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# MASSACHUSETTS GAMING COMMISSION

## CATEGORY 2 GAMING LICENSE



*On this 28th day of February 2014, the Massachusetts Gaming Commission, pursuant to the power and authority granted to it by Chapter 23K of the General Laws, hereby awards a Category 2 Gaming License to*

**INSERT APPLICANT NAME, LLC**

*to operate a slots parlor on the premises of the Gaming Establishment described herein and subject to the conditions provided for herein. The term of this license expires on:*

**February 28, 2019**

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**NOTE: THIS IS A DRAFT FORM ONLY. INFORMATION INCLUDED IS FOR DISCUSSION PURPOSES ONLY AND DOES NOT REPRESENT A DECISION BY THE MASSACHUSETTS GAMING COMMISSION ON ANY MATTER INCLUDED HEREIN**

## AWARD AND SCOPE OF LICENSE

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This License grants Licensee the authority to operate a Category 2 Gaming Establishment, as described in G.L. c. 23K, on the premises of the Gaming Establishment defined herein. This license incorporates by reference the Licensee's RFA-1 and RFA-2 submissions and any amendments or additions to those submissions.

The premises of the Gaming Establishment includes the slots facility and [REDACTED].

The Gaming Area is the portion of the Gaming Establishment that the applicant has specified, in its RFA-2 application, will contain gaming equipment for public use.

This License authorizes the Licensee to maintain up to 1,250 slot machines and no table games for simultaneously operation in the Gaming Area.

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## CONDITIONS

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The Licensee, by accepting this License, agrees to abide by the following conditions:

### Ownership and Control

1. Pursuant to G.L. c. 23K, § 19(c), this License shall not be transferred, assigned, or encumbered without first notifying and receiving the express written approval of the Commission in accordance with 205 CMR [REDACTED]. Any attempt to transfer, assign, or encumber this License without the appropriate approval is void.
2. The Licensee shall not operate with a debt-to-equity ratio, as defined in 205 CMR [REDACTED], greater than \_\_\_\_\_.
3. The Licensee shall not, pursuant to G.L. c. 23K, § 21(a)(5), change its business governing structure without the notification and approval of the Commission.
4. The Licensee shall not, pursuant to G.L. c. 23K, § 21(a)(6), operate, invest in or own, in whole or in part, another gaming licensee's license or gaming establishment.
5. The Licensee shall, pursuant to G.L. c. 23K, § 15(3), own or acquire, within 60 days after the award of this License, the land where the Gaming Establishment is proposed to be constructed; provided, however, that ownership of the land shall include a tenancy for a term of years under a lease that extends not less than 60 years beyond the term of this License.

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### Fees and Taxes

6. No later than 30 days after the award of this License, the Licensee shall, pursuant to G.L. c. 23K, § 11(b), pay to the Commission a \$25,000,000 non-refundable licensing fee.
7. The Licensee shall, pursuant to G.L. c. 23K, § 55(b), pay daily to the Commission 40 percent of gross gaming revenue.
8. The Licensee shall, pursuant to G.L. c. 23K, § 55(c), pay daily to the Race Horse Development Fund 9 percent of gross gaming revenue.
9. The Licensee shall, pursuant to G.L. c. 23K, § 56(a), pay to the Commission an annual fee of \$600 for each slot machine approved by the Commission for use at the Gaming Establishment. The fee shall be imposed as of July 1 of each year starting in 2014 for all approved slot machines on that date and shall be assessed on a pro rata basis for any slot machine approved for use thereafter. [customize to the Licensee's schedule?]

### Construction

10. The Licensee shall, pursuant to G.L. c. 23K, § 11(a), make a capital investment of not less than \$125,000,000, as defined by 205 CMR 122.00, in the Gaming Establishment.
11. The Licensee shall allow and facilitate Commission inspections of the Gaming Establishment during construction and provide any necessary documentation for the Commission to determine whether the construction meets all of the requirements of the Licensee's RFA-2 Application.
12. The Licensee shall, on a biweekly basis, provide to the Commission with an update on the current progress of construction and how the Licensee is meeting the goals set in its construction timeline.

