

HOST COMMUNITY AGREEMENT

By and Between the City of West Springfield, Massachusetts and HR Massachusetts, LLC

This Agreement (“Agreement”) is made and entered into as of July 11, 2013 (the “Effective Date”), by and between the City known as the Town of West Springfield, Massachusetts (“City” or “West Springfield”), a municipality in the Commonwealth of Massachusetts, and HR Massachusetts, LLC (“HRMA”), a Florida limited liability company d/b/a “HR Massachusetts Gaming, LLC” and “Hard Rock Hotel & Casino, New England”, a subsidiary of Seminole HR Holdings, LLC (“SHRH”) whose address is P.O. Box 6347, St. Thomas, U.S. Virgin Islands 00802 (collectively referred to as the “Parties”).

RECITALS

The following are the recitals underlying this Agreement:

HRMA, directly or through an affiliate, has acquired or will acquire land and options to acquire land and/or long-term leases in land located in the City in and around the area depicted in Exhibit A, and such other land and improvements as HRMA or its affiliates may acquire in connection herewith (the "Project Site").

HRMA plans to apply to the Massachusetts Gaming Commission (the “Commission”) for a category 1 gaming license and to develop a first-class hotel, destination resort casino and ancillary facilities on the Project Site (the “Project”).

The City believes that the Project will bring economic development to the City, creating new jobs for residents and new sources of income for the City, and accordingly, the City desires to support HRMA in the development of the Project.

HRMA desires to mitigate impacts from the development and operation of a gaming establishment through the means described herein in accordance with Chapter 194 of the Acts and Resolves of 2011 (the “Massachusetts Gaming Act” or “Act”).

Subject to a City-wide referendum ballot, to be held pursuant to Section 9.D. of this Agreement, to authorize the operation in the City of a gaming establishment licensed by the Massachusetts Gaming Commission, HRMA and the City desire to enter into this Agreement to set forth the conditions to have a gaming establishment located within the City at the Project Site, in satisfaction of Massachusetts General Laws, c.23K, § 15(8).

Accordingly, the Parties for good and valuable consideration, the receipt of which is hereby acknowledged, enter into this Agreement to effectuate the purposes set forth above and to be bound by the provisions set forth below:

Section 1. Payments to and on Behalf of the City and the Region

The Parties agree to the following:

A. Prior to Commencement of Operations

1. Project Planning Payments

Subject to the budget and approval process outlined below, HRMA agrees to pay all the City's reasonable and direct costs (including but not limited to planning and peer review costs and legal fees) of determining the impacts of the Project and negotiating this Agreement and related agreements, as well as other reasonable and direct costs incurred by the City in connection therewith (including but not limited to costs incurred in connection with holding a ballot election, communicating with/appearing before the Commission in connection with HRMA's license application, preparing and presenting amendments to the City's Ordinances and other legislative enactments, and participating in other permitting activities and proceedings relative to the Project). The City shall prepare and submit to HRMA a budget(s) for all costs for which the City will seek payment or reimbursement hereunder, which budget(s) shall be subject to HRMA's review and approval and which approval shall not be unreasonably withheld or delayed. Any costs not included in the approved budget(s) shall require the separate prior approval of HRMA. The City shall also provide HRMA with advance copies of any proposal, contract and scope of work for all consultants to be retained in connection with the prosecution of all of the foregoing efforts.

The parties agree that such funding will be made through HRMA's initial license application fee to the Commission and, subject to the foregoing budget and approval requirements, such further payments as may be necessary to cover the City's costs, and that the parties will cooperate in seeking approval and payment of such costs through the Commission. The City shall provide reasonable substantiation and documentation for any and all costs paid for or reimbursed by HRMA pursuant hereto but shall not be required to divulge privileged billing entries by its legal counsel.

2. Community Enhancement Payments

a. Within five (5) days after the execution of this Agreement, HRMA shall make a one-time grant of Four Hundred Thousand Dollars (\$400,000) to the City for the express purpose of assisting the City in funding certain community development projects within the City.

b. Within thirty (30) days of the earlier of (i) the Commission's final and nonappealable award of a category 1 license to HRMA, or (ii) HRMA's Commencement of Construction (hereinafter defined), HRMA shall make a one-time grant of Two Hundred Fifty Thousand Dollars (\$250,000) to the City for the

purpose of assisting the City in funding the general purposes of the City, including without limitation the acquisition and installation of way-finding and gateway signage. For purposes of this Agreement, the term “Commencement of Construction” shall mean the commencement of construction of forms necessary for the installation of foundations, or the commencement of any other vertical construction, on the Project Site.

c. Beginning after the earlier of (i) the Commission’s final and nonappealable award of a category 1 license to HRMA, or (ii) HRMA’s Commencement of Construction, HRMA shall make an annual payment to the City in Two Million Dollars (\$2,000,000). Such annual payments shall be paid to the City in equal quarterly amounts, and the first payment shall be made within thirty (30) days after the earlier of (i) the Commission’s final and nonappealable award of a category 1 license for the Project to HRMA, or (ii) HRMA’s Commencement of Construction.

HRMA’s obligation to make the payments required by this Section 1.A.2.c. shall cease upon payment of the last quarterly payment due prior to Commencement of Operations (as hereinafter defined), and shall toll during the occurrence and continuation of any (i) breach by the City of its obligations hereunder which breach continues after 15 days’ written notice of same from HRMA to the City, or (ii) event of force majeure (hereinafter defined). For purposes of this Agreement, the term “Commencement of Operations” shall mean the date upon which the casino gaming operations of the Project open for business with the public on a real-money basis (i.e., exclusive of any “test”, or “play money” operations).

All payments under this Section 1.A.2.c shall be made for Public Safety (Police, Fire and Health), capital improvements, equipment and training. Such payment would also be utilized for any additional Police, Fire and EMS staffing and training required to mitigate the impacts of the Project and for the secondary purpose of benefitting the City, particularly in the vicinity of the Project, including capital improvements, urban redevelopment and property acquisition.

3. Surrounding Community Enhancement Grants

Beginning after the Commission’s final and nonappealable award of a category 1 license to HRMA, HRMA shall make available to Surrounding Communities (as defined pursuant to Massachusetts General Laws, c.23K, §2), on a one-time grant basis, up to Two Million Dollars (\$2,000,000). Such grants shall be paid to the Surrounding Communities (as HRMA or the Commission shall determine) in such amounts as HRMA shall reasonably determine, prior to Commencement of Operations.

HRMA’s obligation to make the payments required by this Section 1.A.3. shall toll during the occurrence and continuation of any event of force majeure (hereinafter defined).

All payments made under this Section 1.A.3. shall be utilized for implementation of measures designed to mitigate Project impacts in the recipient Surrounding Communities with priority given to traffic mitigation.

B. Upon Commencement of Operations

As described hereafter, upon Commencement of Operations, HRMA will, on an annual basis, make five defined payments to the City and certain Regional Member Communities (hereinafter defined) which the parties anticipate will total approximately Twenty-Six Million Dollars (\$26,000,000) annually upon reaching normalized operations. The five defined payments comprising HRMA's annual obligation include: (1) the Property Assessment Payment, (2) the Impact Fee, (3) the Community Benefit Payments (4) the Regional Partners Payments and (5) the Surrounding Community Impact Fee, as all such terms are hereinafter defined. The annual payments described below are based upon HRMA's stated intention to construct the Project to include approximately 650,000 square feet of non-parking interior space. The parties acknowledge that the Property Assessment Payments, the Impact Fees and the Community Benefit Payments shall be increased proportionally based upon any increase in non-parking interior square footage above 750,000 square feet (the "Cap"). The effective date of such increase shall be the date of the issuance of a certificate of occupancy.

If HRMA increases its non-parking interior square footage above the Cap and determines in good faith that the resultant increase in the Property Assessment Payments, the Impact Fees and the Community Benefit Payments are inequitable due to factors including but not limited to the revenue producing potential of any such new space, then upon written demand by HRMA to the City, the parties agree to negotiate the appropriate increase in the referenced fees. The parties agree to commence good faith negotiations within thirty (30) days of the date of HRMA's notice and to conclude such good faith negotiations within ninety (90) days of the date of such notice, unless extended by the mutual consent of the parties. HRMA agrees to provide to the City such reasonable documentation supporting its position as the City may request. If the parties are unable to reach a mutually acceptable resolution within the 90-day period provided, then upon written demand by HRMA, the parties shall engage in binding arbitration. In any such binding arbitration, the arbiter shall be directed to determine the propriety of the subject proportional increase in payments directed by the preceding paragraph under the circumstances cited by HRMA, and upon concluding that such increase is inequitable (the burden of proving which shall be on HRMA), the appropriate reduction in any such payments.

