

COMMUNITY BENEFITS AGREEMENT
RELATING TO
THE SUGARHOUSE CASINO, a development of
HSP GAMING, L.P., a Delaware limited partnership
TO BE ADMINISTERED ON BEHALF OF THE COMMUNITY BY
A SPECIAL SERVICES DISTRICT TO BE FORMED IN
ACCORDANCE WITH THE PROVISIONS HEREOF

THIS IS A COMMUNITY BENEFITS AGREEMENT (this "Agreement"), effective in all respects on the Effective Date (defined herein), by and among community organizations in the Neighboring Community (defined below) that are exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code of 1984, as amended (the "Code") and which become a party to this Agreement pursuant to the terms hereof (collectively the "Authorized Community Signatories") and HSP GAMING, L.P., a Delaware limited partnership ("SugarHouse").

BACKGROUND

A. The Authorized Community Signatories are duly authorized and existing entities which consist of residents, property owners and businesses located within the geographical area as shown on Exhibit "A" attached hereto and made a part of this Agreement (the "Neighboring Community").

B. On December 20, 2006, SugarHouse received approval from the Pennsylvania Gaming Control Board ("PGCB") to obtain a Category 2 Slot Machine License ("License") under the Pennsylvania Race Horse Development and Gaming Act, 4 Pa.C.S.A. §1100, et seq. (as the same may be amended or supplemented from time to time, and including any successor thereto, the "Act") and on January 11, 2008 SugarHouse obtained its License from the PGCB.

C. Upon its receipt of all necessary federal, state and local approvals, SugarHouse intends to develop, construct and operate a Category 2 licensed gaming facility, to be known as the "SugarHouse Casino" (referred to in this Agreement as "SugarHouse Casino" or the "Project"), on a parcel of property located on North Delaware Avenue, between Shackamaxon Street, Ellen Street and the Delaware River, in the City of Philadelphia (the "City"), Commonwealth of Pennsylvania, as more particularly described on Exhibit "B" attached hereto and hereby made a part of this Agreement (which includes "submerged lands" being obtained

from the City of Philadelphia and/or the Commonwealth of Pennsylvania) (the "SugarHouse Site").

D. SugarHouse desires that the development, construction and operation of the SugarHouse Casino proceed in a manner which promptly and responsibly implements SugarHouse's plans in a manner which results in the SugarHouse Casino opening on schedule on the SugarHouse Site, with the minimum disruption practicable, during both development and operation, in the Neighboring Community.

E. The ongoing cooperation between the Authorized Community Signatories and the SugarHouse Casino and their representatives is desirable and necessary in order to properly address the impacts of casino development and maximize the benefits of such development to the community, and the Authorized Community Signatories are willing to enter into this Agreement in consideration of the promises and undertakings made by SugarHouse Casino under the terms of this Agreement.

F. The Authorized Community Signatories and SugarHouse have reached an agreement, as more particularly set forth below, to develop and implement programs and undertakings intended to foster a productive working relationship between SugarHouse, the Authorized Community Signatories, and a Special Services District (SSD) (as defined below), to fulfill the goals of all parties hereto.

AGREEMENTS

The Authorized Community Signatories, and each of them, and SugarHouse, in consideration of the mutual promises herein contained, hereby agree as follows:

1. Term and Location of Agreement. The term (the "Term") of this Agreement shall commence at such time as SugarHouse and two or more Authorized Community Signatories execute this Agreement (the "Effective Date") and shall continue in full force and effect for so

long as SugarHouse or any assignee shall continue to maintain or operate a gaming facility at the SugarHouse Site or contiguous property. This Agreement is valid and binding only for the SugarHouse Site and contiguous property and is not transferable to another location. Any transfer of rights at the SugarHouse Site shall be subject to Section 16 of this Agreement.

