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January 26, 2015

By E-Mail and U.S. Mail

Stephen Crosby
Chairman
Massachusetts Gaming Commission
101 Federal Street, 23rd Floor
Boston, Massachusetts 02109

Re: KG Urban

Dear Chairman Crosby:

On behalf of KG Urban, we are writing to request that the Gaming Commission permit additional time beyond the January 30 deadline for KG Urban to submit a “substantially complete” RFA 1 Application for the reasons discussed below.

Since our last briefing of the Commission, we can report that KG Urban has begun discussions with two experienced gaming companies who are interested in operating a resort casino at Cannon Street. In addition, as part of its ongoing discussions with Mayor Mitchell, KG Urban has agreed to fund a study of its Cannon Street site, which will be conducted for the Mayor by Sasaki & Assoc. (the “Study”). We expect that the Study will lead to successful HCA negotiations with Mayor Mitchell, which in turn will allow KG Urban to enter into definitive agreements with an operator and equity investors.

KG is requesting that it be permitted an additional 60 days to substantially complete its Phase I application, in light of the particular circumstances arising in Region C. KG Urban’s commitment to the Cannon Street site predates passage of the Expanded Gaming Act – a commitment that is evidenced by its investment of over \$12 million in support of its waterfront resort casino proposal and its submission of the \$400,000 RFA 1 application fee two years ago. KG Urban has remained committed to its Cannon Street project, notwithstanding the statewide gaming referendum campaign last summer and fall, the Mashpee Wampanoag’s ongoing attempts to chill the development of a commercial casino in Region C, and the distractions of the Region A and B licensing process. We would also note that the Commission’s requirement of “substantially complete” RFA 1 applications is being applied only in Region C and applicants in other regions were permitted to add additional investors, operators and land owners after their RFA 1 applications were filed.

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As part of this request, KG Urban acknowledges that, in order for the Investigation and Enforcement Bureau to have the appropriate period to conduct its suitability investigations, there will likely need to be an extension to the RFA 2 application due date and the license award date. The additional time KG is requesting should not materially affect the Commission's overall goal of awarding a license that will bring revenue to the Commonwealth and significant economic development to Region C in a timely manner.

Thank you for your consideration of our request. Please let us know if we can answer any questions or provide additional information.

Sincerely,



Kevin C. Conroy

KCC



Karen Wells
Director of Investigations and Enforcement Bureau
84 State Street, Floor 10
Boston, Massachusetts 03109

Re: Submission of Application for David P. Hanlon and Somerset On The Move, LLC and Formal Request for Extension of Time.

Dear Ms. Wells:

On behalf of Somerset On The Move LLC we are pleased to submit our Phase 1 application to the Massachusetts Gaming Commission for its consideration regarding the gaming license for Region C Massachusetts.

We have enjoyed several interactions with the staff of the Gaming Commission over the last several weeks. From the beginning we have acknowledged to the staff that we were late getting involved in this process. Nevertheless, we have strong interest in developing a significant project in the Town of Somerset, which would bring a first-class gaming and entertainment operation to the people of Massachusetts and surrounding jurisdictions. We anticipate the Project would represent the best in destination and local gaming entertainment.

We seek the opportunity in Somerset because of the strong support locally, the regional impact from an economic development standpoint and because of the superior location in terms of being a distinct market that does not compete with other surrounding markets. There is the additional benefit of partnering with the Town of Somerset on the Town-owned parcel in order to promote economic development.

Based on correspondence we received from the staff at the Gaming Commission, we recognize that our application is not complete, in that we have not identified all the equity sources.

We attach for your consideration a highly confident letter from Jeffries & Company, one of the leading investment banks involved in gaming finance, regarding their support and interest in providing funding for the Project. Additionally we continue to finalize our discussions with additional equity providers who would have to come forward and complete the application process.

We submit at this time our application which consists of the personal disclosure of myself, David Hanlon, and our entity Somerset On The Move, LLC. We understand that the Commission is meeting

February 5th and may consider a request for additional time from one or more applicants. We request a decision on granting Somerset On The Move, LLC an extension of time so we might complete our application. In consideration of this request we believe we bring strong resources to the process consisting of over 30 years of experience developing and operating casinos in many jurisdictions. During those years we have a stellar track record of transparency and forthrightness in dealing with gaming regulators. We believe we have a superior location in the Town of Somerset, and look forward to pursuing the project in partnership with the Town.

We appreciate your consideration of our formal request of an extension of time to complete our application.

Very Truly Yours,

A handwritten signature in blue ink, consisting of a stylized 'D' and 'H' followed by a long horizontal line extending to the right.

David P. Hanlon
702-528-6363

Cc: Stephen A. Crystal, Esq.

Jefferies

Jefferies LLC

520 Madison Avenue
New York, NY 10022
tel 212.284.2300
Jefferies.com

January 28, 2015

Somerset on the Move, LLC
255 E. Warm Springs, Suite 100
Las Vegas, NV 89119

Attention: David Hanlon

Ladies and Gentlemen:

We understand that Somerset on the Move, LLC ("Somerset", "you" or "your") intends to submit an application to the Massachusetts Gaming Commission for a license ("Gaming Facility License") to operate a proposed gaming facility in a structure located in Somerset, Massachusetts (the "Gaming Facility"). Specifically, the Gaming Facility would offer approximately 1,200 slot machines, 25 table games, 9 poker tables, a buffet food court and restaurant. You have further advised us that you plan to raise up to \$250.0 million of debt financing (the "Debt Financing") in connection with the construction of the first phase of the Gaming Facility, as part of the Gaming Facility project with a total contemplated cost of approximately \$350.0 million.

