

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) July 19, 1995

AUTOTOTE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

81-0422894

(I.R.S. Employer Identification No.)

0-13063

(Commission File Number)

888 Seventh Avenue
New York, New York

(Address of principal executive offices)

10106-1894

(Zip Code)

Registrant's telephone number, including area code (212) 541-6440

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ITEM 5. OTHER EVENTS.

I

Autotote Corporation (the "Registrant"), Autotote Systems, Inc., a subsidiary of the Registrant (the "Borrower"), the lenders (the "Banks") party to the Credit Agreement, dated as of October 31, 1991, and amended and restated as of October 30, 1992, and amended and restated as of June 4, 1993, and further amended and restated as of April 28, 1994 (as further amended, modified or supplemented, the "Credit Agreement"), and Bankers Trust Company, as Agent (the "Agent"), entered into a Waiver, Consent, Agreement and Fifth Amendment, dated as of July 19, 1995 (the "Waiver and Fifth Amendment"), a copy of which is attached hereto as Exhibit 10.1 and is incorporated by reference herein, to the Credit Agreement.

Subsequently, the Registrant, the Borrower, the Banks and the Agent entered into a Consent Agreement and Sixth Amendment, dated as of August 30, 1995 (the "Waiver and Sixth Amendment"), a copy of which is attached hereto as Exhibit 10.2 and is incorporated by reference herein, a Consent Agreement, dated as of September 8, 1995 (the "First Consent"), a copy of which is attached hereto as Exhibit 10.3 and is incorporated by reference herein, a Consent Agreement, dated as of September 11, 1995 (the "Second Consent"), a copy of which is attached hereto as Exhibit 10.4 and is incorporated by reference herein, and a Consent Agreement, dated as of September 14, 1995 (the "Third Consent" and, together with the Waiver and Fifth Amendment, the Waiver and Sixth Amendment, the First Consent, and the Second Consent, the "Waivers"), a copy of which is attached hereto as Exhibit 10.5 and is incorporated by reference herein.

Pursuant to the Waivers, the Banks agreed to, among other things, waive compliance by the Registrant and the Borrower with certain financial ratios and financial condition tests specified in the Credit Agreement for a period beginning on July 14, 1995 and ending on October 14, 1995 (the "Waiver Period"); provided, however, that the Registrant and the Borrower comply with certain modified financial ratios and tests and fulfill certain other requirements by specified dates. These requirements, among others, include: (a) on or prior to September 13, 1995, issuing to the Banks warrants to purchase an aggregate of 385,000 shares of Common Stock at an exercise price of \$3.00 per share; (b) on or prior to October 2, 1995, entering into an arrangement satisfactory to the Banks with holders ("Subordinated Debt Holders") of \$40 million in principal amount of 5 1/2% subordinated convertible debentures (the "Subordinated Debt"), pursuant to which arrangement the Subordinated Debt Holders would agree to defer all cash payments otherwise due during the Waiver Period until February 14, 1996; and (c) on or prior to September 14, 1995, making arrangements satisfactory to the Banks to raise additional cash through the issuance of equity interests in the Registrant or the sale of assets of the Registrant or any of its subsidiaries in an aggregate amount of at least \$5 million.

On September 13, 1995, the Registrant issued to the Banks the warrants referred to in clause (a) of the preceding paragraph. The arrangement with the Subordinated Debt Holders referred to in clause (b) of the preceding paragraph has not been reached; however, the Registrant is currently negotiating with the Subordinated Debt Holders the possibility of exchanging the Subordinated Debt for a new security or securities. In connection therewith, the Registrant and the Subordinated Debt Holders have agreed that no interest payments on the Subordinated Debt will be made by the Registrant during the period beginning on August 11, 1995 and ending on October 5, 1995 (including the interest payment in the amount of \$1.1 million due on August 15, 1995). Pursuant to the Waivers, the Banks agreed that this temporary arrangement with the Subordinated Debt Holders satisfies the requirement of the Waivers, provided that on or prior to October 2, 1995, the Registrant enters into an arrangement satisfactory to the Banks with the Subordinated Debt Holders for the long-term deferral of the above - mentioned cash payments on the Subordinated Debt. Pursuant to the Waivers, the Banks also agreed that a certain proposed issuance by the Registrant of a minimum of \$5,500,000 up to a maximum of \$10,000,000 in principal amount of 9% Convertible Subordinated Debentures due 1999 will satisfy the requirement described in clause (c) of the preceding paragraph, provided that such Debentures are issued on or prior to October 5, 1995.

The Waivers also restrict the Registrant's capital expenditures, acquisitions, sale of equity and assets, and incurrence of lease and debt obligations, and require the Registrant to deliver to the Banks weekly and monthly certificates of the Registrant's Chief Financial Officer, setting forth certain actual and projected financial information, and discussing results of operations with the Banks in specified telephone conference calls and meetings.

II

The Company is the subject of informal Securities and Exchange Commission inquiries into certain press releases issued by the Company in 1993 and 1994. The ultimate outcome of these inquiries cannot be predicted at this time.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: September 15, 1995

AUTOTOTE CORPORATION
(Registrant)

By: /s/ Martin E. Schloss

Martin E. Schloss
Vice President, General Counsel and
Secretary

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- 10.1 - Waiver, Consent, Agreement and Fifth Amendment, dated as of July 19, 1995, among the Registrant, Autotote Systems, Inc., the lenders party to the Credit Agreement and Bankers Trust Company, as Agent.
- 10.2 - Consent Agreement and Sixth Amendment, dated as of August 30, 1995, among the Registrant, Autotote Systems, Inc., the lenders party to the Credit Agreement and Bankers Trust Company, as Agent.
- 10.3 - Consent Agreement, dated as of September 8, 1995, among the Registrant, Autotote Systems, Inc., the lenders party to the Credit Agreement and Bankers Trust Company, as Agent.
- 10.4 - Consent Agreement, dated as of September 11, 1995, among the Registrant, Autotote Systems, Inc., the lenders party to the Credit Agreement and Bankers Trust Company, as Agent.
- 10.5 - Consent Agreement, dated as of September 14, 1995, among the Registrant, Autotote Systems, Inc., the lenders party to the Credit Agreement and Bankers Trust Company, as Agent.

WAIVER, CONSENT, AGREEMENT AND FIFTH AMENDMENT

WAIVER, CONSENT, AGREEMENT AND FIFTH AMENDMENT (this "Agreement"), dated as of July 19, 1995, among AUTOTOTE CORPORATION ("Holdings"), AUTOTOTE SYSTEMS, INC. (the "Borrower"), the lenders party to the Credit Agreement referred to below (the "Banks"), and BANKERS TRUST COMPANY, as Agent (the "Agent"). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided by such terms in the Credit Agreement referred to below.