2. Formation of Special Services District. The Authorized Community Signatories shall form a new entity (referred to in this Agreement as the "Special Services District" or "SSD"), established and qualified under applicable law, that will apply for recognition as a 501(c)(3) or similarly treated tax exempt organization under the Code, for the purposes without limitation of maintaining and improving services, making physical improvements and sponsoring community activities important to the residents and businesses within the Neighboring Community (the "SSD Purpose"). For the avoidance of doubt, the SSD Purpose shall not preclude the SSD from giving money to other nonprofit organizations, except as provided in paragraphs 6 and 16(a). The initial Authorized Community Signatories shall promptly retain counsel to prepare all necessary corporate organizational documents (including articles of incorporation, membership agreements, operating agreements, by-laws, and/or other fundamental documents), as well as written procedures for the selection, whether by way of election, appointment or otherwise, of the members of its governing board, such procedures to be initially determined by such Authorized Community Signatories (collectively, and as they may be amended from time to time, the "SSD Documents") and shall promptly thereafter select its governing board and officers.

3. Organizational Expenses. Within thirty (30) days of the execution of this Agreement by SugarHouse and the Authorized Community Signatories, SugarHouse shall fund up to \$35,000 for legal fees, plus up to \$1,000 in costs, incurred by counsel retained by the

Authorized Community Signatories relating to the drafting and execution of the SSD Documents. Payments under this Section 3 shall be made by SugarHouse to the persons or firms, and in the amounts up to the limits in the previous sentence, as directed in the written instructions executed by the initial Authorized Community Signatories.

4. Contributions to Special Services District. Once the Special Services District has been formed and is operational, and the SSD Documents have been prepared, in each case pursuant to Section 2 of this Agreement, and the SSD has taken assignment of the rights and obligations of the Authorized Community Signatories by executing the Assignment and Assumption of Obligations By Special Services District attached hereto, SugarHouse will make the following contributions to the SSD:

(a) Pre-Opening Period - Within fourteen (14) days from the date of receipt of all necessary unappealable permits and approvals for the start of construction or sooner if all of the parties agree, and the commencement of construction of the SugarHouse Casino ("Initial Payment Date"), and on each anniversary of the Initial Payment Date prior to the date on which the Interim Phase (of the SugarHouse Casino as described in the Plan of Development) has been opened for business to the public (the "Interim Casino Opening Date"), SugarHouse will contribute to the Special Services District an amount equal to \$175,000 (each such payment, a "Pre-Opening Contribution"). In the event construction is suspended for more than 30 days after it has commenced, the annual Pre-Opening Contribution next due shall be reduced by subtracting from the amount otherwise due the product obtained by multiplying such amount by a fraction, the numerator of which will be the number of days for which construction has been suspended during the prior year and the denominator of which will be 365 days. In the event construction is

suspended for more than 30 days when a Pre-Opening Contribution is otherwise due, payment will be suspended until construction recommences.

(b) Post-Opening Period - Beginning on the first anniversary of the last Pre-Opening Contribution to occur before the Interim Casino Opening Date and on each anniversary thereafter (the "Annual Payment Date"; each one-year period preceding each Annual Payment Date (each such annual period being an "Operating Year")), SugarHouse shall make a post-opening contribution (each such payment, a "Post-Opening Contribution") to the Special Services District. The Post-Opening Contribution shall initially be in an amount equal to \$500,000 per Operating Year. The Post-Opening Contribution shall be increased to \$1,000,000 per Operating Year as of the first Annual Payment Date occurring after the date on which Phase I of SugarHouse Casino (as described in the Plan of Development) has been completed and Phase I has been opened for business to the public (the "Phase I Opening Date") and shall continue for a period of fifteen (15) years after the Interim Casino Opening Date, after which SugarHouse and SSD will negotiate in good faith the amount of subsequent Post-Opening Contributions. In the event SugarHouse Casino operations are suspended after they have commenced, the annual Post-Opening Contribution next due shall be reduced by subtracting from the amount otherwise due the product obtained multiplying the amount otherwise due by a fraction, the numerator of which will be the number of days for which operations have been suspended during the prior Operating Year and the denominator of which will be 365 days. In the event operations are suspended when a Post-Opening Contribution is otherwise due, payment will be suspended until operations recommence and the date of the next Post-Opening Contribution shall become the new Annual Payment Date and each subsequent twelve month period shall become the new Operating Year.