Within 30 days after HRMA's notice of demand for arbitration, the parties shall jointly identify an acceptable arbiter; provided, that if the parties are unable to come to agreement on a single arbiter, then each shall select one arbiter, and those two arbiters shall select a third arbiter who, together with the first two arbiters shall sit as a panel. HRMA shall be responsible for all fees, costs and expenses of such arbiters and the reasonable fees, costs and expenses of the City incurred in defending such arbitration.

Any future additions to or improvements upon additional land acquired by HRMA within the City shall be subject to assessment and taxation by the City as provided by law.

1. Annual Property Assessment Payment to West Springfield

It is the desire of both parties to achieve certainty with respect to revenue to be generated by the Project for the City. Currently, a significant portion of the Project Site (i) constitutes an unsubdivided portion of a larger parcel of land, and (ii) is owned by a nonprofit organization and employed in its not for profit uses. To achieve the certainty desired by the parties and to assist the City in its long term budgeting and planning efforts, the parties intend to pursue passage of special legislation subsequent to the award of a category 1 license for the Project, the purpose of which will be to allow the parties to establish an annual, agreed-upon payment (an "Property Assessment Payment"), as an alternative to any and all real and personal property taxes that would otherwise be assessed by and paid to the City relative to all parcels comprising the Project Site (but excluding motor vehicle excise taxes, which shall be paid as provided in Section 1.B.7., below). The parties hereby agree to work cooperatively to prepare and seek all necessary approvals of such special legislation.

If special legislation authorizing a Property Assessment Payment is signed into law prior to the Commencement of Operations, or if the parties are otherwise successful in establishing a lawful Property Assessment Payment, then beginning the earlier of (i) thirty (30) days after Commencement of Operations, or (ii) the receipt of a final certificate of occupancy for the Project, HRMA shall make an annual Property Assessment Payment to the City in the sum of Fifteen Million Dollars (\$15,000,000). The Property Assessment Payment shall continue for as long as a commercial gaming facility continues to operate upon the Project Site. Commencing on the fifth (5th) anniversary of the Commencement of Operations (day 1 of year 6 of operations) (the "Adjustment Date"), said payment shall increase annually by the greater of (1) one percent (1%) or (2) the lesser of (i) any percentage increase in the CPI (hereinafter defined) over the trailing 12-month period, or (ii) two percent (2.0%) (such annual percentage increase, the "Adjustment Factor"). Such payments shall be paid to the City in equal quarterly amounts pro-rated for the first and last calendar year of operation in recognition that the City has a July 1 to June 30 fiscal year.

If special legislation authorizing a Property Assessment Payment is not signed into law, the parties may pursue other lawful and available means to authorize and establish a Property Assessment Payment. If no such alternative arrangement is made, and in any event upon the expiration of the availability of any such alternative arrangement that is authorized, the parties agree that the City will be required to assess HRMA real and personal property taxes in accordance with Massachusetts law and generally accepted assessment standards. If, in any given year, the real and personal property taxes so assessed are less than the Property Assessment Payment would be under this Section 1.B.1., then the Impact Fee will be increased by an amount equal to

such difference. If, on the other hand, the real and personal property taxes so assessed are more than the Property Assessment Payment would be under this Section 1.B.1., first the Impact Fee, second the Community Benefit Payments and third the Regional Partners Payments will be decreased by an amount equal to such difference, provided however that if such decrease would exceed the total amount of the Impact Fee, the Community Benefit Payments and the Regional Partners Payments, the City shall not be required to make any repayment to HRMA from any other source.

In no event shall the inability of the parties to obtain special legislation or otherwise to lawfully arrange for a Property Assessment Payment result in termination of this Agreement or otherwise relieve HRMA of its obligations hereunder.

2. Annual Development Impact Fee Payment to West Springfield

Beginning thirty (30) days after Commencement of Operations, HRMA shall pay an annual community impact fee to the City in the sum of One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Impact Fee"). The Impact Fee shall continue for as long as a commercial gaming facility continues to operate upon the Project Site. Commencing on the Adjustment Date, said payment shall increase annually by the Adjustment Factor. Such payments shall be paid to the City in equal quarterly amounts pro-rated for the first and last calendar year of operation in recognition that the City has a July 1 to June 30 fiscal year. The Impact Fee is intended to be utilized for the Project-related City services, including Fire, Public Safety and Public Works.

HRMA's obligation to make the payments required by this Section 1.B.2. shall toll during the occurrence and continuation of any (i) breach by the City of its obligations hereunder which breach continues after 15 days' written notice of same from HRMA to the City, or (ii) event of force majeure.

3. Annual Community Benefit Payments

Beginning thirty (30) days after Commencement of Operations, HRMA shall make annual payments to the City and/or nonprofit organizations serving the City totaling (i) One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Fixed Payment") plus (ii) two percent (2.0%) of Project GGR in excess of Four Hundred Forty-Four Million Dollars (\$440,000,000) (the "Percentage Payment"; the Fixed Payment and the Percentage Payment are collectively referred to as "Community Benefit Payments"). For purposes of this Agreement, the term Project GGR shall mean Gross Gaming Revenue (as defined pursuant to Massachusetts General Laws, c.23K, §2) generated by the Project. The Community Benefit Payments shall continue for as long as a commercial gaming facility continues to operate upon the Project Site. Commencing on the Adjustment Date, the Fixed Payment shall increase annually by the Adjustment Factor. Such payments shall be paid to the City and/or nonprofit organizations in equal quarterly amounts pro-rated for the first and last calendar year of operation in recognition that the City has a July 1 to June 30 fiscal year. The Percentage Payment shall be subject to an annual "true-

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up” based upon annual Project GGR as reflected in the audited financial statements of HRMA.

The Community Benefit Payments shall be comprised of payments for the benefit of the following organizations and purposes:

- a) Mittineague Park (improvements such as improvement to ball fields and facilities, access to the "Peninsula", access to the Westfield River, new trails and Bike Paths)
- b) the Senior Center (expanded meals on wheels, improvements to facilities, expanded programs at the UNICO building and other facilities outside of the Senior Center)
- c) youth sports facilities and programs
- d) Town Library
- e) Schools Department (technology, music and art programs)
- f) Bear Hole Reservoir (Restoration of watershed areas to natural state for protected passive recreation, improved trails, expanded personnel for monitoring of watershed.)
- g) enhancement of access to rivers for recreational purposes
- h) community enhancements, particularly in the vicinity of the Project, including capital improvements, urban redevelopment and property acquisition
- i) community social programs
- j) women, minority and veterans programs targeting job creation, housing and educational opportunities

Prior to Commencement of Operations, the City and HRMA shall cooperate in developing agreed upon payment methods and recipients of such payments to effectuate the purposes of such payments as set forth herein. It is the intent of the parties that the Community Benefit Payments be restricted and dedicated for the purposes stated herein, to the extent permitted by law. The parties agree to work cooperatively to effectuate such purpose through the establishment and use of appropriate enterprise funds, gift accounts, direct charitable payments, grants, trusts and other existing lawful accounting mechanisms. If and as necessary, the parties further agree to seek special legislation to effectuate such purpose.

HRMA’s obligation to make the payments required by this Section 1.B.3. shall toll during the occurrence and continuation of any (i) breach by the City of its obligations hereunder which breach continues after 15 days’ written notice of same from HRMA to the City, or (ii) event of force majeure.

4. Regional Partners Payments. Recognizing the goals of the Act with respect to broadly expanding the regional economic benefits of gaming, the parties intend that the Project should benefit neighboring and other proximate communities to the fullest extent possible, despite the fact that certain of such communities may not meet the definition of a Surrounding Community or be designated as such by HRMA or the

Commission. Accordingly, the parties agree to cooperate in the establishment of a mutually acceptable “Regional Partners Fund”, to be administered by the Commission, subject to the parties entering into an administration agreement with the Commission that is reasonably acceptable to each of them. If the Commission is unable or unwilling to act as administrator of the Regional Capital Improvement Fund, or if the parties are unable to come to agreement with the Commission on terms of an administration agreement reasonably acceptable to each of them, then the parties shall appoint a third-party administrator reasonably acceptable to each of them. Through the use of inter-municipal agreements, special legislation and/or other lawful means, the chief executive bodies of the City and each of the following municipalities (collectively, “Regional Member Communities”) shall form an advisory board (the “RMC Advisory Board”) for the purpose of providing advice to the administrator of the Regional Partners Fund regarding disposition of proceeds from the Regional Partners Fund:

- a) West Springfield
- b) Springfield
- c) Agawam
- d) Chicopee
- e) Holyoke; and
- f) Westfield.