### Opening Requirements

13. The Licensee shall open the Gaming Establishment for public admittance no later than [redacted]. In no event shall the Licensee open its Gaming Establishment later than two years after the award of this License.
14. The Licensee shall, pursuant to G.L. c. 23K, § 25(a), not conduct gaming without an Operations Certificate issued by the Commission. The Commission shall only issue an Operations Certificate upon compliance with the requirements of G.L. c. 23K and 205 CMR including, but not limited to: (i) implementation of all management controls required by the Commission including, without limitation, controls on accounting, wagering and auditing; (ii) implementation of all security precautions required by the Commission; (iii) an up-to-date listing of all gaming employees; (iv) licensing or

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registering of all gaming employees; (v) the provision of office space at the Gaming Establishment for use by the Commission employees; (vi) the hours of operation of the Gaming Establishment; and (vii) that its personnel and procedures are efficient and prepared to entertain the public.

### Operation

15. The Licensee shall, pursuant to G.L. c. 23K, § 25(a), conspicuously post the Operations Certificate.
16. The Licensee shall, pursuant to 205 CMR 128.02, post a copy of this License in a location continuously conspicuous to the public within the gaming facility at all times.
17. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(4), make, or cause to be made, capital expenditures to its Gaming Establishment in a minimum aggregate amount equal to 3.5 percent per year of the net gaming revenues derived from the Gaming Establishment; provided, however, that the Licensee may make capital expenditures in an amount less than 3.5 percent per year as part of a multi-year capital expenditure plan approved by the Commission.
18. The Licensee shall, pursuant to G.L. c. 23K, § 15(1), be a licensed state lottery sales agent under G.L. c. 10 to sell or operate the lottery, multi-jurisdictional and keno games; shall ensure that the lottery and keno games be readily accessible to the guests of the Gaming Establishment; shall not create, promote, operate or sell games that are similar to or in direct competition, as determined by the Commission, with games offered by the State Lottery Commission, including the lottery instant games or its lotto style games such as keno or its multi-jurisdictional games.
19. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(13), employ only those persons licensed or registered by the Commission.
20. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(14), do business only with those vendors licensed or registered by the Commission.
21. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(25), require its security personnel to conduct regular checks of parking areas for minors left in motor vehicles and immediately report any such finding to the local and state police in the municipality wherein the Gaming Establishment is located.
22. The Licensee shall provided evidence of: compliance with the terms and conditions of its Host Community Agreement; compliance with the terms and conditions of all of its Surrounding Community Agreements; and compliance with the terms and conditions of all Impacted Live Entertainment Agreements in a form approved by the Commission.

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### Records and Reporting

22. The Licensee shall, pursuant to G.L. c. 23K, § 4(24), keep books and financial or other records or statements in the manner the Commission prescribes in 205 CMR [REDACTED].
24. The Licensee shall, pursuant to G.L. c. 23K, § 5(a)(8), collect and annually report to the Commission a detailed statistical report on the number, job titles, benefits and salaries of employees hired and retained in employment at the Gaming Establishment;
25. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(24), collect and annually provide to the Commission a detailed statistical report on the total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises in: (i) design contracts; (ii) construction contracts; and (iii) contracts for every good and service procured by the gaming establishment; provided, however, that such statistical report shall also identify the amounts so contracted as a percentage of the total dollar amounts contracted with and actually paid to all firms.
26. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(23), provide to the Commission, on a quarterly basis, a detailed statistical report on the number, gender and race of individuals hired to perform labor as part of the construction of the Gaming Establishment.
27. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(15), provide to the Commission aggregate demographic information with respect to the Licensee's customers in a manner and under a schedule defined by the Commission in 205 CMR [REDACTED].

### Enforcement

28. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(7), cooperate with the Commission and the Attorney General in all gaming-related investigations. The Licensee shall make readily available all documents, materials, equipment, personnel and any other items requested during an investigation; provided, however, that material that the Licensee considers a trade secret or detrimental to the Licensee if it were made public may, with the Commission's approval, be protected from public disclosure and the Licensee may require nondisclosure agreements with the Commission before disclosing such material;
29. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(8), cooperate with the Commission and the Attorney General with respect to the investigation of any criminal matter; provided, however, that the Licensee shall, upon receipt of a criminal or civil process compelling testimony or production of documents in connection with a civil or criminal investigation, immediately disclose such information to the Commission; and provided further, that this clause shall not prohibit private persons or public entities from seeking any remedy or damages against the Licensee.