W I T N E S S E T H :

WHEREAS, Holdings, the Borrower, the Banks and the Agent are parties to a Credit Agreement, dated as of October 31, 1991, and amended and restated as of October 30, 1992, and amended and restated as of June 4, 1993, and further amended and restated as of April 28, 1994 (as further amended, modified or supplemented through the date hereof, the "Credit Agreement") as herein provided;

WHEREAS, Holdings and the Borrower have requested the amendment to and waiver of certain provisions of the Credit Agreement as herein provided;

WHEREAS, during the Waiver Period (as hereinafter defined), Holdings intends to work with its advisors to come up with a plan to raise additional equity financing and dispose of certain assets of Holding and its Subsidiaries; and

WHEREAS, subject to and on the terms and conditions set forth herein, the Banks are willing to grant such amendments and waivers;

NOW THEREFORE, it is agreed:

I. Consents, Waivers and Agreements

1. The Banks hereby waive compliance by Holdings and the Borrower with the terms and covenants contained in Sections 9.09, 9.10, 9.11 and 9.17 of the Credit Agreement for the period (the "Waiver Period") beginning on July 14, 1995 and ending on the Waiver Termination Date (as defined in Section II (3) below); provided, however, that the waiver contained in this Section 1 shall cease to be of any force or effect (including

with respect to compliance with the covenants contained in Sections 9.09, 9.10, 9.11 and 9.17 of the Credit Agreement for periods which ended during the Waiver Period) on the Waiver Termination Date.

2. Holdings, the Borrower and the Banks hereby agree that Holdings and the Borrower shall be required to observe the additional covenants set forth below in this Section 2:

a) Minimum Consolidated Net Worth. Holdings and the Borrower will

not permit Holdings' Consolidated Net Worth at any time during a
fiscal month set forth below to be less than the amount set forth
opposite such fiscal month below:

Fiscal Month Ended -----	Amount -----
July 31, 1995	\$12,237,000
August 31, 1995	\$10,798,000
September 30, 1995	\$ 9,646,000
October 31, 1995	\$ 9,358,000

b) Minimum Consolidated EBITDA. Holdings and the Borrower will not

permit Consolidated EBITDA for the fiscal quarter ending July 31, 1995
to be less than \$8,500,000 (without giving effect to any restructuring
charges, write-offs or other non-recurring charges in an aggregate
amount not to exceed \$23,000,000).

c) Supporting Calculations. No later than 30 days after the end of

each fiscal month set forth in a) or b) above, Holdings shall deliver
a certificate of its chief financial officer setting forth the
calculations required to establish whether Holdings and the Borrower
were in compliance with the provisions of this Section 2 as at the end
of such fiscal month.

3. Notwithstanding anything to the contrary contained in Section 1.09
of the Credit Agreement, during the Waiver Period the Borrower shall not be
permitted to select an Interest Period in excess of a two month period with
respect to any Eurodollar Loan.

4. Notwithstanding anything to the contrary contained in Section
9.02(vi) of the Credit Agreement, during the Waiver Period neither Holdings nor
any of its Subsidiaries may acquire, or commit to acquire, the assets
constituting all or any part of the business of any Person or the capital stock
of any Person (including any such acquisition by way of merger or consolidation)
without the prior written consent of the Required Banks.

5. Notwithstanding anything to the contrary contained in Section 9.05 of the Credit Agreement, any Indebtedness (other than Loans) incurred, or committed to be incurred, during the Waiver Period by Holdings or any of its Subsidiaries in an aggregate principal amount in excess of \$100,000 shall be subject to the prior written consent of the Required Banks.

6. Notwithstanding anything to the contrary contained in Section 9.04 of the Credit Agreement, the aggregate payments (including, without limitation, any property taxes paid as additional rent or lease payments) payable under any agreements to rent or lease any real or personal property (or any extension or renewal of any existing or hereafter entered into agreement to rent or lease any such property) entered into, or committed to be entered into, during the Waiver Period by Holdings or any of its Subsidiaries in excess of \$1,000,000, either individually or in the aggregate for all such entities, shall be subject to the prior written consent of the Required Banks.

7. Notwithstanding anything to the contrary contained in Section 9.08 of the Credit Agreement, any Capital Expenditures made, or committed to be made, during the Waiver Period by Holdings or any of its Subsidiaries in excess of \$1,000,000, either individually or in the aggregate for all such entities, shall be subject to the prior written consent of the Required Banks in each case without giving effect to any written commitments with third parties to make Capital Expenditures which were entered into prior to the Agreement Effective Date (as defined in Section III (5) below).

8. On or prior to August 10, 1995, Holdings hereby agrees to have a conference call with the Banks for the purpose of discussing the results of operations for Holdings and its Subsidiaries during the Waiver Period (assuming for the purpose of this Section I (8) that the Waiver Period ends on October 14, 1995), the status of Holdings' plans to raise additional equity financing and disposal of certain assets and the items to be delivered pursuant to Section I (11) of this Agreement.

9. Holdings hereby agrees to have, on September 14, 1995, a meeting with the Banks for the purpose of discussing the results of operations for Holdings and its Subsidiaries during the Waiver Period (assuming for the purpose of this Section I (9) that the Waiver Period ends on October 14, 1995) and the status of Holdings' plans to raise additional equity financing and dispose of certain assets.

10. Subject to the terms of this Section I (10), Holdings acknowledges that the Banks will retain (at Holdings' and the Borrower's expense, which shall be reimbursable pursuant to Section 13.01 of the Credit Agreement) Coopers & Lybrand for the purpose of analyzing Holdings' cash flow, capital requirements and other matters to be determined by the Required Banks and for a period to be determined by the Required Banks. Holdings will have the opportunity to review Coopers & Lybrand's estimate for its scope of work (including the payment of any retainer as well as the scope of work itself with such estimate (including the retainer amount and related fees and expenses) to be payable to Coopers & Lybrand and the scope of Coopers & Lybrand's analysis to be

mutually satisfactory to Holdings and the Required Banks.

11. (a) Holdings hereby agrees to, on or prior to August 10, 1995:

(i) deliver to the Banks a certificate in form and substance satisfactory to the Agent and the Required Banks executed by the chief financial officer of Holdings setting forth in reasonable detail the projected sources and uses of cash during each weekly period during the Waiver Period (assuming for the purpose of this clause (ii) that the Waiver Period ends on October 31, 1995) (the "Initial Cash Flow Statement") as well as the projected amount of Revolving Loans and/or Swingline Loans to be incurred by the Borrower during each such weekly period (the "Weekly Projected Borrowing Amount"); and

(ii) cause the Borrower to grant to the Collateral Agent for the benefit of the Secured Creditors a security interest in the Real Property owned by the Borrower located in Windsor Locks, Connecticut and New Haven, Connecticut pursuant to the terms and conditions contained in Section 8.11(b) of the Credit Agreement.

(b) In addition, Holdings shall continue to deliver a certificate, executed by the chief financial officer of Holdings (each a "Revised Cash Flow Statement") to each of the Banks on the first Thursday occurring after the Agreement Effective Date and on each Thursday thereafter in each case indicating the actual sources and uses of cash for the immediately preceding Monday through Friday, the actual Borrowings of Loans during such weekly period, and (for those Revised Cash Flow Statements delivered after the Initial Cash Flow Statement has been delivered) any revisions to the Initial Cash Flow Statement (including an updated twelve week projected borrowing amount and an updated 12-weekly cash flow schedule); As used with respect to each Revised Cash Flow Statement, "updated twelve week" shall refer to each of the 12 weeks following the date of such Revised Cash Flow Statement even if some or all of such weeks occur after the end of the Waiver Period.

(c) Holdings hereby further agrees that the scope, form and substance of the report to be delivered pursuant to Section I (10) of this Agreement, and the results of such report, are required to be satisfactory to the Agent and the Required Banks.