(c) Upward Adjustments of Post-Opening Contribution. Commencing on the third Annual Payment Date after the Phase I Opening Date, and for each annual Post-Opening Contribution thereafter, the Post-Opening Contribution shall be increased by the lowest of the following three percentages: (1) the increase in the Consumer Price Index as calculated by the United States Bureau of Labor Statistics for all items for the greater Philadelphia standard metropolitan statistical area ("CPI"), or the most similar index thereto in the event the CPI is unavailable, for the Operating Year ending on such Annual Payment Date; (2) the percentage increase in either the gross terminal revenue (as defined in the Act) or the total gaming revenue (including table games when and if authorized) of the SugarHouse Casino for the Operating Year ending on such Annual Payment Date over the immediately preceding Operating Year; and (3) five percent (5%). Notwithstanding the foregoing, in no event shall the Post-Opening Contribution for any annual period during the first fifteen (15) years exceed the sum of \$1,500,000.

(d) SugarHouse Foundation. The Authorized Community Signatories specifically acknowledge and agree that SugarHouse may make any or all Pre-Opening Contributions and/or Post-Opening Contributions (collectively, the "Contributions") through one or more affiliated private foundations which are exempt from Federal income tax under Section 501(c)(3) of the Code (a "Foundation"). Furthermore, should any or all Contributions be made through a Foundation, the SSD will provide such Foundation with all information it requires to file its Form 990-PF by March 31st of the year following the year of such Contribution(s). SugarHouse guarantees that all payments due shall be made, notwithstanding that some of them may be paid through a foundation.

(e) Use of Funds. SugarHouse specifically acknowledges and agrees that all decisions of the Special Services District with respect to the expenditure of its funds shall be made pursuant to the SSD Documents, without any veto rights or other restrictions by SugarHouse or its affiliates, other than any restrictions set forth in this Agreement.

5. Working Relationship. The parties recognize that a primary objective of this Agreement is to establish a productive working relationship between SugarHouse and the SSD. To satisfy this objective, each party covenants to use reasonable efforts to foster open and responsive communications with the other party as contemplated in this Agreement. While the parties acknowledge that legitimate disputes may arise in connection with the impact of the SugarHouse Casino on the neighborhoods represented by the SSD, the SSD agrees that it shall not use the contributions provided by SugarHouse to pay the expenses of litigation against SugarHouse or to take action before the PGCB to suspend or terminate the License. Nothing in this Agreement, however, shall limit the rights of individuals represented or served by the SSD from expressing their views or taking any legal actions in their capacity as individuals.

6. Compliance with the Act. So long as the Special Services District shall have control over or the right to receive any funds provided pursuant to Section 3 or 4 of this Agreement, neither the Special Services District, nor on its behalf any of its officers, board members, employees, successors, assigns, representatives or agents, shall take any actions (including, without limitation, paying, directly or indirectly, any funds or other forms of consideration held or controlled by the Special Services District, including in-kind contributions, directly or indirectly to any candidate for public office in the Commonwealth or to any political committee or state party, as prohibited by 4 Pa.C.S.A. §1513. Neither shall the SSD have any public officials as employees or board members. In the event that the SSD has any questions

concerning whether its actions might result in any violation by SugarHouse of the Act or any applicable orders or regulations thereunder, it may address such questions to SugarHouse, which in turn may consult with the PCB or its counsel, and for purposes of this provision the SSD may rely upon the answer it receives.

