

/C O R R E C T I O N -- Pennsylvania Casino Association/

In the news release, Pennsylvania Casino Association Poised to Sue State If Budget Deal Expands Category 3 Resort Casino Licenses, issued 07-Oct-2009 by Pennsylvania Casino Association over PR Newswire, we are advised by the organization that the first paragraph, first sentence, should read "Three of the Commonwealth's largest casinos -- The Rivers, SugarHouse, and The Mount Airy Casino Resort, today issued a joint statement responding to a proposed House amendment that would alter the relationship between smaller 'Category 3' resort casinos and the larger 'Category 2' stand-alone casinos." rather than "Four of the Commonwealth's largest casinos -- The Rivers, SugarHouse, Foxwoods Philadelphia and The Mount Airy Casino Resort, today issued a joint statement responding to a proposed House amendment that would alter the relationship between smaller 'Category 3' resort casinos and the larger 'Category 2' stand-alone casinos." as originally issued inadvertently. The complete, corrected release follows:

Pennsylvania Casino Association Poised to Sue State If  
Budget Deal Expands Category 3 Resort Casino Licenses

PCA MEMBERS WILL SEEK RETURN OF \$50 MILLION SLOT LICENSE  
FEE IF NEW LEGISLATION FORCES THEM TO COMPETE WITH RESORT  
LICENSEES

PHILADELPHIA, Oct. 7 /PRNewswire-USNewswire/ -- Three of the Commonwealth's largest casinos -- The Rivers, SugarHouse and The Mount Airy Casino Resort, today issued a joint statement responding to a proposed House amendment that would alter the relationship between smaller "Category 3" resort casinos and the larger "Category 2" stand-alone casinos. The amendment at issue would triple the current ceiling of 500 slot machines to 1,500 machines and strip away the requirement that gamblers be guests of the resort thereby opening the establishments to the general public like other casinos.

The Pennsylvania Casino Association, on behalf of the above-mentioned casinos, issued the following statement.

Section 1305 of Act 71 is clear and unambiguous with respect to the maximum number of slot machines to be operated by a Category 3 licensee: "The Category 3 license granted under the provisions of this section shall entitle

the licensed entity to operate no more than 500 slot machines at the licensed facility." (4 PA. Const. Stat. Section 1305 (c)). The intent of the legislature was equally clear and unambiguous: To avoid any competition between Category 3 licensees and Category 2 or Category 1 licensees, the legislation set limitations upon Category 3 facilities based upon geography (15 linear miles), usage (gamblers must be guests of the resort) and number of slots (500 maximum).

As Category 2 licensees, we relied upon these legislative proscriptions, and the intent behind them, in applying for our licenses. Our agreement to pay a \$50 million license fee to operate slot machines in Pennsylvania was based, in large part, on this very statutory language that prevented other licensed facilities from directly competing against us in our markets.

Any move to change the proscriptions that currently define Category 3 licensees will be viewed as a breach by the Commonwealth of the terms under which we, as Category 2 licensees applied for, and were granted, our gaming licenses.

As such, today we are putting the state legislature on notice that, should Category 3 licensees be granted the right to operate any slot machines beyond the 500 established by the original gaming legislation, we shall immediately seek the return of the \$50 million each of us paid for our slot machine licenses. In addition, we shall bring legal action seeking damages for the immediate and irreparable harm caused by the expansion of Category 3 licenses.

Our partnership with the state has, to date, returned over \$2 billion to the taxpayers of Pennsylvania. Any move that threatens the success of our partnership threatens the very premise that it is built upon: only a thriving casino industry can generate the kind of returns that will continue to make gaming a winning bet for Pennsylvania.

Source: Pennsylvania Casino Association

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