12. Holdings and the Borrower hereby covenant and agree to use their best efforts to cause the holders of the Wellington Subordinated Debt to agree to defer all cash payments (including payments of interest) which would otherwise be owing with respect thereto during the Waiver Period (assuming for purposes of this Section I(12) that the Waiver Period ends on October 14, 1995) until at least February 14, 1996. No

consideration shall be payable to the holders of the Wellington Subordinated Debt in connection with any such agreement unless otherwise agreed by the Required Banks. Furthermore, on or prior to August 10, 1995, Holdings shall have delivered to the Banks a report stating the status of the negotiations with the holders of the Wellington Subordinated Debt and any agreement reached with respect thereto. On August 10, 1995, the Waiver Termination Date shall occur unless the Required Banks are satisfied with the arrangements arrived at by Holdings and the Borrower, on the one hand, and the holders of the Wellington Subordinated Debt, on the other hand, with respect to the deferral of the cash payments which would otherwise be owing with respect to the Wellington Subordinated Debt as described above. Furthermore, Holdings and the Borrower acknowledge and agree that, if the Waiver Termination Date occurs on August 10, 1995, then on such date an Event of Default shall exist permitting acceleration of the obligations owing under the Credit Agreement.

13. On or prior to September 14, 1995:

(i) Holdings shall have made arrangements satisfactory to the Agent and the Required Banks to raise additional cash either through the issuance of equity interests in Holdings or the sale of assets of Holdings or any of its Subsidiaries satisfactory to the Supermajority Banks in an aggregate amount of at least \$5,000,000; and

(ii) Holdings shall have delivered to the Banks a plan of recapitalization (in reasonable detail) for Holdings and its Subsidiaries approved by the Board of Directors of Holdings, which plan of recapitalization shall be in form and substance satisfactory to the Supermajority Banks and shall include, inter alia, information

sufficient to indicate that Holdings and its Subsidiaries shall have sufficient liquidity to operate their respective businesses through the first anniversary of the Final Maturity Date, with such plan to take into account the reductions to the Total Revolving Loan Commitment to occur on December 31, 1995 in the amount of \$10,000,000 and on April 30, 1996 in the amount of \$25,000,000.

14. Holdings, the Borrower and the Banks hereby expressly acknowledge and agree that (i) the waivers set forth in this Section I are conditioned on Holdings and the Borrower complying with each of the covenants and agreements contained in this Section I and there not occurring any Event of Default on or prior to the Waiver Termination Date (assuming for purposes of this Section I(14) that the Waiver Termination Date would otherwise occur on October 14, 1995) after giving effect to this Agreement and such waivers shall cease to exist upon the failure by Holdings or the Borrower to comply with any such covenant or agreement or the occurrence of such Event of Default and (ii) the Agent and the Banks shall have all of the rights and remedies provided for in the Credit Documents upon the failure by Holdings or the Borrower to comply with any such covenant or agreement or the occurrence and continuance of any Event of Default on or prior to the

Waiver Termination Date.

15. Notwithstanding anything to the contrary contained in Section 9.03, during the Waiver Period Holdings will not, and will not permit any of its Subsidiaries to, authorize, declare or pay any Dividends with respect to Holdings or any of its Subsidiaries of the type referred to in any of the following clauses of said Section 9.03 (v), (vi), (vii), (viii) and (ix).

II. Amendments to Credit Agreement

1. On and after the Amendment Effective Date, Section 3.03 of the Credit Agreement shall be amended by (i) deleting clauses (b), (c) and (d) contained therein in their entirety and (ii) inserting in lieu thereof the following new clauses (b), (c) and (d):

"(b) The Total Revolving Loan Commitment shall be permanently reduced on April 30, 1996 by an amount equal to \$25,000,000.

(c) In addition to any other mandatory commitment reductions pursuant to this Section 3.03, on each date after the Restatement Effective Date upon which Holdings or any of its Subsidiaries receives any proceeds (net of underwriting or placement discounts and commissions and other reasonable costs associated therewith) from (i) any sale or issuance of its equity (including, without limitation, the issuance of capital stock, or options or warrants to purchase such capital stock) or from the exercise of options or warrants to purchase such equity or (ii) from any incurrence by Holdings or any of its Subsidiaries of Indebtedness for borrowed money (other than Indebtedness for borrowed money to be incurred under Section 9.05 as said Section is in effect on the Restatement Effective Date), the Total Revolving Loan Commitment shall be permanently reduced by an amount equal to the net cash proceeds of the respective issuance of equity or incurrence of Indebtedness or such lesser amount as agreed to by the Required Banks; provided, however, that proceeds in an

aggregate amount equal to or less than \$10,000,000 shall not be required to permanently reduce the Total Revolving Loan Commitment so long as the Borrower utilizes such proceeds to prepay Revolving Loans pursuant to Section 4.01 (without giving effect to Section 4.01(ii)).

(d) In addition to any other mandatory commitment reductions pursuant to Section 3.03, on each date after the Restatement Effective Date upon which Holdings or any of its Subsidiaries receives proceeds from any sale of assets (excluding (i) sales of inventory in the ordinary course of business and (ii) sales of equipment and related software to customers of the Borrower or any other Subsidiary of Holdings in the ordinary course of business pursuant to the terms of the respective wagering systems equipment contracts or similar contracts to which such Person is a party), the Total

Revolving Loan Commitment shall be permanently reduced by an amount equal to 100% of the Net Sale Proceeds thereof or such lesser amount as agreed to by the Supermajority Banks; provided, however, that

proceeds in an aggregate amount equal to or less than \$10,000,000 shall not be required to permanently reduce the Total Revolving Loan Commitment so long as the Borrower utilizes such proceeds to prepay Revolving Loans pursuant to Section 4.01 (without giving effect to Section 4.01(ii)).".

2. On and after the Agreement Effective Date, Section 10 of the Credit Agreement is hereby amended by (i) inserting the word "or" immediately after the semi-colon contained in Section 10.10 and (ii) adding the following new Section 10.11 immediately after Section 10.10:

"10.11 Other Events. (i) Holdings or the Borrower shall fail to observe or perform any of the covenants contained in the July 1995 Agreement, (ii) for any other reason (including without limitation the failure to obtain the agreements specified in Section I(12) of the July 1995 Agreement) the Waiver Termination Date shall occur before October 14, 1995, (iii) Holdings or the Borrower shall fail to comply with any of the agreements contained in Section III(1) of the July 1995 Agreement to the satisfaction of the Required Banks or (iv) the report to be delivered to the Banks pursuant to Section I (10) of the July 1995 Agreement is not delivered on or prior to August 10, 1995;"

3. On and after the Agreement Effective Date, Section 11 of the Credit Agreement shall be amended by inserting in the appropriate alphabetical order the following new definitions:

"July 1995 Agreement" shall mean the Waiver, Consent, Agreement and Amendment to this Agreement, dated as of July 19, 1995.

"July 1995 Agreement Effective Date" shall mean the Agreement Effective Date as defined in the July 1995 Agreement.

"Supermajority Banks" shall mean those Non-Defaulting Banks which would constitute the Required Banks under, and as defined in, this Agreement if the percentage "50%" contained therein were changed to "66-2/3%".

"Waiver Termination Date" shall mean the earliest to occur of (x) August 10, 1995, unless all actions required to be taken by Sections I(12) and III(1)(b) of the July 1995 Agreement have been taken to the satisfaction of the Required Banks on or prior to such date, (y) October 14, 1995 and (z) any date occurring after the July 1995 Agreement Effective Date and prior to October 14, 1995 upon which Holdings or the Borrower have failed to comply with any of the covenants and agreements contained in the July 1995 Agreement or upon which an Event of Default has occurred pursuant to the Credit Agreement; provided that if any provision of the July 1995 Agreement requires that an action be taken to the satisfaction of the Required Banks, the Required Banks may declare that the Waiver Termination Date has occurred (in which case it shall occur) if the Required

Banks determine that the respective action has not been taken to their satisfaction.

