bar Date or (ii) the date that is thirty (30) days from the mailing date of notice to such additional party or parties.

14. Notwithstanding the decretal paragraphs above, the last day for any entity asserting a claim arising from the recovery of a voidable transfer will be the later of (i) the applicable Bar Date, or (ii) the first business day that is at least thirty (30) calendar days after the mailing of notice of entry of any order approving the avoidance of the transfer.

15. Lone Star and KCC are authorized and empowered to take such steps and perform such acts as may be necessary or appropriate to implement and effectuate the terms of this Order.

16. Entry of this Order is without prejudice to the right of Lone Star to seek a further order of this Court fixing a date by which holders of claims or interests not subject to the Bar Dates established herein shall file such proofs of claims or interests or be forever barred from asserting such claims or interests against Lone Star or its estate.

17. The Bankruptcy Court shall retain jurisdiction with respect to this Order and any related proceedings.

Dated: Wilmington, Delaware
Nov. 17, 2009



THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

Exhibit A to Order

Proof of Claim Form

UNITED STATES BANKRUPTCY COURT, DISTRICT OF DELAWARE

PROOF OF CLAIM

Name of Debtor: **MEC Lone Star, LP**

Case Number: **09-13192**

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property):

Check this box to indicate that this claim amends a previously filed claim.

Name and address where notices should be sent:

Court Claim Number: _____
(if known)

Telephone No. _____

Filed on: _____

Name and address where payment should be sent (if different from above):

Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Telephone No. _____

Check this box if you are the debtor or trustee in this case.

1. Amount of Claim as of Date Case Filed: \$ _____

If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete item 5.

Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or charges

5. Amount of claim Entitled to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

2. Basis for Claim: _____
(See instruction #3a on reverse side.)

Specify the priority of the claim.

3. Last four digits of any number by which creditor identifies debtor: _____

3a. Debtor may have scheduled account as: _____
(See instruction #3a on reverse side.)

- Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).
- Wages, salaries, or commission (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, which ever is earlier -- 11 U.S.C. § 507(a)(4).
- Contributions to an employee benefit plan -- 11 U.S.C. § 507(a)(5).
- Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use -- 11 U.S.C. § 507(a)(7).
- Taxes or penalties owed to governmental units -- 11 U.S.C. § 507(a)(8).

4. Secured Claim (See instruction #4 on reverse side.)
Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: Real Estate Motor Vehicle Other
Describe: _____

Value of Property: \$ _____ Annual Interest Rate: _____%

Amount of arrearage and other charges as of time case filed included in secured claim,

if any: \$ _____ Basis for Perfection: _____

Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____

Other -- Specify applicable paragraph of 11 U.S.C. § 507(a)(____).

Amount entitled to priority:

\$ _____

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)

* Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with response to cases commenced on or after the date of adjustment.

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENT MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

Date: _____ Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

FOR COURT USE ONLY

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form**Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim.

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §§ 507(a).

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 2. Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing.

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101(5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim form is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §§ 507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION**Acknowledgement of Filing a Claim**

To receive acknowledgment of your filing, please enclose a stamped self-addressed envelope and a copy of this proof of claim. You may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at <http://www.kccills.net>

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.