7. SugarHouse Cooperation with Special Services District. SugarHouse shall provide a reasonable amount of information on a regular basis to the designated representatives of the Special Services District concerning such subjects as job opportunities available at the SugarHouse Casino; the timing of plans, if any, for major modifications of the SugarHouse Casino facilities, onsite amenities or offsite projects affecting access to the SugarHouse Casino; at least five (5) days in advance where reasonably possible, SugarHouse shall provide to the SSD information regarding the timing of special entertainment events scheduled to occur at the SugarHouse Casino which may create unusual burdens on vehicular or pedestrian traffic patterns; and other matters that might be reasonably likely to materially impact the community. SugarHouse agrees to make an executive available to attend any regularly scheduled periodic meetings or any special emergency meeting to which it may be invited, of the Special Services District and to have at least one person designated as the SugarHouse liaison to the Special Services District. SugarHouse shall also designate a specific employee (who may change from time to time) who shall be readily available to deal with problems and concerns of the residents within that part of the Neighboring Community located east of I-95. These immediately impacted residents shall have a specific phone number to a specific person with these duties, and SugarHouse shall reasonably provide responses to problems and concerns within two (2) business days, except in the case of emergencies when such responses shall be provided as promptly as practicable.

8. Employment.

(a) Construction. Phase I of SugarHouse Casino will be constructed with union labor. Promptly upon commencement of construction, SugarHouse's construction manager will develop a roster where local residents, who are members of the various construction unions working on the SugarHouse Casino, 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. It is noted that the vast majority of the union construction jobs will be controlled by subcontractors to the construction manager. As such, the construction manager will encourage its subcontractors also to consider all names on the roster of residents of the Neighboring Community prior to filling any open positions.

(b) Operations. Commencing on a date not later than twelve (12) months prior to the scheduled opening of SugarHouse Casino, SugarHouse will hold one or more meetings for the residents of the Neighboring Community in which it will provide information concerning the qualifications it will seek for its permanent employees, and will attempt in a good faith, legal and non-discriminatory manner to obtain a pool of qualified operations workforce candidates that includes residents of the Neighboring Community. These efforts will consist of the advertising of openings in the Neighboring Community (to the extent practical, and other than for senior management and specialized or technical positions that require gaming industry-specific knowledge and expertise), providing information to residents of the Neighboring Community concerning employment opportunities within the SugarHouse organization on an on-going basis and holding job fairs prior to opening (and as workforce demands dictate thereafter) for the residents of the Neighboring Community.

(c) Internships and Training. SugarHouse will create an internship program for qualified students residing within the Neighboring Community who are enrolled in formal college internship programs for positions directly or closely related to the student's course of study. The internships shall be subject to the rules and procedures of the academic institution sponsoring the internship program and those of SugarHouse. SugarHouse agrees that at least two positions shall be available to residents of the Neighboring Community for the internship program on an annual basis; provided, however, that any increase in the size of the internship program (beyond the two positions) as well as the eligibility for participation shall be based on operational needs and business demands which shall be determined by SugarHouse, in its sole discretion.

SugarHouse also will offer a training program for non-college residents of the Neighboring Community, which shall offer training in gaming industry skills appropriate to employment with SugarHouse. SugarHouse agrees that at least two positions shall be available to residents of the Neighboring community for the training program on an annual basis; provided, however, that any increase in the size of the training program (beyond the two positions) as well as the eligibility for participation shall be based on operational needs and business demands which shall be determined by SugarHouse, in its sole discretion. Also, commencing on a date not later than twelve (12) months prior to the scheduled opening of SugarHouse Casino, SugarHouse will, on a periodic basis, through the opening date, make available to residents of the Neighboring Community readiness training, such as counseling for job interviews and resume writing, and will inform them of other training to assist them in qualifying for both entry level and management level jobs at the SugarHouse Casino.

(d) Licensing Fees. SugarHouse shall pay the initial licensing fees payable to the PGCB for the initial staffing of Phase I for employees needing a license from the PGCB.

(e) Protection of Rights. SugarHouse acknowledges that employees have a legally protected right to organize and bargain collectively through representatives of their own choosing for their mutual aid or protection and also have the legally protected right to refrain from any and all such activities as provided by applicable State and Federal Law.