4. On and after the Agreement Effective Date, Section 13.06(a) of the Credit Agreement is hereby amended by inserting the following sentence at the end thereof:

"Notwithstanding anything to the contrary contained in this Agreement, if at any time when a payment of principal, interest or fees is due and owing with respect to more than one Tranche of Loans and the Borrower repays less than the full amount of all such Obligations in respect of all such Tranches of Loans, then the payment or payments received by the Agent in respect of such Obligations shall be allocated proportionally among the respective Tranches of Loans based on the relative Total Revolving A Loan Commitment and Total Revolving B Loan Commitment as then in effect (or after the termination thereof, based on the aggregate outstanding principal amounts of such Tranche of Loans).

5. Notwithstanding anything to the contrary contained in this Agreement or in the Credit Agreement, any determination required to be made by the Agent, the Required Banks or the Supermajority Banks, or any documentation which is required to be satisfactory to the Agent, the Required Banks or the Supermajority Banks, shall, unless otherwise expressly provided, be made by (or required to be satisfactory to) the Agent, the Required Banks or the Supermajority Banks in their sole discretion.

III. Miscellaneous Provisions

1. In order to induce the Banks to enter into this Agreement, Holdings agrees:

(a) to pay to each Bank which has signed a copy of this Agreement and delivered by facsimile transmission an executed signature page hereof to Bankers Trust Company, Attention: Christopher Kinslow (Facsimile No. (212) 250-7218), a fee equal to 1% of such Bank's Revolving Loan Commitment as in effect on July 19, 1995. Such fee shall be deemed earned and payable on the Agreement Effective Date. However, the Agent and the Banks hereby agree that, notwithstanding the foregoing, it shall not be an Event of Default under the Credit Agreement (and the time for payment thereof by Holdings is hereby extended to) the earliest of (w) the date, if any, that the maturity of the Loans is accelerated in accordance with the provisions of Section 10 of the Credit Agreement, (x) June 30, 1996 or (y) the date upon which Holdings or any of its Subsidiaries receives cash proceeds from the sale of assets and/or the issuance of equity in an aggregate amount equal to or in excess of \$10,000,000 for Holdings and its Subsidiaries on a consolidated basis; and

(b) to deliver to the Agent, for distribution to the Banks based upon such Bank's Percentage as in effect on the Agreement Effective Date, warrants to

purchase 385,000 shares of common stock of Holdings (adjusted to account for dilutive events, if any, occurring on or after the Agreement Effective Date), such warrants to contain an exercise price of \$3.00 per share (which is the closing price of Holdings' common stock on July 18, 1995) (subject to adjustment for dilutive events, etc.), with the documentation relating to such warrants (to be prepared by counsel to the Agent and at the expense of the Borrower) and all of the terms and conditions contained therein to be in form and substance satisfactory to the Required Banks, such warrants to be delivered to the Agent on or prior to August 10, 1995.

2. In order to induce the Banks to enter into this Agreement, each of Holdings and the Borrower hereby represents and warrants that:

(a) no Default or Event of Default exists on the Agreement Effective Date, after giving effect to this Agreement; and

(b) on the Agreement Effective Date, after giving effect to this Agreement, all representations and warranties contained in the Credit Agreement and the other Credit Documents are true and correct in all material respects.

3. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which counterparts when executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A complete set of counterparts of this Agreement shall be lodged with Holdings, the Borrower and the Agent.

4. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

5. This Agreement shall become effective on the date (the "Agreement Effective Date") when (i) each of Holdings, the Borrower and the Required Banks shall have signed a counterpart hereof (whether the same or different counterparts) and shall have delivered (including by way of facsimile transmission) the same to the Agent and (ii) Holdings shall confirm to the Banks that Holdings and Coopers & Lybrand have established a payment schedule with respect to fees due and owing to Coopers & Lybrand, satisfactory to Holdings and Coopers & Lybrand, and Holdings shall remain current pursuant to such payment schedule during the Wavier Period and thereafter.

6. From and after the Agreement Effective Date, all references in the Credit Agreement and each of the other Credit Documents to the Credit Agreement shall be deemed to be references to the Credit Agreement as modified hereby.

7. This Agreement is limited as specified and shall not constitute a modification, acceptance or waiver of any other provision of the Credit Agreement or any other Credit Document.

* * *

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Consent to be duly executed and delivered as of the date first above written.

AUTOTOTE CORPORATION

By /s/ Martin E. Schloss

Title: Vice President

AUTOTOTE SYSTEMS, INC.

By /s/ Martin E. Schloss

Title: Vice President

BANKERS TRUST COMPANY,
Individually and as Agent

By /s/ Christopher Kinslow

Title: Vice President

BANK OF IRELAND,
GRAND CAYMAN BRANCH

By /s/ John Cusack

Title: Assistant Treasurer

BANK POLSKA KASA OPIEKI, S.A.

By /s/ William A. Shea

Title: Vice President
Senior Lending Officer

BHF-BANK AG

By /s/ Robert Suehnholz

Title: Senior Vice President

By /s/ Evon Contos

Title: Vice President

CREDITANSTALT CORPORATE
FINANCE, INC.

By /s/ A.W. Seidel

Title: Vice President

By /s/ Peter Halter

Title: Vice President

DELAWARE TRUST COMPANY

By /s/ James H. Noon

Title: Vice President

EUROPEAN AMERICAN BANK

By /s/ Dennis Nochowitz

Title: Assistant Vice President

FLEET BANK OF MASSACHUSETTS, N.A.

By /s/ Michael Palmer

Title: Vice President

GIROCREDIT BANK AG DER SPARKASSEN,
GRAND CAYMAN ISLAND BRANCH

By /s/ Richard R. Stone

Title: First Vice President

By /s/ Sharad Gupta

Title: Vice President

CONSENT AGREEMENT AND SIXTH AMENDMENT

CONSENT AGREEMENT AND SIXTH AMENDMENT (this "Agreement"), dated as of August 30, 1995, among AUTOTOTE CORPORATION ("Holdings"), AUTOTOTE SYSTEMS, INC. (the "Borrower"), the lenders party to the Credit Agreement referred to below (the "Banks"), and BANKERS TRUST COMPANY, as Agent (the "Agent"). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided by such terms in the Credit Agreement or the July 1995 Agreement referred to below, as the case may be.

W I T N E S S E T H :

WHEREAS, Holdings, the Borrower, the Banks and the Agent are parties to a Credit Agreement, dated as of October 31, 1991, and amended and restated as of October 30, 1992, and amended and restated as of June 4, 1993, and further amended and restated as of April 28, 1994 (as further amended, modified or supplemented through the date hereof, the "Credit Agreement");

WHEREAS, Holdings, the Borrower, the Banks and the Agent are parties to a Waiver, Consent, Agreement and Fifth Amendment, dated as of July 19, 1995 (the "July 1995 Agreement"), to the Credit Agreement;

WHEREAS, Holdings and the Borrower have requested that the Banks consent to certain modifications and waivers to certain provisions of the July 1995 Agreement and the Credit Agreement as herein provided; and

WHEREAS, subject to and on the terms and conditions set forth herein, the Banks are willing to consent to such modifications and waivers;

NOW THEREFORE, it is agreed:

I. Modifications

1. Pursuant to Section I(5) of the July 1995 Agreement and notwithstanding the provisions of clauses (i) through (iii), inclusive, of Section 9.05(xii) of the Credit Agreement, Holdings may incur up to \$10,000,000 of Permitted Additional Subordinated Debt so long as (i) the material terms and conditions thereof are as set forth on Exhibit A hereto (which in any event shall be revised to reflect the comments noted thereon), (ii) the final documentation therefor is in form and substance satisfactory to the Required Banks

and (iii) the net cash proceeds therefrom are used on the date of receipt thereof to prepay outstanding Revolving Loans pursuant to Section 4.01 of the Credit Agreement (without giving effect to Section 4.01(ii) thereof).