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30. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(9), allow the Commission or the Division of Gaming Enforcement in the office of the Attorney General and State Police officers assigned to the Commission or the Division of Gaming Enforcement to conduct warrantless searches of the Licensee's Gaming Area.
31. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(10), inform the Commission of any action which the Licensee reasonably believes would constitute a violation of Chapter 23K, and shall assist the Commission and any federal or state law enforcement agency in the investigation and prosecution of such violation; provided, however, that no person who informs the Commission of such an action shall be discriminated against by an applicant or gaming licensee as a consequence for having supplied such information.
32. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(11), provide an office for the Commission at the Gaming Establishment and the designated State Police unit at the Gaming Establishment with the minimum requirements for square footage for the State Police office, office furnishings and parking spaces as described in 205 CMR [REDACTED].

Racing **NOTE: THIS SECTION ONLY APPLIES TO AN APPLICANT WHO MAY BE AN EXISTING RACING LICENSEE**

33. The Licensee shall, as a G.L. c.128A licensee and in accordance with G.L. c.23K, §20(c), maintain and conduct the annual live racing seasons. Failure to conduct live racing will result in suspension of the Category 2 license.
34. The Licensee shall, as a G.L. c.128A licensee and in accordance with G.L. c.23K, §24(a)(c), maintain the existing racing facility and increase the number of live racing days to a minimum of 125 days according to the following schedule:
  - a. In the first calendar year of operation, the Licensee shall hold 105 racing days;
  - b. In the second calendar year of operation, the Licensee shall hold 115 racing days; and
  - c. In the third and subsequent calendar years of operation, the Licensee shall hold 125 racing days.Failure to maintain the minimum number of racing days shall result in suspension of this License.
35. The Licensee shall, pursuant to G.L. 23K, §24(d), have an annual purse agreement in effect by December 31 of each year for the following year's racing. If the purse agreement cannot be negotiated in good faith, the agreement shall be arbitrated by the Commission.
36. The Licensee shall, as a G.L. c.128A licensee that conducts simulcast wagering under G.L.128C and in accordance with G.L. c.23K, §20(c), conduct simulcasting pursuant to chapter 128C for the duration of this License. Failure to conduct simulcast wagering will result in the suspension of this License.

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### Diversity

37. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(21), formulate for Commission approval and abide by an affirmative marketing program by which the Licensee identifies specific goals, expressed as an overall program goal applicable to the total dollar amount or value of contracts entered into, for the utilization of: (i) minority business enterprises, women business enterprises and veteran business enterprises to participate as contractors in the design of the Gaming Establishment; (ii) minority business enterprises, women business enterprises and veteran business enterprises to participate as contractors in the construction of the Gaming Establishment; and (iii) minority business enterprises, women business enterprises and veteran business enterprises to participate as vendors in the provision of goods and services procured by the Gaming Establishment and any businesses operated as part of the Gaming Establishment; provided, however, that the specific goals for the utilization of such minority business enterprises, women business enterprises and veteran business enterprises shall be based on the availability of such minority business enterprises, women business enterprises and veteran business enterprises engaged in the type of work to be contracted by the Licensee.
38. The Licensee shall, pursuant to G.L. c. 23K, § 15(16), formulate for commission approval and abide by an affirmative action program of equal opportunity whereby the Licensee establishes specific goals for the utilization of minorities, women and veterans on construction jobs; provided, however, that such goals shall be equal to or greater than the goals contained in executive office of administration and finance administration Bulletin Number 14; provided further, that in furtherance of the specific goals for the utilization of minorities, women and veterans on construction jobs, the Licensee shall send to each labor union or representative of workers with which the Licensee or its agent has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the Licensee's commitments.
39. The Licensee shall formulate for commission approval and abide by an affirmative action program of equal opportunity whereby the Licensee establishes specific goals for employment of minorities, women and veterans in the Gaming Establishment and use of minorities, women and veterans as vendors to the Gaming Establishment.
40. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(20), abide by an affirmative action program of equal opportunity by which the Licensee guarantees to provide equal employment opportunities to all employees qualified for licensure in all employment categories, including persons with a disabilities, under the laws of the Commonwealth.