(f) Special Training Pertaining to Problem Gambling and Alcohol. In accordance with SugarHouse's Problem Gambling Plan, as submitted and approved by the PGCB, SugarHouse will have in effect a Problem Gambling Plan which will address such issues as:

(i) training of SugarHouse employees in their responsibility to recognize the signs of persons with a gambling problem, and what steps to take to address them;

(ii) how to handle persons who request information on where to seek assistance for problem gambling;

(iii) procedures and requirements for placing persons on the self-excluded list in compliance with the PGCB requirements; and

(iv) placement of problem gambling brochures and signage that includes problem gambling message with a toll-free helpline phone number.

SugarHouse will participate in a local or regional problem gambling organization such as the Pennsylvania Council on Compulsive Gambling. SugarHouse will provide problem gambling brochures and posters to the SSD for use in the Neighboring Community. Upon

request from the SSD made not more than once a year, SugarHouse will hold a forum on problem gambling issues for residents of the Neighboring Community.

Employees of appropriate SugarHouse departments such as Food & Beverage and Security shall receive training in an alcohol awareness program, such as Training for Intervention Procedures ("TIPS") or similar programs, which teach employees proper techniques in recognizing and dealing with intoxicated persons.

9. Vendor Opportunities. SugarHouse will attempt, in a good faith, legal and non-discriminatory manner, to work with the construction manager to create opportunities for participation by qualified residents based in the Neighboring Community in contracting, subcontracting and servicing opportunities in the development and construction of the SugarHouse Casino. SugarHouse will also work in a good faith, legal and non-discriminatory manner to provide contracting opportunities for vendors and suppliers in the Neighboring Community to provide goods or services for the operations of SugarHouse Casino. In this regard, SugarHouse will provide vendors and suppliers in the Neighboring Community with information concerning vendor and supplier opportunities during both the construction and the operation of the SugarHouse Casino. Prior to opening, SugarHouse will host vendor fairs for vendors and suppliers in the Neighboring Community. SugarHouse will also assist businesses in the Neighboring Community by providing information to such businesses regarding licensing and regulatory requirements under the Act; provided, that SugarHouse will not be required to incur any additional expense in providing such assistance beyond the cost of providing such information nor to give legal or accounting advice to such businesses.

10. Public Benefits.

(a) Public Access To The Waterfront. SugarHouse agrees to the following with respect to the waterfront access. In no event shall such access be more limited than provided in the Development and Tax and Claim Settlement Agreement between the City of Philadelphia (the "City") and SugarHouse dated December 17, 2007 as the same may be amended from time to time (the "Development Agreement").

(i) To the extent legally permitted, SugarHouse will provide reasonable outdoor access to its private property along the Delaware River waterfront promenade from both the north and south ends of the SugarHouse Casino in a manner consistent with the Plan of Development. The waterfront promenade, including public access thereto, will be constructed during Phase I, and, once completed, substantial public access will be permitted at all times at a minimum, as provided in the Development Agreement, subject to any reasonable restrictions necessary in order to assure public safety and security, as generally set forth below.

(ii) Access to all or part the waterfront promenade may be restricted by SugarHouse for limited periods of time in connection with construction, repairs and maintenance or any other event or condition that SugarHouse believes may adversely affect public safety or security.

(iii) Access to specified portions of the waterfront promenade may be restricted by SugarHouse in connection with special events, such as weddings, concerts, and other functions. SugarHouse will use good faith efforts to restrict the size of events utilizing the waterfront promenade such that public access to the waterfront promenade will not be reduced to an area that is of a width of less than ten feet for more than one six-hour period per week during the months of April through October. The foregoing restrictions may be adjusted over time as

mutually determined by SugarHouse and the City in accordance with the Development Agreement.

(iv) As SugarHouse Casino is a privately-owned facility, public access to the waterfront promenade of SugarHouse Casino will be subject to reasonable policies and restrictions imposed by SugarHouse in order to maintain public decorum, safety and security (such as the removal of loiterers or squatters, a prohibition on solicitation and the ejection of anyone causing a disturbance or potential or actual harm to other persons or property).