2. The Banks hereby agree that, notwithstanding anything to the contrary contained in Section I(13)(i) of the July 1995 Agreement, the incurrence of at least \$5,000,000 in aggregate principal amount of the Permitted Additional Subordinated Debt in accordance with the terms of Section 1 of this Agreement shall satisfy the requirements of such Section I(13)(i) so long as such incurrence occurs on or prior to September 14, 1995.

3. The Banks hereby agree that the September 14, 1995 date referenced in each of Section I(9) of the July 1995 Agreement and Section I(13) of the July 1995 Agreement (as such date relates to clauses (ii) of such Section I(13)), is hereby extended until October 13, 1995.

4. The Banks hereby agree that the letter attached hereto as Exhibit B from Wellington Management Company satisfies the requirements of Section I(12) of the July 1995 Agreement. However, in addition to the requirements of Section I(12) of the July 1995 Agreement, Holdings and the Borrower hereby covenant and agree to continue to use their best efforts to cause the holders of the Wellington Subordinated Debt to agree to defer all cash payments (including payments of interest) which would otherwise be owing with respect thereto during the Waiver Period (assuming for purposes of this Section 3 that the Waiver Period ends on October 14, 1995) until at least February 14, 1996. No consideration shall be payable to the holders of the Wellington Subordinated Debt in connection with any such agreement unless otherwise agreed by the Required Banks. Furthermore, on or prior to September 8, 1995, Holdings shall have delivered to the Banks a report stating the status of the negotiations with the holders of the Wellington Subordinated Debt and any agreement reached with respect thereto. On September 8, 1995 and notwithstanding anything to the contrary contained in the July 1995 Agreement, the Waiver Termination Date shall occur unless the Required Banks are satisfied with the arrangements arrived at by Holdings and the Borrower, on the one hand, and the holders of the Wellington Subordinated Debt, on the other hand, with respect to the deferral of the cash payments which would otherwise be owing with respect to the Wellington Subordinated Debt as described above. Furthermore, Holdings and the Borrower acknowledge and agree that, if the Waiver Termination Date occurs on September 8, 1995, then on such date an Event of Default shall exist permitting acceleration of the obligations owing under the Credit Agreement.

5. The Banks hereby agree that the August 10, 1995 date referred to in Section III(1)(b) of the July 1995 Agreement shall be extended until September 13, 1995 and that the Waiver Termination Date has not occurred as a result of the actions required to be taken pursuant to such Section III(1)(b) not being satisfied by August 10, 1995, it being understood and agreed, however, that notwithstanding anything to the contrary contained in the July 1995 Agreement, the Waiver Termination Date shall occur on

September 13, 1995 unless all actions required to be taken pursuant to such Section III(1)(b) have been taken by September 13, 1995.

6. The Banks hereby waive any Event of Default that has arisen as a result of, and agree that the Wavier Termination Date has not occurred because of, Holdings, and the Borrower's failure to comply with the provisions of Section I(2)(b) of the July 1995 Agreement for the fiscal quarter ending July 31, 1995. Holdings, the Borrower and the Banks further agree that Section I(2)(b) of the July 1995 Agreement shall be amended by inserting the following new sentence at the end thereof:

"Holdings and the Borrower will not permit Consolidated EBITDA for the fiscal quarter ending October 31, 1995 to be less than \$10,000,000."

7. The Banks hereby agree that, notwithstanding anything to the contrary contained in the July 1995 Agreement and the Credit Agreement, Holdings and the Borrower may incur up to an additional \$400,000 of annual lease expense in connection with their new lease for office space at 750 Lexington Avenue, New York, New York.

8. The Banks hereby agree that, notwithstanding anything to the contrary contained in the July 1995 Agreement and the Credit Agreement, Holdings, the Borrower and Autotote CBS shall be permitted to refinance the Permitted ACBS Loan on the terms and conditions set forth on Exhibit C hereto.

II. Miscellaneous Provisions

1. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which counterparts when executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A complete set of counterparts of this Agreement shall be lodged with Holdings, the Borrower and the Agent.

2. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

3. This Agreement shall become effective on the date (the "Agreement Effective Date") when each of Holdings, the Borrower and the Required Banks shall have signed a counterpart hereof (whether the same or different counterparts) and shall have delivered (including by way of facsimile transmission) the same to the Agent.

4. This Agreement is limited as specified and shall not constitute a modification, acceptance or waiver of any other provision of the July 1995 Agreement or the Credit Agreement.

* * *

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

AUTOTOTE CORPORATION

By /s/ Martin E. Schloss

Title: Vice President

AUTOTOTE SYSTEMS, INC.

By /s/ Martin E. Schloss

Title: Vice President

BANKERS TRUST COMPANY,
Individually and as Agent

By /s/ Dana Klein

Title: Vice President

BANK OF IRELAND,
GRAND CAYMAN BRANCH

By /s/ Roger Burns

Title: Vice President

BANK POLSKA KASA OPIEKI, S.A.

By

Title:

BHF-BANK AG

By /s/ Evon Contos

Title: Vice President

By /s/ Robert Suehnholz

Title: Senior Vice President

CREDITANSTALT CORPORATE
FINANCE, INC.

By

Title:

By

Title:

DELAWARE TRUST COMPANY

By /s/ James H. Noon

Title: Vice President

EUROPEAN AMERICAN BANK

By /s/ Dennis Nochowitz

Title: Assistant Vice President

FLEET BANK OF MASSACHUSETTS, N.A.

By /s/ Michael Palmer

Title: Vice President

GIROCREDIT BANK AG DER SPARKASSEN,
GRAND CAYMAN ISLAND BRANCH

By /s/ Anca Trifan

Title: Vice President

By /s/ Richard R. Stone

Title: First Vice President

EXHIBIT A

Issuer: Autotote Corporation.

Securities Offered: A minimum of \$5,500,000 up to a maximum of \$10,000,000 in principal amount of 9% Convertible Subordinated Debentures due 1999 (the "Debentures").

Offering: Offering of Debentures pursuant to Regulation S under the Securities Act of 1933, as amended (the "Securities Act").

Interest Payments: Interest on the Debentures, computed at the rate of 9% per annum, is payable annually on August , 1996, August , 1997, August , 1998 and August , 1999 solely in shares of Class A Common Stock, \$.01 par value per share (the "Common Stock") of the Company, unless otherwise paid in shares of Common Stock upon conversion, as described under "Conversion at Option of Holders" below. The price per share of Common Stock for purposes of any interest payment, whether in connection with conversion or otherwise, is equal to \$ (the average of the closing prices of the Common Stock on the NASDAQ National Market System during the five days ended on August , 1995 [day before commencement of this offering]).