Beginning thirty (30) days after close of the calendar quarter in which the Commencement of Operations occurs, and then within thirty (30) days of the close of each subsequent calendar quarter, HRMA shall make quarterly payments to the Regional Partners Fund totaling seventy-five one hundredths of one percent (0.75%) of Project GGR (“Regional Partners Payments”) for capital improvement projects that will jointly benefit the Regional Member Communities. Subject to the determination of the administrator of the Regional Partners Fund of project eligibility (after consultation with the RMC Advisory Board), each of the Regional Member Communities, in the order in which they appear above, shall be entitled to receive distribution of four (4) consecutive quarterly Regional Partners Payments from the Regional Partners Fund (e.g., West Springfield shall be entitled to receive distribution of the first four quarterly Regional Partners Payments, Springfield the next four, etc.). Once distributions have been made to all of the Regional Community Members as provided above, distributions will continue in the same manner, starting again at the top of the list above. The Regional Partners Payments shall continue for as long as a commercial gaming facility continues to operate upon the Project Site. All Regional Partners Payments shall be subject to an annual “true-up” based upon annual Project GGR as reflected in the audited financial statements of HRMA.

5. Surrounding Community Impact Payments. Beginning thirty (30) days after the close of the calendar quarter in which the Commencement of Operations occurs, and then within thirty (30) days of the close of each subsequent calendar quarter, HRMA shall pay a quarterly community impact fee to the each municipality designated by HRMA or the Massachusetts Gaming Commission as a Surrounding Community, as defined pursuant to Massachusetts General Laws, c.23K, which Surrounding

Community(ies) enter into agreement(s) with HRMA, in a total amount not to exceed one percent (1.0%) of Project GGR (the “Surrounding Community Impact Fee”) which the parties anticipate will total approximately Four Million Five Hundred Fifty-Seven Thousand Dollars (\$4,557,000) or more annually upon reaching normalized operations. The Impact Fee shall continue for as long as a commercial gaming facility continues to operate upon the Project Site. The Impact Fee would be utilized for the mitigation of Project-related City impacts. All Surrounding Community Impact Fees shall be subject to an annual “true-up” based upon annual Project GGR as reflected in the audited financial statements of HRMA.

6. Meals and Hotel Tax Revenues. HRMA acknowledges that it will be responsible for collecting and remitting to the City any local meals and hotel/room occupancy taxes, which the parties anticipate will total approximately One Million One Hundred Thousand Dollars (\$1,100,000) or more annually upon reaching normalized operations. HRMA agrees to assess and collect such taxes from its customers and remit payment to the City in accordance with applicable law.

7. Motor Vehicle Excise Taxes. HRMA shall principally garage all vehicles owned by it and used in connection with the Project in the City, so that excise taxes shall be paid to the City consistent with applicable law.

8. Permit Fees. HRMA agrees to pay to the City all actual and reasonable permitting, inspection and other customary municipal fees in connection with the development, maintenance, repair, expansion and operation of the Project, including but not limited to building permit fees, provided that all such fees are (i) valid and duly adopted in accordance with applicable law, and (ii) applied consistently and equitably to all commercial businesses in the City. In the event such fees are insufficient to meet the City’s reasonable actual and demonstrable costs in such connection (including use of existing staff time and payment of necessary consultants), then subject to the budget and approval requirements contained in Section 1.A.1. hereof, HRMA agrees to pay all such reasonable additional costs incurred by the City above and beyond such fees.

9. Interest. HRMA agrees to pay interest on any amounts due and owing hereunder that remain unpaid fifteen (15) days after HRMA’s receipt of written notice from the City of such outstanding payments at the rate charged under state law for overdue real property tax payments.

Section 2. Workforce Development; Local Hiring Preference

A. Construction Jobs

HRMA anticipates the need for approximately 2,000 direct positions for the construction and fit-out of the Project. HRMA will work in a good faith, legal and non-discriminatory manner with the Project’s construction manager to give preferential treatment to qualified West Springfield residents for contracting, subcontracting and servicing opportunities in the development and construction of HRMA’s Project in West

Springfield. Secondary preference will be given to residents of other communities in Hampden County. HRMA shall exercise good faith efforts to employ qualified minorities, women and veterans in proportions at least comparable to local demographic data. Prior to hiring/retaining contractors, subcontractors or servicers in connection with construction of the Project, HRMA shall advertise and hold at least two events at appropriate venues, at which it will publicize its construction needs and explain to attendees the process by which they may seek to be hired in connection with construction of the Project.

HRMA intends for the Project to be constructed using union labor. To that end, HRMA entered into that certain Memorandum of Understanding with the Pioneer Valley Building and Construction Trades Council and Carpenters Local No. 108, a copy of which is attached hereto as Exhibit B. HRMA's construction manager will develop a roster where local residents, who are members of the various construction unions working on the Project, can express their interest in working on the Project. The construction manager will then review and consider the individuals on the roster prior to filling any openings and encourage the project contractors to hire such individuals if they are qualified. To the extent permitted by law and practicable, HRMA will instruct subcontractors and vendors to utilize union labor from local chapters located in the City of West Springfield and/or Hampden County.

During construction of the Project, HRMA agrees to provide quarterly reports to the City regarding its compliance with this provision. At a minimum, such reports shall include: (1) all efforts made to publicize job or subcontracting opportunities to West Springfield citizens/businesses; (2) the total number of individuals hired and business retained in connection with construction of the Project; and (3) the number of West Springfield residents hired and West Springfield businesses retained in connection with construction of the Project. The information provided in the report shall be supported by appropriate documentation, which shall be submitted with and be considered part of, said report. The City may reasonably identify additional information to be provided by HRMA in the report required by this section.

B. Permanent Jobs

HRMA anticipates the creation of approximately 3,000 full-time equivalent jobs at the Project. In seeking to fill vacancies at the Project, HRMA will give priority to properly qualified residents of the City, and secondary preference to other properly qualified residents of Hampden County, to the extent that such a practice and its implementation is consistent with Federal, State or Municipal law or regulation. HRMA shall exercise good faith efforts to employ qualified minorities, women and veterans in proportions at least comparable to local demographic data

Prior to beginning the process of hiring employees (other than internally transferred employees of any affiliate of HRMA) for the Project, HRMA shall advertise and hold at least two events at appropriate venues (one focusing on City residents; the other focusing on Hampden County residents), at which it will publicize its hiring needs

and explain to attendees the process by which they may seek to be hired in connection with the Project.

HRMA agrees to allow the City to monitor and enforce this Agreement. HRMA shall provide to the City an annual report beginning in the month of January immediately following Commencement of Operations and for each successive year thereafter. Said annual report shall include, but not be limited to, full and part-time employment levels by HRMA and Project tenants at the beginning and end of the reporting period and the number of West Springfield residents hired by HRMA and Project tenants. The information provided in the report shall be supported by reasonable and appropriate documentation, which shall be submitted with and be considered part of, said report. The City may reasonably identify additional information to be provided by HRMA in the annual report required by this section.

C. Regional Training Initiatives

1. Higher Education and STCC/HCC

HRMA has entered into a Memorandum of Understanding with Springfield Technical Community College (“STCC”) and Holyoke Community College (“HCC”), a copy of which is attached hereto as Exhibit C, on initiatives and cooperation toward workforce training, with an emphasis on the casino and hospitality industries. The effort would work to maximize the industry-specific training that will be made available by the colleges and higher education network that they have established.

2. Western Training and Education Opportunity Task Force

HRMA will create a working task force in advance of Commencement of Operations to marshal existing resources and organizations with an expertise in workforce training and vocational education, in an effort to maximize the programs and potential of local hiring at all educational and professional levels. Participating organizations shall include: STCC, HCC, Workforce Opportunity Center, University of Massachusetts, Westfield State University and others.

3. Lower Pioneer Valley Career and Technical Education Center Training/Pipeline

HRMA will create a working relationship with the Lower Pioneer Valley Career and Technical Education Center (“LPVCTEC”) to develop a program(s) that can provide an assurance of vocational graduates with direct employment opportunities upon their graduation, in areas such as culinary, engineering, IT and other operations, where HRMA and LPVCTEC coordinate training programs. HRMA pledges that upon Commencement of Operations, it will provide employment for approximately thirty qualified graduates and will continue to hire graduates for the duration of the Term.