(v) SugarHouse agrees to consult with the SSD on a regular basis regarding issues concerning access to the waterfront.

(b) Promotional Player Program. SugarHouse intends to have a players' club for its casino customers. Members of the players' club may be eligible for rewards which will be in various forms. SugarHouse will use commercially reasonable efforts to work with qualifying businesses in the Neighboring Community to implement a program that allows players to redeem points at such businesses. As an additional initiative to enhance revenues for local businesses, SugarHouse will endeavor to establish a list of businesses in the Neighboring Community which provide special offers or discounts to SugarHouse players' club members. SugarHouse will promote to SugarHouse players' club members the availability of these special offers and discounts and the identity of the participating businesses in the Neighboring Community.

(c) Meeting Rooms. There are no meeting rooms planned for Phase I of SugarHouse Casino. At such time as Phase II of the SugarHouse Casino is completed, SugarHouse shall provide, subject to availability, from time to time a meeting room, at the SugarHouse Casino, for use by the SSD.

11. Construction Advisories. During initial construction of each phase of the SugarHouse Casino, SugarHouse shall create and implement a reasonable plan to advise the Neighboring Community of construction schedules. Also, SugarHouse shall provide reasonable advance notice of any activities which might adversely affect utilities or public services in the area. As part of this plan, SugarHouse will maintain a telephone hotline to respond to residents' complaints relating to construction operations and will designate at least one SugarHouse representative and an alternate to act as community liaison during construction. The names, locations and telephone numbers of these liaison persons will be given to the officers of the Authorized Community Signatories and to the SSD when the SSD is operational. This obligation will terminate at such time as a certificate of occupancy, whether temporary or permanent, is first issued for the SugarHouse Casino, by the Department of Licenses and Inspections of the City of Philadelphia, but will be reinstated for and during the construction of any future phases of the development.

12. Traffic Concerns. SugarHouse shall consult with the City and the Pennsylvania Department of Transportation ("PennDOT") to minimize the impact of increased or modified traffic relating to the SugarHouse Casino. Consistent with this undertaking, SugarHouse agrees as follows:

(a) Pre-opening. SugarHouse shall provide free parking, either on the SugarHouse Site or at another site from which SugarHouse shall provide, if not within reasonable walking distance, free transportation to and from the SugarHouse Site for all employees of SugarHouse, the construction manager, or its sub-contractors to help to alleviate interference with residential parking in the Neighboring Community.

(b) After the Interim Casino Opening Date, SugarHouse shall continue providing parking and transportation as specified in Section 11(a) above to all employees of SugarHouse Casino. SugarHouse shall make available to all casino patrons of SugarHouse Casino complimentary (validated) parking at no charge while they are on the SugarHouse Site. Notwithstanding the foregoing, should any authorized governmental or quasi-governmental entity impose any tax on complimentary parking, SugarHouse, in its sole discretion, may charge such tax to users of complimentary parking. These complimentary parking accommodations shall be for the Term of this Agreement.

(c) SugarHouse shall submit to the SSD copies of any traffic mitigation plans submitted by SugarHouse to the City and PennDOT.

(d) SugarHouse will use commercially reasonable efforts to work with the Southeastern Pennsylvania Transportation Authority ("SEPTA") and other agencies to develop programs to encourage use of public transportation by employees and patrons of SugarHouse Casino. SugarHouse will direct operators of private buses serving the SugarHouse Casino to prevent unnecessary idling so as to avoid nuisance. SugarHouse will direct private buses that are authorized to serve the SugarHouse Casino not to park in the Neighboring Community except in off-street parking facilities. SugarHouse will use commercially reasonable efforts to ensure that private bus operators comply with this paragraph.

13. Sanitation, Security and Medical Emergencies.

(a) Sanitation.