Maturity: August , 1999.

Conversion at Option of Holders: Convertible at the option of a holder into shares of Common Stock in principal amounts of \$10,000 or multiples thereof at any time after 20 days following the Closing as to one-third of the principal amount of each Debenture, as to an additional one-third of the principal amount after 50 days following the Closing, and as to the entire principal amount after 80 days following the Closing until the close of business on the date of maturity. The principal amount of the Debentures or any portion, in multiples of \$10,000, is convertible into Common Stock at a conversion price equal to the greater of (i) 84% of the Current Market Price (as defined in the Form of Debentures) of the Common Stock on the date of conversion and (ii) \$2.00 per share. At the time of conversion, all accrued and unpaid interest on the entire principal amount of a Debenture will be converted into shares of Common Stock as described under "Interest Payments" above, even if less than the entire principal amount is being converted, and will be deemed to be paid and discharged thereby.

Mandatory Conversion: The entire principal amount of the Debentures not previously converted is subject to mandatory conversion by the Company on the Maturity Date at the same conversion price as in the case of conversion at the option of the holders. See "Conversion at Option of Holders."

Optional Redemption: None.

Repurchase at Option of Holder or Other Mandatory Redemptions or Sinking Fund Provisions: None.

Covenants: None.

Ranking: Subordinate to all existing and future Senior Indebtedness (as defined in the Form of Debentures) of the Company and effectively structurally subordinated to all obligations (including trade payables) of the Company's subsidiaries. As of July 31, 1995, the Company had approximately \$140.8 million of indebtedness outstanding (excluding accrued interest thereon and excluding undrawn letters of credit of \$1.8 million) that would have constituted Senior Indebtedness. In addition, as of July 31, 1995, the Company had \$40 million of indebtedness outstanding (excluding accrued interest thereon) which would rank pari passu with the Debentures. The Debentures will not restrict the

incurrence of additional Senior Indebtedness or other indebtedness by the Company or any subsidiary.

Placement Agent: Shoreline Pacific Institutional Finance, the Institutional Division of Financial West Group.

Current Shares of Common Stock Outstanding: 28,941,946 (excluding shares of Common Stock issuable upon exercise of outstanding warrants and options and upon conversion of 5 1/2% subordinated convertible debentures).

Anticipated Pro Forma Shares of Common Stock Outstanding: [32,994,631], assuming the conversion of \$10,000,000 in principal amount of Debentures at a conversion price of \$2.4675 (calculated as 84% of \$2 15/16, the closing price of Common Stock on the NASDAQ National Market System on August 15, 1995).

Eligible Investors: Sales of Debentures will be made only to a prospective investor which is a sophisticated and knowledgeable institutional investor with assets in excess of \$5,000,000 ("Eligible Investor"), which is not a "U.S. Person" as defined in Rule 902 of Regulation S under the Securities Act, was not organized under the laws of any U.S. jurisdiction, and was not formed for the purpose of investing in securities not registered under the Securities Act.

Offering Procedure: Interested Eligible Investors will be asked to execute Subscription Agreements with the Company prior to Closing and follow the provisions set forth therein and in other written instructions delivered to them by the Placement Agent, including delivery of the purchase price for their Debentures and other required documents to the Placement Agent. The minimum subscription amount is \$100,000; subscriptions in greater amounts may be in increments of \$100,000.

Transfer Restrictions:

The Debentures and the shares of Common Stock into which the Debentures are convertible have not been registered under the Securities Act and are subject to restrictions on transferability and resale, such that the Debentures may not be transferred or resold in the United States or to or for the account or benefit of any U.S. Person (as defined in Regulation S under the Securities Act) for at least forty (40) days after the Closing, the Shares may not be transferred or resold in the United States or to or for the account or benefit of any U.S. Person for at least forty (40) days after the date of conversion, and thereafter the Debentures and the Shares may be transferred or resold only as permitted under the Securities Act and applicable state securities laws pursuant to registration or exemption therefrom.

August 10, 1995

Mr. Thomas C. DeFazio
Chief Financial Officer
Autotote Corporation
888 Seventh Avenue
New York, NY 10106-1894

Dear Tom:

This letter will confirm that Autotote Corporation ("Autotote"), and Wellington Management Company ("WMC"), on behalf of Hartford Stock Fund and Hartford Advisers Fund (together, the "Funds"), are currently having discussions regarding the possible exchange of the 5-1/2% subordinated convertible debentures, due August 15, 2001, issued by Autotote (the "Debentures") for a new security or securities. As you know, the Funds are the holders of all outstanding Debentures and WMC is authorized to act on behalf of the Funds with respect to the matters described in this letter.

This letter will confirm our understanding (on behalf of the Funds and any subsequent holders of Debentures) that, with respect to any interest due and payable on the Debentures during the period after the date hereof and through and including September 13, 1995 (including without limitation the \$1.1 million in interest payments which are due and payable on August 15, 1995), such payments shall not be made by Autotote and, if made by Autotote, will not be accepted by the holders of the Debentures, at any time prior to September 14, 1995. If any payment of interest with respect to the Debentures is received by, or on behalf of, any of the holders of the Debentures prior to September 14, 1995, such payment shall not be deemed to be a payment of interest under the Debentures, shall be held in trust for the benefit of Autotote, and shall be promptly returned to Autotote. The foregoing shall not apply to any payment received on or after September 14, 1995.

The agreements contained in the preceding paragraph shall not alter the fact that the interest due and payable on August 15, 1995 is owing as of such date, or the fact that an "Event of Default" under the terms of the Debentures shall exist on the date which occurs 30 days after August 15, 1995 if such interest has not been paid on or prior to such date. Such agreements are not a waiver by the Funds of their rights to payment (notwithstanding that the timing of such payment may be affected) or any other rights under the Debentures, and have been entered into in order to accommodate Autotote's dealings with its lenders.

This letter is entered into for the benefit of Autotote and for the benefit of Bankers Trust Company and the other lenders party to existing Credit Agreement with Autotote led by Bankers Trust Company, as Agent, and may be enforced by any of such entities.

Very truly yours,

WELLINGTON MANAGEMENT COMPANY

By: /s/ Peter L. Curry

Name: Peter L. Curry

Title: Vice President and General Counsel

cc: Mr. Justin J. Vorwerk, Bankers Trust Company
Mr. Christopher Kinslow, BT Securities Corporation
Eric L. Berg, Esq., White & Case

AUTOTOTE CBS -- MORTGAGE REFINANCING

EXISTING FINANCING

Amount: \$2.1 million
Borrower: Autotote Corporation
Guarantor: Autotote CBS
Lender: Primerit Savings Bank
Facility: Construction Loan/Permanent Loan
Interest: Construction Loan -- Prime plus 150 b.p.
Permanent Loan -- 7 year Treasury plus 300 b.p.
Maturity: Construction Loan -- 8/15/95 with 90 day extension option
Permanent Loan -- 7 years with 7 year extension option
Principal
Amortization: 20 years, 13 years on extension
Security: Deed of Trust, Security Agreement and Fixture Filing on building with assignment of rents

PROPOSED REFINANCING

Amount: \$2.1 million
Borrower: Autotote CBS
Guarantor: Autotote Corporation
Lender: Standard Life and Accident Insurance Company
Facility: Permanent Loan
Interest: 8%
Maturity: August 1, 2015
Payments: Monthly principal and interest of \$17,566 for 240 months
Security: Deed of Trust, Security Agreement and Financing Statement; Assignment of Leases

CONSENT AGREEMENT

CONSENT AGREEMENT (this "Agreement"), dated as of September 8, 1995, among AUTOTOTE CORPORATION ("Holdings"), AUTOTOTE SYSTEMS, INC. (the "Borrower"), the lenders party to the Credit Agreement referred to below (the "Banks"), and BANKERS TRUST COMPANY, as Agent (the "Agent"). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided such terms in the Credit Agreement or the July 1995 Agreement referred to below, as the case may be.