D. Local Vendors

1. Local Vendors/Buy Local

HRMA shall make a good faith effort to utilize local contractors and suppliers for construction and future operations of the Project and shall afford such opportunities to local vendors when such contractors and suppliers are properly qualified and price competitive. HRMA intends to acquire \$50,000,000 of goods and services annually from such local contractors and vendors and agrees to exercise good faith efforts, subject to availability, quality, qualification and pricing considerations, to maximize purchases of goods and services from Hampden County businesses on an annual basis. To achieve this goal, Hard Rock will create a Small Business Network of area businesses for the purposes of identifying specific capabilities, products, services and resources. HRMA's in-house procurement team will work with business advocacy organizations to achieve these objectives, including the West of the River Chamber of Commerce, Greater Springfield Chamber of Commerce, Westfield Chamber of Commerce, Holyoke Chamber of Commerce, Chicopee Chamber of Commerce and Latino Chamber of Commerce, and East of the River Chamber.

In addition, HRMA will create a "Buy Local" program for locally grown food and artisan purveyors of food throughout the region.

2. Small Business/Vendor Fairs

HRMA agrees to hold a minimum of three (3) small business and vendor fairs in advance of Commencement of Operations, with a goal of engaging, informing, educating and identifying local businesses for sourcing goods and services within the Project. One of the fairs will be held in West Springfield, another in Springfield and another in Holyoke.

3. Women-owned, Minority-owned and Veteran-owned Businesses

Hard Rock shall make a good faith effort to utilize products and services from women-owned, minority-owned and veteran-owned small businesses and/or vendors from West Springfield and the Western Massachusetts region for construction and future operations of the Project and shall afford such opportunities to women-owned, minority-owned and veteran-owned small businesses and/or vendors when such contractors and suppliers are properly qualified and price competitive.

4. Memorial Avenue Businesses

HRMA agrees to host a series of annual workshops with businesses along Memorial Avenue each year throughout the development process and upon Commencement of Operations to discuss cooperation, plans (including traffic, construction, and the like) to ensure that any negative impact to area businesses is

minimized. A written recap of such workshops will be included in the Annual Report to the City.

HRMA will make a one-time payment of Twenty-Five Thousand Dollars (\$25,000) within thirty (30) days after commencing construction of the Project for the creation and execution of a Restaurant Association to advance the marketing and business operations of Memorial Avenue area dining establishments.

5. Local Business Marketing

In addition, HRMA agrees that it will include as part of its rewards/frequent guest/loyalty or similar programs, and in employee rewards programs, vouchers/gift certificates to West Springfield businesses outside of the Project Site. HRMA intends to acquire \$50,000 annually in such vouchers and gift certificates.

6. Local and Regional Hoteliers Collaboration

Hard Rock agrees to create a working task force with West Springfield and regional hoteliers to maximize the positive impact of the new resort facility on area lodging properties. Such efforts might include cooperation on group sales marketing, conference and event recruitment, customer shuttle systems, and employee training programs.

Section 3. Total Investment/Project Development

HRMA shall invest not less than Eight Hundred Million Dollars (\$800,000,000) in the development of the Project. Initial conceptual design plans for the Projects are attached hereto as Exhibit D. Subject to force majeure, HRMA commits that the Project will be developed in a single phase of construction and be consistent in style and quality exhibited in existing properties owned or operated by HRMA affiliates.

Upon ballot approval of this Agreement by the City, subject to force majeure, HRMA shall use all reasonable efforts to promptly apply for, pursue and obtain a category 1 license from the Commission, and the City shall use all reasonable efforts to cooperate with and provide reasonable assistance to HRMA in licensing efforts. Subject to force majeure, HRMA shall use all commercially reasonable efforts to complete construction of the Project within three (3) years after the Commission's issuance of a category 1 license for the Project.

The parties recognize that the Project will require amendment of the City's Zoning Ordinances and consistent with the provisions of Section 9.C., below, agree to cooperate in the preparation and submission of such amendment(s). HRMA acknowledges that such amendment(s) may include an administrative site plan review process and adoption of reasonable design guidelines.

Section 4. Project Demand on City Services

HRMA recognizes that the Project may require certain reasonable and necessary upgrades to certain components of the City's utility infrastructure and, accordingly, agrees as follows:

A. Electricity

HRMA shall pay for electric power supply and the actual cost to upgrade existing electric facilities as necessary to provide electric power to the Project.

B. Natural Gas

HRMA shall pay the actual costs to upgrade existing gas transmission facilities as required for the Project.

C. Water and Sewer

HRMA shall pay all water and sewer connection fees and monthly water and sewer service charges, and assume all costs to the City required to construct water and sewer infrastructure improvements required to reliably expand the water system and wastewater sewer system as necessary to accommodate the anticipated water and sewerage needs required for the Project.

1. HRMA shall pay all costs associated with the design and construction of the necessary water and sewer extensions and connections from the Project to the City's water and sewer systems and for all maintenance and repairs required for the upkeep of that connection, including all connection fees.
2. HRMA shall provide the City with all specifications and plans for said water and sewer connections for approval by the City's water and sewer department prior to the commencement of any construction. Upon completion of construction, HRMA shall provide the City water and sewer department with as-built plans of the water and sewer connections as a condition precedent to the actual supplying of water and sewer service to the Project by the City.
3. HRMA shall provide and install a meter(s) of the type(s) and specification, and in such location(s), as shall be agreed upon with the City's water and sewer department.
4. HRMA shall be responsible for obtaining all necessary permits and approvals required by federal, state and local law, rules, and regulations for the excavation and construction required to install the water and sewer system connections to the Project, and shall maintain same in full force and effect as required for the construction of the connections.
5. HRMA shall be responsible for the maintenance and repair of the water and sewer system connections from the buildings located within the Project to the point of the actual connection to City's water and sewer system, including any maintenance reasonably required by the City. The City reserves the right to

perform any maintenance if HRMA fails to perform such maintenance in a timely manner, as well as the right to enter and perform emergency repairs if necessary with such reasonable prior notice to HRMA as the circumstances allow. HRMA shall be responsible for the costs of all such maintenance and emergency repairs.

To the extent that any of the foregoing improvements are to be prosecuted by the City, the City shall comply with and be subject to the budget and approval requirements contained in Section 1.A.1. hereof. Further, to the extent that any of the foregoing improvements are to be prosecuted by or in other municipalities in the Commonwealth, the City shall provide such cooperation and non-financial support as HRMA may reasonably request in the prosecution of such improvements and any applications, permits and other submissions of whatever nature, related to such improvements.

D. Public Safety

HRMA shall pay all costs associated with the design and construction of a police substation to be located on a portion of the Project Site in a location determined by HRMA in consultation with the City and its Chief of Police. HRMA shall work cooperatively with the City and its Chief of Police regarding police coverage at the Project.

HRMA shall pay all costs associated with the design and construction of a fire command center to be located on a portion of the Project Site in a location determined by HRMA in consultation with the City and its Fire Chief. HRMA shall work cooperatively with the City and its Fire Chief regarding police fire coverage at the Project.

INITIAL



Section 5. Transportation Improvements

HRMA and the City recognize the importance of improving traffic circulation, access in and around the Eastern States Exposition campus, parking, and infrastructure. The parties are supportive of improving the experience for Big E fair-goers and visitors throughout the year, as well as enhancing the roadway network and parking in the vicinity, while planning for incremental vehicle volume to the new resort. In addition, the parties recognize the importance of creating value for nearby properties, which is anticipated to occur by virtue of these improvements. In order to demonstrate its commitment to the aforementioned, HRMA will commit a minimum of Thirty-Five Million Dollars (\$35,000,000) of private-sector investment into public/private improvements in the area to satisfy these objectives. This marks the largest private sector investment ever into West Springfield's transportation, parking and infrastructure system and, is expected to dramatically improve transportation options, while creating new development opportunities and increasing property-values for residents and businesses.

HRMA agrees to work in good faith with the City to address all of the Project's material documented transportation infrastructure impacts, including road construction

necessitated by the Project. To that end, HRMA has retained Tighe & Bond of Westfield, MA to study the impacts that will be caused by the construction and operation of the Project. HRMA has provided that study to the City and, if requested by the City, will pay for Tighe & Bond to hold public meetings at which it will explain its findings to West Springfield residents. Subject to the budget and approval requirements described in Section 1.A.1. hereof, HRMA will further pay all reasonable expenses incurred by the City to have Tighe & Bond's analysis and recommendations peer reviewed by an independent traffic consultant(s) of the City's choosing.

