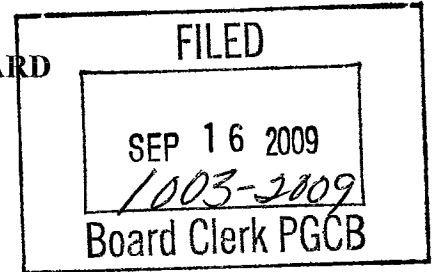


**BEFORE THE
PENNSYLVANIA GAMING CONTROL BOARD**



IN RE:
HSP GAMING, LP

:
:
:

PGCB Docket No.

ORDER

AND NOW, this 16th day of September 2009, the Pennsylvania Gaming Control Board (“Board”) hereby **GRANTS** HSP Gaming, LP’s (“HSP”) August 5, 2009 Amended Petition for Approval of Project Financing and Movement of Slot Machine License. Related thereto, the Board **ORDERS** as follows:

1. Based upon its review of applications submitted, and the report of the Bureau of Licensing and the Bureau of Investigations and Enforcement relating thereto, the following entities satisfy the eligibility and suitability requirements to be licensed as principals:
 - SugarHouse HSP Gaming Prop. Holdings, GP, LLC
 - SugarHouse HSP Gaming Prop. Holdings, LP
 - SugarHouse HSP Gaming Prop. Mezz, GP, LLC
 - SugarHouse HSP Gaming Prop. Mezz, LP
 - SugarHouse HSP Gaming Prop. GP, LLC

2. The principal licenses issued to these entities pursuant to this order are subject to all conditions, restrictions and requirements of the Pennsylvania Race Horse Development and Gaming Act, as amended (“Act”), and all regulations of the Board. The licenses are subject to conditions to be imposed by the Bureau of Licensing, as well as annual

renewal; and the Board retains the right to revoke, suspend, condition or deny issuance or renewal of any principal license for any violation of the Act or the Board's regulations


3. The Category 2 slot machine license presently held by HSP shall be assigned to SugarHouse HSP Gaming, LP, subject to the following conditions:
 - a. SugarHouse HSP Gaming Prop. Mezz, LP and SugarHouse HSP Gaming, LP shall close on the Financial Transaction outlined in the Revolving Credit and Term Loan Agreement presented to the Board.
 - b. SugarHouse HSP Gaming, LP shall execute and abide by a Statement of Conditions provided by the Bureau of Licensing.
 - c. SugarHouse HSP Gaming, LP shall complete the design and construction of the modified gaming facility and all related amenities as proposed by HSP Gaming, LP at its hearing on May 6, 2009 and approved by the Board on May 6, 2009.
 - d. SugarHouse HSP Gaming, LP will provide a detailed timeline within thirty days of the date of this Order for the commencement and completion of all phases of construction of the interim facility as approved by the Board on May 6, 2009.
 - e. SugarHouse HSP Gaming, LP shall be responsible to fulfill and complete all commitments and representation made by HSP to the Board during hearings of May 6, 2009 and September 16, 2009.
 - f. SugarHouse HSP Gaming, LP shall begin construction of the parking garage as proposed in their approved modified facility plan as soon as practicable after the opening of the interim facility, provided that such construction shall not commence later than thirty months after the opening of the interim facility and

shall be in accordance with the terms of the approved Revolving Credit and Term Loan Agreement.

4. The project financing proposed is approved subject to the following conditions:
 - a. SugarHouse HSP Gaming, LP shall not open its interim facility with less than 1,700 slot machines absent Board approval for good cause shown.
 - b. SugarHouse HSP Gaming, LP shall provide monthly updates to the Bureau of Investigations and Enforcement on revenues and comparisons with revenue projections as soon as practicable after the opening of the interim facility.
 - c. SugarHouse HSP Gaming, LP shall provide monthly updates on the status of the Parking Garage Liquidity Reserve Account as provided for in the Parking Garage Disbursement Agreement.
 - d. SugarHouse HSP Gaming, LP shall submit a detailed plan for the use of and construction on Pier 49-50 within 30 days of the date of this order.
 - e. All agreements and documents submitted to the Board in connection with the Revolving Credit and Term Loan Agreement shall remain identical in all material respects. All documents executed at the time of the closing of the transaction outlined in the Revolving Credit and Term Loan Agreement shall be provided to the Board within five business days of the closing.
 - f. All agreements submitted to the Board in connection with the purchase of Pier 49-50 shall remain identical in all material respects. All documents executed at the time of the closing of the transaction outlined in the Agreement of Sale of Pier 49-50 shall be presented to the Board within five business days of the closing.

g. SugarHouse HSP Gaming, LP shall not make, direct or indirect, any distributions of profits to its direct or indirect owners prior to completion of Phase 1 of the project which includes the interim facility, the parking garage, and the permanent facility, except to satisfy any tax obligations of SugarHouse HSP Gaming, LP's direct or indirect owners or to satisfy any obligations of SugarHouse HSP Gaming Prop. Mezz, LP under its credit agreement.

5. The Board hereby **GRANTS** HSP's August 5, 2009 Motion to Maintain the Confidentiality of Exhibits attached to its Amended Petition.

By: 
Gregory C. East, Chairman
Pennsylvania Gaming Control Board

If you disagree with the Board's Adjudication and Order, you have the right to file an appeal with the Commonwealth Court of Pennsylvania within thirty (30) days of the date of this Order. See, Pennsylvania Rule of Appellate Procedure 1512.