W I T N E S S E T H :
- - - - -

WHEREAS, Holdings, the Borrower, the Banks and the Agent are parties to a Credit Agreement, dated as of October 31, 1991, and amended and restated as of October 30, 1992, and amended and restated as of June 4, 1993, and further amended and restated as of April 28, 1994 (as further amended, modified or supplemented through the date hereof, the "Credit Agreement");

WHEREAS, Holdings, the Borrower, the Banks and the Agent are parties to a Waiver, Consent, Agreement and Fifth Amendment, dated as of July 19, 1995 (the "July 1995 Agreement"), to the Credit Agreement, and a Consent Agreement and Sixth Amendment, dated as of August 30, 1995 (the "Sixth Amendment"), to the Credit Agreement;

WHEREAS, Holdings and the Borrower have requested that the Banks consent to certain modifications and waivers to certain provisions of the Credit Agreement, the July 1995 Agreement, the Sixth Amendment and the Security Agreement as herein provided; and

WHEREAS, subject to and on the terms and conditions set forth herein, the Banks are willing to grant such modifications and waivers;

NOW THEREFORE, it is agreed:

1. Notwithstanding anything to the contrary contained in the Credit Agreement or the Security Agreement, the Banks hereby agree that it will neither be a Default or an Event of Default under the Credit Agreement nor a breach of any

representation or warranty in the Credit Agreement or the Security Agreement if the Banks' security interest in up to \$2,000,000 in the aggregate of equipment and inventory of the Borrower is unperfected as a result of such equipment and inventory being transferred to Venezuela in order for the Borrower to perform its obligations under the contract to be entered into with a Venezuelan entity.

2. The Banks hereby agree that the letter attached hereto as Exhibit A from Wellington Management Company satisfies the requirements of Section I(4) of the Sixth Amendment. However, in addition to the requirements of Section I(12) of the July 1995 Agreement and Section I(4) of the Sixth Amendment, Holdings and the Borrower hereby covenant and agree to continue to use their best efforts to cause the holders of the Wellington Subordinated Debt to agree to defer all cash payments (including payments of interest) which would otherwise be owing with respect thereto during the Waiver Period (assuming for purposes of this Section 2 that the Waiver Period ends on October 14, 1995) until at least February 14, 1996. No consideration shall be payable to the holders of the Wellington Subordinated Debt in connection with any such agreement unless otherwise agreed by the Required Banks. Furthermore, on or prior to October 2, 1995, Holdings shall have delivered to the Banks a report stating the status of the negotiations with the holders of the Wellington Subordinated Debt and any agreement reached with respect thereto. On October 2, 1995 and notwithstanding anything to the contrary contained in the July 1995 Agreement or the Sixth Amendment, the Waiver Termination Date shall occur unless the Required Banks are satisfied with the arrangements arrived at by Holdings and the Borrower, on the one hand, and the holders of the Wellington Subordinated Debt, on the other hand, with respect to the deferral of the cash payments which would otherwise be owing with respect to the Wellington Subordinated Debt as described above. Furthermore, Holdings and the Borrower acknowledge and agree that, if the Waiver Termination Date occurs on October 2, 1995, then on such date an Event of Default shall exist permitting acceleration of the obligations owing under the Credit Agreement.

3. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which counterparts when executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A complete set of counterparts of this Agreement shall be lodged with Holdings, the Borrower and the Agent.

4. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

5. This Agreement shall become effective on the date (the "Agreement Effective Date") when each of Holdings, the Borrower and the Required Banks shall have signed a counterpart hereof (whether the same or different counterparts) and shall have delivered (including by way of facsimile transmission) the same to the Agent.

6. This Agreement is limited as specified and shall not constitute a modification, acceptance or waiver of any other provision of the Credit Agreement or the Security Agreement.

* * *

IN WITNESS WHEREOF, such of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

AUTOTOTE CORPORATION

By /s/ Martin E. Schloss

Title: Vice President

AUTOTOTE SYSTEMS, INC.

By /s/ Martin E. Schloss

Title: Vice President

BANKERS TRUST COMPANY,
Individually and as Agent

By /s/ Christopher Kinslow

Title: Vice President

BANK OF IRELAND,
GRAND CAYMAN BRANCH

By /s/ David Aylward

Title: Vice President

BANK POLSKA KASA OPIEKI, S.A.

By

Title:

BHF-BANK AG

By _____
Title:

By _____
Title:

CREDITANSTALT CORPORATE
FINANCE, INC.

By _____
Title:

By _____
Title:

DELAWARE TRUST COMPANY

By _____
Title:

EUROPEAN AMERICAN BANK

By _____
Title:

FLEET BANK OF MASSACHUSETTS, N.A.

By /s/ Michael Palmer

Title: Vice President

GIROCREDIT BANK AG DER SPARKASSEN,
GRAND CAYMAN ISLAND BRANCH

By

Title:

WELLINGTON MANAGEMENT COMPANY

September 8, 1995

Mr. Thomas C. DeFazio
Chief Financial Officer
Autotote Corporation
888 Seventh Avenue
New York, New York 10106-1894

Dear Tom:

This letter will confirm that Autotote Corporation ("Autotote"), and Wellington Management Company ("WMC"), on behalf of Hartford Stock Fund and Hartford Advisers Fund (together, the "Funds"), are continuing discussions regarding the possible exchange of the 5-1/2% subordinated convertible debentures, due August 15, 2001, issued by Autotote (the "Debentures") for a new security or securities. As you know, the Funds are the holders of all outstanding Debentures and WMC is authorized to act on behalf of the Funds with respect to the matters described in this letter.

This letter will confirm our understanding (on behalf of the Funds and any subsequent holders of Debentures) that, with respect to any interest due and payable on the Debentures during the period from August 10, 1995 through and including September 13, 1995 (including without limitation the \$1.1 million in interest payments which were due and payable on August 15, 1995), such payments shall not be made by Autotote and, if made by Autotote, will not be accepted by the holders of the Debentures, at any time prior to October 5, 1995. If any payment of interest with respect to the Debentures is received by, or on behalf of, any of the holders of the Debentures prior to October 5, 1995, such payment shall not be deemed to be a payment of interest under the Debentures, shall be held in trust for the benefit of Autotote, and shall be promptly returned to Autotote. The foregoing shall not apply to any payment received on or after October 5, 1995.

The agreements contained in the preceding paragraph shall not alter the fact that the interest due and payable on August 15, 1995 is owing as of such date, except that, notwithstanding any form or provision of the Debentures to the contrary, no "Event of Default" under the terms of the Debentures shall exist as a result of such non-payment of interest until October 5, 1995, if such interest has not been paid on or prior to October 5, 1995. Such agreements are not a waiver by the Funds of their rights to payment (notwithstanding that the timing of such payment may be affected) or any other rights under the Debentures, and have been entered into in order to accommodate Autotote's dealings with its lenders.