Based on the findings of Tighe & Bond's assessment of the Project as to access to the Project site and off-site transportation infrastructure needs, the following minimum transportation-related improvements have been identified and will (unless otherwise agreed upon by the parties based upon, for example, revised assessments and/or recommendations by the parties' traffic experts or requirements of state transportation officials) be coordinated with the party responsible for design and construction, or designed and constructed by HRMA, as the case may be, subject to design approval by the City where applicable, and receipt of all necessary rights, permits and approvals as may be necessary to complete the identified improvement measures:

A. New Access (Route 5)

HRMA agrees to create and fund an alternative means of access into the Eastern States Exposition/Project site by way of Route 5.

B. Memorial Avenue Revitalization Program

The parties acknowledge that major improvements to Memorial Avenue have been an unfunded City priority for many years. As such, HRMA has agreed to develop, execute and fund as a project cost a total revitalization program for Memorial Avenue, which shall include widening from the Memorial Bridge Rotary to Circuit Avenue, new signalization at Circuit Avenue, and milling and repaving from the Rotary to the Morgan-Sullivan Bridge. In addition, an infrastructure program will provide new sidewalks, lighting, landscaping/beautification and ADA-compliant crosswalks at main intersections, and bicycle lanes. The estimated cost of this program is estimated to be approximately Ten Million Five Hundred Thousand Dollars (\$10,500,000). This private investment into public infrastructure will not only result in the completion of an important priority, it also represents a significant financial benefit to West Springfield taxpayers who will not be responsible for this expense. The parties will work together to acquire the requisite approvals from all relevant public agencies and to complete the work in an efficient manner with minimal disruption to circulation, businesses and residents. HRMA will fund installation of irrigation, regular beautification and maintenance of landscaping along Memorial Avenue at no cost to the City and/or other property owners, in a program that will be coordinated with the City.

C. Cooperation with MassDOT

HRMA agrees to cooperate with MassDOT, West Springfield, the Town of Agawam and other stakeholders in the redevelopment of the Memorial Bridge Rotary, the South End Bridge Rotary, and the Morgan-Sullivan Bridge to Agawam.

D. Coordination with ESE, City on Big E and Special Events traffic program

HRMA agrees to coordinate with the Eastern States Exposition, the West Springfield Police Department and other public agencies and stakeholders in the development and implementation of a new written plan for traffic control, parking and circulation, during the construction period of the project and upon Commencement of Operations. Such plan will address major traffic corridors (e.g., Route 20), routing, Memorial Avenue usage/efficiencies, staffing, and other key issues for the Big E fair dates, special events, holidays and the like, with a common goal of minimizing any negative impact to nearby property owners and businesses.

E. Coordination with Town of Agawam and Six Flags

HRMA agrees to coordinate with the Town of Agawam and the Six Flags New England theme park in the development of a new written plan for traffic control and circulation, during construction of the project and upon Commencement of Operations. The plan will also be coordinated with the Town of Agawam and West Springfield Police Departments and other public agencies and stakeholders. Such plan will address routing, usage/efficiencies, staffing, Big E fair days and special events, with the common goal of minimizing the negative impact to area residents and businesses.

F. Interests in Land

HRMA has endeavored and shall endeavor to continue to make requisite acquisitions and/or leases of adjacent and nearby parcels in the vicinity of the Eastern States Exposition campus to complete the parking and traffic improvements. To the extent that the City owns or otherwise controls any such parcels, and consistent with Section 9.E., below, the City shall cooperate with HRMA in providing to HRMA such access as may be satisfactory to HRMA in its reasonable discretion (e.g., licensing, establishment of easements, etc.), as may be required to effectuate necessary traffic improvements.

G. Public Transportation

HRMA will develop a Transportation Management Plan whereby HRMA, in cooperation with the Eastern States Exposition, will work with various public

transportation stakeholders (including Pioneer Valley Transportation Authority) to maximize the usage and efficiency of public transportation for Project guests and employees, as well as users of the Eastern States campus. HRMA agrees to explore opportunities, including additional public transit volume, shuttle systems, and coordination efforts with Springfield Union Station, Bradley International Airport and regional bus systems/operators, livery operators and the like. HRMA will create an incentive for the benefit of its employees so they are encouraged to use public transportation to the facility. HRMA will also create a marketing program for its casino customers to reimburse qualified customers for their respective individual expense of public transportation.

Section 7. Community Development

A. Hard Rock/ESE Community Charitable Foundation

HRMA will work cooperatively with the Eastern States Exposition to create and fund a community foundation (non-profit) to provide valuable support of unique, community initiatives in the City of West Springfield. Some of the prospective grants from this foundation may include organizations that HRMA has already supported including:

- The Food Bank of Western Massachusetts
- The Parish Cupboard
- The Boys & Girls Club of West Springfield
- After School Mentoring/Tutoring Programs in West Springfield, Springfield and Agawam
- Red Cross
- American Cancer Society
- West Springfield Garden Club
- Taste of West Springfield
- Care For Our Troops
- West Springfield and Regional Youth Sports Programs

B. Support of Regional Arts/Culture

HRMA agrees to host and/or to co-host with the Eastern States Exposition, and to promote and fund at least two events per year to promote local musicians and other artists and to benefit local and regional social programs and/or charitable organizations.

HRMA further agrees to exercise good faith efforts to enhance and support the arts, including the use local and regional artisans in the final fit-out of the facility, and featured art and music shows and/or cultural events.

C. Impacted Live Entertainment Venues

HRMA shall enter into cooperative marketing relationships with nearby Impacted Live Entertainment Venues, as defined by the Massachusetts Gaming Act. HRMA anticipates that such venues shall include:

- MassMutual Center
- Symphony Hall
- City Stage

D. Majestic Theater

HRMA will enter into a cooperative marketing relationship with the Majestic Theater, under which it will provide support to the theater company in advancing its marketing/promotions, fundraising and artistic mission, reinforcing the important role of local arts in the community.

Section 8. Responsible Gaming in West Springfield

HRMA recognizes that, while gaming is an enjoyable leisure and entertaining activity for most, there is a small percentage of the population that cannot game responsibly. While gaming is a part of our business, *responsible gaming* is a part of our culture. Therefore, HRMA will implement its existing Responsible Gaming Plan at the Project, the chief goal of which is to make sure that those people who cannot game responsibly get the help they need and to make sure that people who can game responsibly understand the importance of gaming responsibly.

HRMA will accomplish the responsible gaming goals in West Springfield by: (1) educating its employees and providing information to patrons about the odds of games and how to make responsible gaming decisions; (2) promoting responsible gaming in daily operations; and (3) supporting public awareness of responsible gaming.

HRMA will join and actively participate in the Massachusetts Partnership on Responsible Gambling for the express purpose of assisting the City of West Springfield, or its designee, to address issues of treatment for compulsive behavior, especially problem gaming in West Springfield.

Section 9. City Obligations

In consideration of the mitigation measures to be undertaken by HRMA, and in further recognition of the many benefits the Project will bring to the City, West Springfield shall do the following:

A. The City shall support the Project and agrees to actively work with and assist HRMA and its contractors and agents to obtain any and all permits, certifications, legislation or regulatory approvals from governmental entities and officials. Without

limiting the foregoing, and notwithstanding any other provisions of this Agreement, the City agrees, to the fullest extent permitted by applicable law, to process HRMA's (or its consultants and subconsultants, and contractors and subcontractors, on HRMA's behalf) permitting, licensing and regulatory approvals, and any other approvals over which the City has control, in a manner consistent with the HRMA's construction schedule, as long as HRMA has submitted complete supporting documentation (including payment of all applicable fees) and such approval is consistent with applicable laws. Further, to the extent practicable, the City agrees to the fullest extent permitted by applicable law, upon request by HRMA (or its consultants and subconsultants, and contractors and subcontractors on HRMA's behalf) to process HRMA's permitting, licensing and regulatory approvals, and any other approvals over which the City has control, on an expedited basis, as long as HRMA has submitted complete supporting documentation (including payment of all applicable fees for expedited service).

B. The City shall exercise best efforts to petition the Commission for monies made available under the Act, including, but not limited to, those monies in the Community Mitigation Fund and the Transportation Infrastructure Development Fund.