### Responsible Gaming

41. The Licensee shall, in accordance with G.L. c.23K, §9(a)(8) maintain a smoke-free environment within the gaming establishment under G.L. c.270, §22.

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42. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(16), provide complimentary on-site space for an independent substance abuse, compulsive gambling and mental health counseling service and establish a program to train gaming employees in the identification of and intervention with customers exhibiting problem gaming behavior.
43. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(17), keep conspicuously posted in the Gaming Area a notice containing the name and a telephone number for problem gambling assistance; provided, however, that the Commission may require the Licensee to provide this information in more than one language.
44. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(18), provide a process for individuals to exclude their names and contact information from the Licensee's database or any other list held by the Licensee for use in marketing or promotional communications.
45. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(19), institute additional public health strategies as required by the Commission.

#### Licensee Specific Conditions

46. The Licensee shall ...

#### Other

47. The Licensee shall commit to supporting its community mitigation plan under 205 CMR 119.01(6) and (11).
48. The Licensee shall, pursuant to 205 CMR 120.02(1)(a), obtain from the Secretary of the Executive Office of Environmental Affairs an Environmental Impact Report or a determination that no Environmental Impact Report is required.

The licensee shall as a condition of this license fully, completely and timely comply with all Mitigation Measures identified in the Final Environmental Impact Report ("FEIR") for the Project, as certified by the Secretary of EOEEA, to limit negative environmental impacts and to cause positive environmental impacts during development and operation of the Project. Specifically and without limitation, the licensee shall fully, completely and timely undertake and complete the Mitigation Measures listed in Sections \_\_\_\_, \_\_\_\_, and \_\_\_\_ of the FEIR to avoid, minimize, and mitigate potential environmental impacts.

The licensee shall as a condition of this license fully, completely and timely comply with the Commission's Section 61 Findings issued pursuant to the Massachusetts Environmental Policy Act ("MEPA"), M.G.L. c. 30, § 61, and its regulations, including 301 CMR 11.12: Agency Responsibilities and Section 61 Findings. The Commission's

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Section 61 Findings are expressly incorporated herein and made part of this license. Without limitation, the licensee shall as a condition of this license fully, completely and timely comply with all conditions to, restrictions on and Mitigation Measures for the Project specified in the Commission's Section 61 Findings.

This license shall be subject to the Commission's right to reconsider the license pursuant to 205 CMR 120.02, and to either affirm, deny, limit, condition, restrict, revoke, suspend or modify the license as applicable in the discretion of the commission as set forth therein.

49. The Licensee shall, pursuant to 205 CMR 120.02(1)(c), submit to the commission documentation demonstrating that it has obtained all federal, state, and local permits or approvals necessary for the construction and operation of the proposed Gaming Establishment, other than those required from the Commission, and that either: (a) the conditions imposed by those permits or approvals will not cause significant and material adverse impacts on a host or surrounding community, or impacted live entertainment venue, that have not been addressed in a host or surrounding community agreement or impacted live entertainment venue agreement; or (b) any conditions of federal, state, or local permits or approvals expected to cause significant and material adverse impacts on a host or surrounding community or impacted live entertainment venue that have not been addressed in a host or surrounding community agreement or impacted live entertainment venue agreement have been adequately addressed pursuant to 205 CMR 127.00: Reopening Mitigation Agreements.
50. The Licensee shall conform the construction and operation of its proposed Gaming Establishment, in all material respects, to its RFA-2 Application and shall, pursuant to G.L. c. 23K, § 21(a)(1), otherwise abide by every statement made in its RFA-1 or RFA-2 Application to the Commission, including all evaluation criteria and eligibility requirements.
51. The Licensee shall, pursuant to G.L. c. 23K, § 21(a)(2), comply with all laws of the Commonwealth, the laws of the United States, and all rules and regulations of 205 CMR.

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The Commission hereby grants this Category 2 Gaming License to **Insert Applicant Name, LLC**, subject to all the terms and conditions noted above.

\_\_\_\_\_  
Chairman Stephen P. Crosby

February 28, 2014  
\_\_\_\_\_  
Date

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Commissioner Gayle Cameron

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Commissioner James F. McHugh

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Commissioner Bruce Stebbins

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Commissioner Enrique Zuniga

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