This letter is entered into for the benefit of Autotote and for the benefit of Bankers Trust Company and the other lenders party to existing Credit Agreement with Autotote led by Bankers Trust Company, as Agent, and may be enforced by any of such entities. This letter supersedes and replaces in the entirety that certain letter from us to you dated August 10, 1995 regarding such interest payment.

Very truly yours,

WELLINGTON MANAGEMENT COMPANY

By /s/ Peter L. Curry

Peter L. Curry
Vice President and
General Counsel

cc: Mr. Justin J. Vorwek, Bankers Trust Company
Mr. Christopher Kinslow, BT Securities Corporation
David Bilkis, Esq., White & Case

CONSENT AGREEMENT

CONSENT AGREEMENT (this "Agreement"), dated as of September 11, 1995, among AUTOTOTE CORPORATION ("Holdings"), AUTOTOTE SYSTEMS, INC. (the "Borrower"), the lenders party to the Credit Agreement referred to below (the "Banks"), and BANKERS TRUST COMPANY, as Agent (the "Agent"). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided such terms in the Credit Agreement referred to below.

WITNESSETH:

WHEREAS, Holdings, the Borrower, the Banks and the Agent are parties to a Credit Agreement, dated as of October 31, 1991, and amended and restated as of October 30, 1992, and amended and restated as of June 4, 1993, and further amended and restated as of April 28, 1994 (as further amended, modified or supplemented through the date hereof, the "Credit Agreement");

WHEREAS, Holdings, the Borrower, the Banks and the Agent are parties to a Consent Agreement and Sixth Amendment, dated as of August 30, 1995 (the "Sixth Amendment"), to the Credit Agreement;

WHEREAS, Holdings and the Borrower have requested that the Banks approve the form of documentation for up to \$10,000,000 of Permitted Additional Subordinated Debt pursuant to Section I(1) of the Sixth Amendment as herein provided; and

WHEREAS, subject to and on the terms and conditions set forth herein, the Banks are willing to grant such approval;

NOW THEREFORE, it is agreed:

1. Pursuant to Section I(1) of the Sixth Amendment, the Banks hereby agree that the documentation submitted to them with this Agreement for the issuance by Holdings of up to \$10,000,000 of Permitted Additional Subordinated Debt is in form and substance satisfactory to them.

2. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which counterparts when

executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A complete set of counterparts of this Agreement shall be lodged with Holdings, the Borrower and the Agent.

3. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

4. This Agreement shall become effective on the date (the "Agreement Effective Date") when each of Holdings, the Borrower and the Required Banks shall have signed a counterpart hereof (whether the same or different counterparts) and shall have delivered (including by way of facsimile transmission) the same to the Agent.

5. This Agreement is limited as specified and shall not constitute a modification, acceptance or waiver of any provision of the Credit Agreement or the Security Agreement.

* * *

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

AUTOTOTE CORPORATION

By /s/ Martin E. Schloss

Title: Vice President

AUTOTOTE SYSTEMS, INC.

By /s/ Martin E. Schloss

Title: Vice President

BANKERS TRUST COMPANY,
Individually and as Agent

By /s/ Christopher Kinslow

Title: Vice President

BANK OF IRELAND,
GRAND CAYMAN BRANCH

By /s/ David Aylward

Title: Vice President

BANK POLSKA KASA OPIEKI, S.A.

By /s/ William A. Shea

Title: Vice President
Senior Lending Officer

BHF-BANK AG

By /s/ Evon Contos

Title: Vice President

By /s/ Paul Travers

Title: Vice President

CREDITANSTALT CORPORATE
FINANCE, INC.

By

Title:

By

Title:

DELAWARE TRUST COMPANY

By /s/ James H. Noon

Title: Vice President

EUROPEAN AMERICAN BANK

By

Title:

FLEET BANK OF MASSACHUSETTS, N.A.

By /s/ Michael Palmer

Title: Vice President

GIROCREDIT BANK AG DER SPARKASSEN,
GRAND CAYMAN ISLAND BRANCH

By /s/ Richard R. Stone

Title: First Vice President

By /s/ John Redding

Title: Vice President

CONSENT AGREEMENT

CONSENT AGREEMENT (this "Agreement"), dated as of September 14, 1995, among AUTOTOTE CORPORATION ("Holdings"), AUTOTOTE SYSTEMS, INC. (the "Borrower"), the lenders party to the Credit Agreement referred to below (the "Banks"), and BANKERS TRUST COMPANY, as Agent (the "Agent"). All capitalized terms used herein and not otherwise defined shall have the respective meanings provided such terms in the Credit Agreements referred to below.

W I T N E S S E T H:

WHEREAS, Holdings, the Borrower, the Banks and the Agent are parties to a Credit Agreement, dated as of October 31, 1991, and amended and restated as of October 30, 1992, and amended and restated as of June 4, 1993, and further amended and restated as of April 28, 1994 (as further amended, modified or supplemental through the date hereof, the "Credit Agreement");

WHEREAS, Holdings and the Borrower, the Banks and the Agent are parties to a Consent Agreement and Sixth Amendment, dated as of August 30, 1995 (the "Sixth Amendment"), in the Credit Agreement:

WHEREAS, Holdings and the Borrower have requested that the Banks extend the September 14, 1995 date referred to in Section I(2) of the Sixth Amendment until October 5, 1995; and

WHEREAS, subject to and on the terms and conditions set forth herein, the Banks are willing to grant such approval.

NOW THEREFORE, it is agreed:

1. The Banks hereby agree that the September 14, 1995 date referred to in Section I(2) of the Sixth Amendment is hereby extended until October 5, 1995.

2. The Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which counterparts when executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A complete set of counterparts of this Agreement shall be lodged

with Holdings, the Borrower and the Agent.

3. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

4. This Agreement shall become effective on the date (the "Agreement Effective Date") when each of Holdings, the Borrower and the Required Banks shall have signed a counterpart hereof (whether the same or different counterpart) and shall have delivered (including by way of facsimile transmission) the same to the Agent.

5. This Agreement is limited as specified and shall not constitute a modification, acceptance or waiver of any other provision of the Credit Agreement or the Security Agreement.

* * *

-2-

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

AUTOTOTE CORPORATION

By: /s/ Martin E. Schloss

Title: Vice President

AUTOTOTE SYSTEMS, INC.

By: /s/ Martin E. Schloss

Title: Vice President

BANKERS TRUST COMPANY,
Individually and as Agent

By: /s/ Christopher Kinslow

Title: Vice President

BANK OF IRELAND,
GRAND CAYMAN BRANCH

By: /s/ David Aylward

Title:

BANK POLSKA KASA OPIEKI, S.A.
Individually and as Agent

By: /s/ William A. Shea

Title: Vice President
Senior Lending Officer

BHF-BANK AG

By: /s/ Evon Contos

Title: Vice President

By: /s/ Paul Travers

Title: Vice President

CREDITANSTALT CORPORATE
FINANCE, INC.

By: -----
Title:

By: -----
Title:

DELAWARE TRUST COMPANY

By: -----
Title:

EUROPEAN AMERICAN BANK

By: /s/ Dennis Nochowitz

Title: Assistant Vice President

FLEET BANK OF MASSACHUSETTS, N.A.

By: /s/ Michael Palmer

Title: Vice President

GIROCREDIT BANK AG DER SPARKASSEN,
GRAND CAYMAN ISLAND BRANCH

By: /s/ Richard R. Stone

Title: First Vice President

/s/ Patricia Hogan

Title: Vice President