C. The City will diligently pursue the development, adoption and implementation of any amendments or modifications required to the City's zoning ordinance and other land use ordinances, rules and regulations required to construct and operate the Project on the Project Site, keep HRMA informed throughout the amendment and approval process, and give good faith consideration to HRMA's reasonable comments and suggestions to ensure that such amendments are consistent with the Project. The City agrees to expedite the preparation, submission and adoption of such amendments so as to achieve final approval and adoption thereof as soon as practicable.

D. Consistent with the Act, upon the request of HRMA, the City shall schedule a City-wide election as soon as legally permissible so that qualified West Springfield residents can vote on a ballot question to support or reject the operation of a gaming establishment licensed by the Commission to be located at the Project Site.

E. The City shall provide to HRMA, in a manner consistent with applicable law and Section 5.F., such access rights to real property owned or controlled by the City as HRMA may reasonably require for incorporation into the traffic improvements contemplated for the Project.

F. The City shall cooperate with HRMA in securing, from the cities of Springfield and Agawam, as allowed by applicable law, such cooperation and interests in real property owned or controlled by such cities as HRMA may reasonably require for the construction or maintenance of any traffic improvements contemplated by this Agreement, all at no cost to the City.

G. The City shall cooperate with HRMA in connection with any financing for the Project sought and/or obtained by HRMA or its affiliate(s). This cooperation shall include without limitation the execution and delivery within fifteen (15) days of any

request therefor, such commercially reasonable estoppel certificates and other certifications of the City as HRMA, its affiliate(s) or any lender, mezzanine lender or equity holder of either of them may reasonably require.

H. The City acknowledges that there are potential storm water drainage consequences that might result from the failure of City to operate the Circuit Avenue Pump Station in accordance with the protocol which currently governs the operation of the Station. The City agrees to continue to adhere to the Operating and Maintenance Plan for the Circuit Avenue Pump Station, and agrees not to modify such plan without the prior written consent of HRMA, which consent shall not be unreasonably withheld, except that the City may take such actions as the City may be directed to take by any State or Federal agency or to preserve health, safety and welfare after the provision of such advance notice to HRMA as may be practicable under the circumstances.

Section 10. SHRH Bound

SHRH shall be jointly responsible for the responsibilities of HRMA hereunder, provided however, that SHRH shall be released and have no further responsibility or liability hereunder if HRMA has commenced and continued operations of the Project for a period of 2 years without material uncured default hereunder. SHRH acknowledges the jurisdiction over it of the Massachusetts Superior Court for Hampden County or the Federal District Court for the District of Massachusetts, as appropriate, as set forth in Section 11 hereof.

Section 11. Choice of Law/Forum Selection

This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Massachusetts, without regard to the conflict of laws provisions in such state. Any dispute arising under or in connection with this Agreement shall be within the exclusive jurisdiction of the Massachusetts Superior Court for Hampden County or the Federal District Court for the District of Massachusetts, as appropriate. If, in any such action, the City is the prevailing party, the City shall be entitled to an award of its litigation costs (including its reasonable counsel fees and expert witness fees). For purposes of this provision, the City shall be deemed a prevailing party only in instances in which the City obtains substantially all relief for which it makes demand.

Notwithstanding the foregoing provisions for forum selection, the parties to this Agreement agree that before resorting to any formal dispute resolution process concerning any dispute arising from or in any way relating to this Agreement, they will first engage in good faith negotiations in an effort to find a solution that serves their respective and mutual interests.

Section 12. Indemnification

HRMA agrees to and shall indemnify and hold harmless the City from and against any and all claims, actions, proceedings or demands brought against the City, its agents,

departments, officials, employees, insurers or successors, by any third party in connection with entry into this Agreement, pursuit of the election contemplated by 9.D. and processing and issuance of City permits and approvals, and any third party costs incurred in connection with defending legal challenges of City actions taken in good faith in pursuit of the any of the foregoing, except to the extent that any such claims, actions, proceedings or demands are premised upon the negligence or intentional acts of the City or its agents. HRMA agrees, within thirty (30) days of written notice by the City, to reimburse the City for any and all costs and fees reasonably incurred in defending itself with respect to any such claim, action, proceeding or demand.

Section 13. Miscellaneous

A. Exercise of Rights and Waiver. The failure of any party to exercise any right under this Agreement shall not, unless otherwise provided or agreed to in writing, be deemed a waiver thereof; nor shall a waiver by any Party of any provisions hereof be deemed a waiver of any future compliance therewith, and such provisions shall remain in full force and effect.

B. Severability. In the event that any clause, provisions or remedy in this Agreement shall, for any reason, be deemed invalid or unenforceable, the remaining clauses and provisions shall not be affected, impaired or invalidated and shall remain in full force and effect.

C. Headings and Construction. The section headings in this Agreement are inserted for convenience of reference only and shall in no way affect, modify, define, or be used in construing the text of the agreement. Where the context requires, all singular words in the Agreement shall be construed to include their plural and all words of neuter gender shall be construed to include the masculine and feminine forms of such words.

D. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

E. Force Majeure.

1. When used in this Agreement, the term “force majeure” shall mean the following events or circumstances, to the extent that they delay or otherwise adversely affect the performance beyond the reasonable control of HRMA or the City, or their respective agents and contractors, of their duties and obligations under this Agreement: (i) strikes, lockouts, labor disputes, disputes arising from a failure to enter into a union or collective bargaining agreement, inability to procure materials attributable to market-wide shortages, failure of utilities, labor shortages or explosions; (ii) acts of God, tornadoes, hurricanes, floods, sinkholes, fires and other casualties, landslides, earthquakes, epidemics, quarantine, pestilence, and/or abnormal inclement weather; (iii) acts of a public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrections, riots, civil

disturbances, or national or international calamities; (iv) concealed and unknown conditions of an unusual nature that are encountered below ground or in an existing structure; (v) any temporary restraining order, preliminary injunction or permanent injunction, or mandamus or similar order, or any litigation or administrative action challenging the validity of the Commission's award of the category 1 license to HRMA or which impedes the ability of HRMA to complete the Project, unless based in whole or in part on the actions or failure to act of HRMA; (vi) the failure by, or unreasonable delay of, the City or Commonwealth or other governmental authority to issue any permits, licenses, certifications, approvals or other entitlements necessary for HRMA to develop, construct, open or operate the Project unless such failure or delay is based materially in whole or in part on the actions or failure to act of HRMA, or its agents and contractors; (vii) any impacts to major modes of transportation to the Project Site, whether private or public, which adversely and materially impact access to the Project Site, including but not limited to, sustained and material closure of airports or sustained and material closure of highways servicing the Project Site; (viii) prior to Commencement of Operations, any downturn in the U.S. markets for debt or equity that renders impossible or impracticable the obtaining of any financing required for the prosecution of any obligation of HRMA or its affiliate(s) hereunder (for purposes of this subsection, financing that would render the Project economically unfeasible); or (ix) the imposition by the Commonwealth of any condition on the category 1 license granted to HRMA that would render the Project economically infeasible.

2. Notwithstanding any other provision of this Agreement to the contrary, each of HRMA and the City shall be entitled to an adjustment in the time for or excuse of the performance of any duty or obligation of HRMA or the City, as the case may be, under this Agreement for force majeure events, but only for the number of days due to and/or resulting as a consequence of such causes and only to the extent that such occurrences actually prevent or delay the performance of such duty or obligation or cause such performance to be commercially unreasonable. In any such instances, as soon as reasonably practicable, the party claiming the existence of a force majeure event shall provide written notice to the other of the existence of such event, which notice shall include a reasonable description and any documentation supporting the existence of the subject force majeure event.

F. Consumer Price Index ("CPI"). When used in this Agreement, the term CPI shall mean the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers, U.S. City Average All Items, 1982-84=100. In the event that the United States Department of Labor shall cease to promulgate the CPI, the Developer and the City agree to meet and discuss in good faith the adoption of the commonly accepted alternative to the CPI for the purposes hereof.