We understand that the proceeds from the Debt Financing will be used by the Borrower to (a) finance construction of the Gaming Facility (b) pay costs, fees, commissions and expenses in connection with the Debt Financing, (c) finance ongoing working capital requirements and other general corporate purposes (including, without limitation, permitted acquisitions and capital expenditures), and (d) acquire a Gaming Facility License.

We are pleased to confirm that Jefferies LLC ("Jefferies", "we", "us" or "our") is highly confident of its ability to arrange the Debt Financing based on our preliminary review of certain financial information and projections provided by you to us, our understanding of the Debt Financing as described above and current market conditions and subject to the satisfaction of all other conditions outlined below, including that, among other things: (i) there not having occurred any material adverse change in the condition (financial or otherwise), results of operations, business, assets, property, liabilities or prospects of Somerset, or the Gaming Facility since the date hereof, (ii) there are not existing any pending or threatened claim, suit or proceeding which Jefferies shall reasonably determine could have a materially adverse effects on the business, properties, assets, liabilities, condition (financial or otherwise) or prospects of Somerset or the Gaming Facility, (iii) the receipt of all necessary governmental, regulatory and third-party approvals or consents in connection with the Gaming Facility, (iv) the terms and structure of the Debt Financing being acceptable to Jefferies, (v) the negotiation, execution and delivery of documentation for each component of the Debt Financing and related transactions in form and substance satisfactory to Jefferies, (vi) Jefferies and its representatives having completed and being satisfied with the results of their business and legal due diligence with respect to Somerset and the Gaming Facility, the

Jefferies

Debt Financing, including, but not limited to, proposed business plans and projections and financial, accounting, environmental, tax, litigation, labor and pension matters, (vii) the receipt and review (to our reasonable satisfaction) of independent third party reports as to certain matters ~~customarily so reported upon in transactions of this type, consulting and market analysis reports,~~ property evaluation and title reports), (viii) the engagement of a gaming operator reasonably acceptable to Jefferies, (ix) there not having been any disruption or material adverse change in the syndication market for credit facilities or the financial or capital markets in general, in the judgment of Jefferies, (x) Jefferies having been engaged to and having a reasonable time to arrange and market the Debt Financing based on Jefferies experience in comparable transactions, (xi) receipt of ratings from Moody's and Standard and Poor's that are satisfactory to Jefferies and the purchasers and/or lenders of the Debt Financing, (xii) Jefferies receipt of all internal credit, equity and other internal approvals of Jefferies and its relevant affiliates and our verification of all assumptions we have made, (xiii) the successful award of a Gaming Facility License to Somerset in form and substance acceptable to Jefferies and (xiv) satisfaction of all other conditions Jefferies would require to be fulfilled with respect to the Debt Financing.

This letter is confidential and is being provided to the addressees solely in connection with the Gaming Facility License application and may not be used or circulated, quoted or otherwise referred to in any document, except with our prior written consent. Notwithstanding the foregoing, this letter may be shown to the Massachusetts Gaming Commission.

For the avoidance of doubt, this letter is not a guarantee of the availability of the Debt Financing. Nothing herein shall be deemed to constitute any commitment by Jefferies to purchase or arrange the Debt Financing; such a commitment shall be evidenced only by the execution and delivery of, and shall be subject to the terms and conditions of, definitive documentation satisfactory to Jefferies in its sole discretion.

Sincerely,

JEFFERIES LLC

By 

Name: Thomas Granite
Title: Managing Director

Mary Jane Nunes
Post Office Box 6684
Snowmass Village, CO 81615

January 29, 2015

Massachusetts Gaming Commission
101 Federal Street, 23rd Floor
Boston, MA 02110

Dear Massachusetts Gaming Commissioners,

My name is Mary Jane Nunes. As you may or may not know, my husband, David H. Nunes, became seriously ill in late November 2014 and passed away on December 30, 2014 in Washington DC. David's funeral service was held just two weeks ago on Cape Cod.

David worked passionately and tirelessly for many years to help bring casino gaming to the Commonwealth of Massachusetts. As the Commission knows, David, through one of his operating entities, submitted an RFA-1 Application for Region A, along with the required application fee, back in January of 2013. When the Host Community Referendum regarding the Milford project was not approved, David turned his attention to Southeastern Massachusetts and the potential of applying for a Category 1 License in Region C. David had several conversations with IEB Director Karen Wells about the Region C Application and was in the process of putting together the required components for the proposal when he became ill and subsequently passed away.

Needless to say, because of the seriousness of his illness and untimely passing, David's operating entity missed the mid-January deadlines for the Region C Application. As a result of these extraordinary circumstances, I am fervently requesting that the Commission extend the deadline for Applications seeking a Category 1 license in Region C, to allow David's operating entity the ability to complete its compilation of the necessary background and suitability documentation required by the Commission and to then submit their application. Understanding that time is of the essence, I deeply appreciate your thoughtful consideration of this request.

Respectfully,



Mary Jane Nunes