Section 14. Notices

Any notices, consents, demands, requests approvals or other communications issued under this Agreement shall be made in writing and shall be delivered by hand, overnight delivery service or certified mail (return receipt requested), to the other party at the following addresses:

If to the City: City of West Springfield
 Office of the Mayor
 26 Central Street
 West Springfield, MA

With copy to: Jonathan M. Silverstein
 Kopelman and Paige, P.C.
 101 Arch Street, 12th Floor
 Boston, MA 02110

If to HRMA: James F. Allen, President and CEO
 c/o Seminole Hard Rock Entertainment, Inc.
 2nd Floor, One Seminole Way,
 Hollywood , FL 33314

Section 15. Impact of Material Adverse Condition

Notwithstanding anything contained in this Agreement to the contrary, if (i) the rate at which taxes and/or fees (however characterized) imposed on gaming revenue are increased by the Commonwealth after the date of this Agreement, or (ii) any material change in the competitive environment results in a drop in EBITDA generated by the Project (as reflected in the audited financial statements of HRMA), and the results of either such occurrence have or may have a material adverse effect on the financial condition of HRMA (a “Material Adverse Condition” or “MAC”) as reasonably determined by HRMA in good faith, then HRMA shall be entitled to deliver written notice of such MAC to the City, and the City agrees to engage in good faith negotiations with HRMA in an effort to confirm and ameliorate the impact of the MAC by modifying one or more of (1) the Property Assessment Payment, (2) the Impact Fee, and (3) the Fixed Payment portion of the Community Benefit Payments. The parties agree to commence such good faith negotiations within thirty (30) days of the date of HRMA’s notice and to conclude such good faith negotiations within ninety (90) days of the date of such notice, unless extended by the mutual consent of the parties. HRMA agrees to provide to the City such reasonable documentation supporting the existence, extent and effect of the MAC as the City may request. If the parties are unable to reach a mutually acceptable resolution within the 90-day period provided, then upon written demand by HRMA, the parties shall engage in binding arbitration. In any such binding arbitration, the arbiter shall be directed in the first instance to determine whether or not the MAC constitutes a material adverse effect (the burden of proving which shall be on HRMA)

and then, if so, what adjustment to any one or more of (1) the Property Assessment Payment, (2) the Impact Fee, and (3) the Fixed Payment portion of the Community Benefit Payment, should be imposed to ameliorate such MAC.

Within 30 days after HRMA's notice of demand for arbitration, the parties shall jointly identify an acceptable arbiter; provided, that if the parties are unable to come to agreement on a single arbiter, then each shall select one arbiter, and those two arbiters shall select a third arbiter who, together with the first two arbiters shall sit as a panel. HRMA shall be responsible for all fees, costs and expenses of such arbiters and the reasonable fees, costs and expenses of the City incurred in defending such arbitration.

Any reduction as determined by the arbiter(s) will be effective from and after the later of the date of HRMA's notice of the occurrence of the MAC and the effective date of the increase in taxes and/or fees or the reduction in EBITDA generated by the Project.

If as a result of the foregoing process, HRMA is granted a reduction in any of the cited payments, then upon a reversal of the condition giving rise to the MAC, as reasonably determined by the City in good faith, then the City shall be entitled to deliver written notice of such reversal to HRMA, and HRMA agrees to engage in good faith negotiations with the City in an effort to confirm the existence of such reversal and restore in whole or in part any prior reductions in one or more of (1) the Property Assessment Payment, (2) the Impact Fee, and (3) the Fixed Payment portion of the Community Benefit Payments, to the extent warranted by such reversal. The parties agree to commence such good faith negotiations within thirty (30) days of the date of HRMA's notice and to conclude such good faith negotiations within ninety (90) days of the date of such notice, unless extended by the mutual consent of the parties. HRMA agrees to provide to the City such reasonable documentation supporting the continued existence, extent and effect of the MAC as the City may request, and the City agrees to provide to HRMA such reasonable documentation supporting the reversal of the MAC as HRMA may request. If the parties are unable to reach a mutually acceptable resolution within the 90-day period provided, then upon written demand by the City, the parties shall engage in binding arbitration in accordance with the standards set forth above (except that the burden of demonstrating the reversal shall be on the City). The City shall be entitled to exercise the rights described in this paragraph no more frequently than once every twelve (12) months.

Section 16. HRMA's Right to Assign Agreement

A. Prior to Commencement of Operations, HRMA, its successors and assigns, shall have the right to assign this Agreement (and all documents, agreements, understandings and arrangements relating to the transaction contemplated hereby) at any time and on one or more occasions to any entity or person HRMA may designate in its sole discretion, provided that in any such event, HRMA or its affiliate retain managerial control of the Project unless the City has provided prior written consent to such assignment without such restriction.

B. From and after Commencement of Operations, HRMA, its successors and assigns, shall have the right to assign this Agreement (and all documents, agreements, understandings and arrangements relating to the transaction contemplated hereby) at any time and on one or more occasions to any entity or person HRMA may designate in its sole discretion.

C. The City acknowledges and agrees that this Agreement (and all documents, agreements, understandings and arrangements relating to the transaction contemplated hereby) may be pledged or otherwise collaterally assigned by HRMA, its successors or assigns at any time and on one or more occasions in order to provide security to a lender, mezzanine lender or equity holder in connection with a financing or equity contribution.

D. Any assignment of HRMA's interests hereunder shall be subject to any approval of the Commission as may be required under the Act.

Section 17. Termination of Agreement

A. Notwithstanding anything contained in this Agreement to the contrary, if the City-wide election contemplated by Section 9.D. results in a rejection of this Agreement or is not held prior to any required date as the Act or the Commission may establish therefor, then this Agreement and each of the rights and obligations of the parties hereto shall immediately terminate and be of no further force or effect.

B. Notwithstanding anything contained in this Agreement to the contrary, HRMA shall have the right, at any time prior to the Commission's award of a category 1 license to HRMA, to discontinue its efforts to pursue the development of the Project at the Project Site for any reason or no reason at all in HRMA's sole discretion. In such case, HRMA shall be entitled to terminate this Agreement by delivery of written notice to the City advising the City of HRMA's determination not to pursue the development of the Project at the Project Site, and upon delivery of such notice, except for those obligations described in Section 1.A.1. and Section 1.A.2.a., the rights and obligations of the parties under this Agreement shall terminate and be of no further force or effect without the need for any further action by the parties.

[signatures appear on next page]

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement to be effective as of the date first above written.

City of West Springfield, Massachusetts

By: _____

Gregory C. Neffinger, Mayor

HR Massachusetts, LLC

By: _____

James F. Allen, President and CEO

Seminole HR Holdings, LLC

By: _____

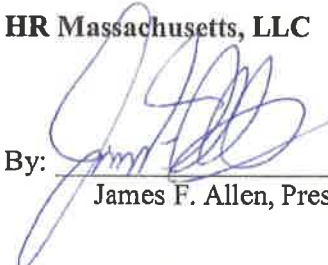
James F. Allen, President and CEO

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HR Massachusetts, LLC

By: 
James F. Allen, President and CEO

Seminole HR Holdings, LLC

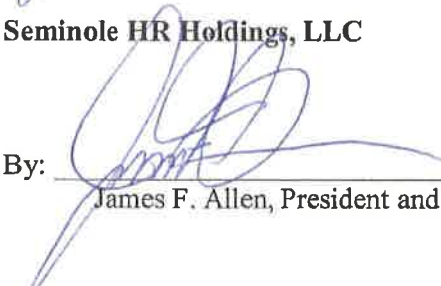
By: 
James F. Allen, President and CEO

EXHIBIT A



EXHIBIT B

MEMORANDUM OF UNDERSTANDING

The Pioneer Valley Building and Construction Trades Council ("PVBCTC"), Carpenters Local No. 108 ("Local 108") and HR Massachusetts, LLC ("HR") hereby agree as follows with respect to the construction of the resort casino and related facilities in West Springfield, Massachusetts (the "Resort Casino"):

WHEREAS, subsection (iv), section 18(18) of chapter 194 of the Acts of 2011 requires that the developer of the Project be able to comply with the requirement for labor harmony during the construction, reconstruction, renovation and development (hereinafter "construction") of the Resort Casino.

WHEREAS, the parties to this memorandum of understanding support socially responsible contractors, and in furtherance of that support and consistent with the parties' own social values, they have agreed to certain minimum requirements for contractor participation in the development and construction of the Resort Casino.

1. In order to be eligible to submit a bid for construction work on the Resort Casino, a contractor must meet all of these minimal requirements:

- a. The contractor must assign only employees to its construction sites. Contractors who utilize individuals classified as "independent contractors" for their jobsite labor force are not eligible to participate in the construction of the Resort Casino.
- b. The contractor must comply with all health and safety laws, regulations and procedures required by state and federal laws.
- c. The contractor must provide and pay for workers compensation insurance for all employees assigned to work on its construction sites.
- d. The contractor must provide for minimally credible health insurance coverage for all its construction employees and their dependents.

- e. Any contractor who employs appropriate crafts must maintain or participate in a training program that meets the requirements of applicable licensing authorities.
- f. The contractor must pay all wages due in a timely fashion in accordance with applicable law.
- g. The contractor must agree to staff the Resort Casino jobsite with the appropriate number of "responsible" persons as required by OSHA.

2. Within fifteen days of appointing a construction manager for this project, HR will direct its construction manager to commence collective bargaining negotiations with the PVBCTC and Local 108 in an effort to reach an Agreement covering all terms and conditions of employment of the employees working on the construction of the Resort Casino, containing terms acceptable to each party, including terms that prohibit any strikes or work stoppages on the Resort Casino for any reason (including jurisdictional disputes or the expiration of collective bargaining agreements).

HR Massachusetts, LLC

By: [Signature]
 Name: JAMES F. ALLEN
 Title: CEO
 Date: 3-3-13

CARPENTERS LOCAL 108

By: [Signature]
 Name: Jason Garand
 Title: Business Manager
 Date: 3-18-13

PIONEER VALLEY BUILDING TRADES COUNCIL

By: [Signature]
 Name: Daniel D'Almeida
 Title: President PVBCTC
 Date: 4-3-13

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CHAPTER 194 OF THE ACTS OF 2011

AN ACT ESTABLISHING EXPANDED GAMING IN THE COMMONWEALTH.

SECTION 16. The General Laws are hereby further amended by inserting after chapter 23J the following chapter:-

**CHAPTER 23K.
THE MASSACHUSETTS GAMING COMMISSION**

Section 18

(18) whether the applicant has a contract with organized labor, including hospitality services, and has the support of organized labor for its application, which specifies: (i) the number of employees to be employed at the gaming establishment, including detailed information on the pay rate and benefits for employees and contractors; (ii) the total amount of investment by the applicant in the gaming establishment and all infrastructure improvements related to the project; (iii) completed studies and reports as required by the commission, which shall include, but need not be limited to, an economic benefit study, both for the commonwealth and the region; and (iv) whether the applicant has included detailed plans for assuring labor harmony during all phases of the construction, reconstruction, renovation, development and operation of the gaming establishment; and

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EXHIBIT C

Memorandum of Understanding for Western Massachusetts

By and Between

**Massachusetts
Casino Careers Training Institute**

And

Hard Rock Hotel & Casino | New England

In November of 2011, Governor Deval Patrick signed legislation, which established Casino Gaming in Massachusetts. The primary purpose of the legislation was to stimulate economic development, i.e. job creation, private investment and new state and local tax revenue. With the potential development of three resort-style casinos and one slots facility the workforce need is significant, approximately 10,000+ workers statewide. In addition there will be workforce challenges related to construction of the facilities and the needs of existing businesses working with the casino operators. The legislation also called for a net job-gain for the Commonwealth. The intent is to create new career and job opportunities for the unemployed or underemployed in order to encourage personal growth and advancement. In order to meet this objective of a diverse job base and to scale up the workforce and the related training requirements the effort needs to begin as soon as possible.

In order to effectively respond to this workforce need, in partnership with the Workforce Investment Boards/Regional Employment Boards (WIB/REB) the Massachusetts Community Colleges have established the Casino Careers Training Institute, which includes a collaboration with the various workforce development partners in each gaming region within the Commonwealth. Through the Institute recruitment, screening, career counseling, training, job placement and more will be provided by the colleges and the workforce partners.

Therefore to recruit and train the diverse labor force necessary to supply the new-to-Massachusetts casino industry in Western Massachusetts, the Massachusetts Casino Careers Training Institute (Institute) representing the educational workforce development partners of the region, with a principal place of business at 1 Federal Street, Building 101,

EXHIBIT D



HARD ROCK HOTEL & CASINO NEW ENGLAND

NEW ENGLAND

LEVEL 1 PLAN | CASINO
22 MAY 2013





NEW ENGLAND

HARD ROCK HOTEL & CASINO NEW ENGLAND

LEVEL 2 PLAN | CONVENTION SPACE

22 MAY 2013



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LEVEL 3 PLAN | SPA & BODY ROCK FITNESS

22 MAY 2013



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TYPICAL GUESTROOM LEVEL PLAN



TYPICAL UNIT PLAN



HARD ROCK HOTEL & CASINO NEW ENGLAND

LEVELS 4 - 14 | GUESTROOM LEVELS

22 MAY 2013

NEW ENGLAND



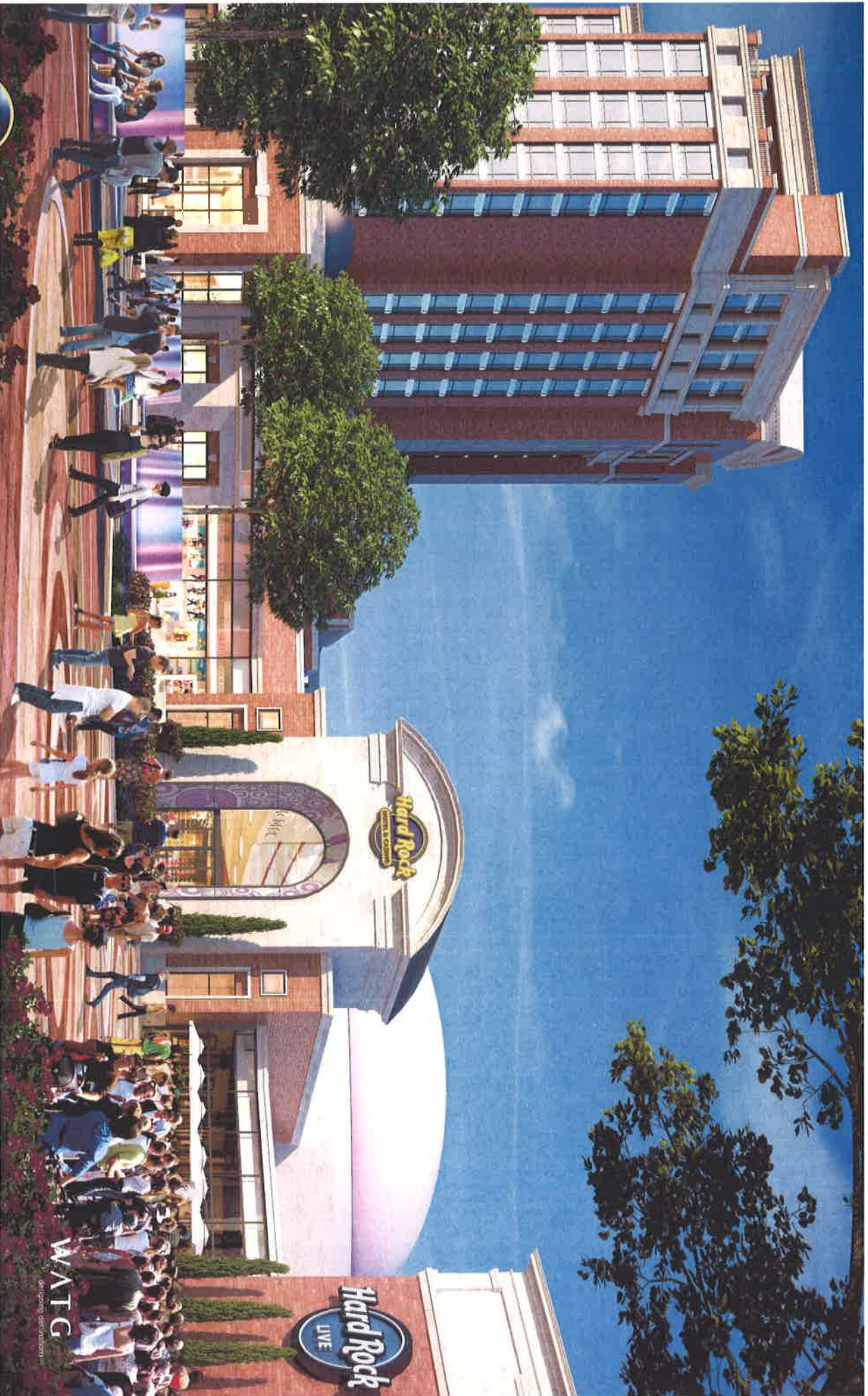


HARD ROCK HOTEL & CASINO NEW ENGLAND

NEW ENGLAND

ARRIVAL VIEW
22 MAY 2013

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photography: steve walton.com



HARD ROCK HOTEL & CASINO NEW ENGLAND

VIEW FROM THE E.S.E.

22 MAY 2013



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BIRD'S EYE VIEW
22 MAY 2013

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architectural design