(i) During construction, SugarHouse will have removed or stored at the SugarHouse Site, on a daily basis, construction-related litter, trash, rubbish, and debris within and around the perimeter to the SugarHouse Site. In the event construction debris from the

SugarHouse Site is observed in the Neighboring Community and reported to SugarHouse, SugarHouse shall cause its contractor to remove or collect the debris to the SugarHouse Site or another acceptable location on the same working day as it is reported.

(ii) During the period of Phase I construction, SugarHouse shall provide a one-time payment in the amount of \$5,000 for use by the SSD to provide free or subsidized car washes to residents of the part of the Neighboring Community that is located east of I-95.

(iii) SugarHouse shall designate to the SSD an employee to respond to complaints by residents of the Neighboring Community with regard to sanitation issues relating to SugarHouse's operations, and such employee shall respond within two (2) business days except in the case of emergencies in which case the response shall be provided as promptly as practicable.

(iv) SugarHouse will design, construct and operate the site utilities so that sanitary sewage is discharged directly to the City's interceptor sewer in North Delaware Avenue, thereby bypassing the City's combined sewer system. The foregoing shall be subject, in design and implementation, to approval of the City.

(b) Security. SugarHouse shall provide, at its expense, reasonable adequate security, within and throughout the SugarHouse Site, including the public access area along the waterfront. In addition, SugarHouse, in cooperation with local law enforcement authorities, will meet with representatives of the SSD to discuss the need, if any, for additional security services beyond the SugarHouse Site.

(c) Emergency Medical Services. SugarHouse will provide, itself or via contract with a third party, trained health care professionals to handle medical emergencies which might arise within the SugarHouse Casino. If permitted by the City, SugarHouse intends to provide an ambulance service which shall be available at all times that the SugarHouse Casino is open. In addition, the City has agreed to provide back-up support ambulance services in the event of a catastrophe or other similar circumstances on a best effort basis.

14. Prior Agreement, Amendments. This Agreement sets forth the entire agreement between and among the parties hereto, including the additional signatories if any, and supersedes all prior and contemporaneous agreements, understandings, warranties or representations. This Agreement may not be changed, modified or amended except in a writing signed by SugarHouse and the Authorized Community Signatories, except that after formation of the SSD and its assumption of rights and obligations under this Agreement, the sole parties with rights to change, modify or amend this Agreement shall be SugarHouse (and its permitted successors and assigns) and SSD.

15. Other Agreements. The Authorized Community Signatories and the Special Services District acknowledge that SugarHouse has contractual and compliance obligations to the City, the Commonwealth of Pennsylvania and PGCB with respect to the development and use of the Project and the operation of SugarHouse Casino. Nothing in this Agreement shall be deemed to amend or vary any of those obligations, and to the extent anything in this Agreement shall conflict with any of those obligations, as the same may be amended or modified hereafter, it is those obligations, and not the provisions of this Agreement, which shall prevail. All parties hereto acknowledge and agree that the law of the Commonwealth of Pennsylvania shall govern the interpretation of this Agreement and the courts of the Commonwealth of Pennsylvania (the

“Pennsylvania Courts” shall have equitable jurisdiction, as well as jurisdiction at law, to enforce the rights and obligations of SugarHouse (its successors and assigns) and the Authorized Community Organizations and the SSD.

Notwithstanding anything herein to the contrary, no civil action with respect to any dispute, claim or controversy arising out of or relating to this Agreement, other than the enforcement of this paragraph, may be commenced until the matter has been submitted to JAMS (1717 Arch Street, Suite 4010 BellAtlantic Tower Philadelphia, PA 19103 Phone: 215-246-9494 Fax: 215-246-0949 Email: JAMS Philadelphia, PA) for mediation. Either party may commence mediation by providing to and the other party a written request for mediation, setting forth the subject of the dispute and the relief requested. The parties will cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and in scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator and any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Either party may seek equitable relief prior to the mediation to preserve the status quo pending the completion of that process. Except for such an action to obtain equitable relief, neither party may commence a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session, or 45 days after the date of filing the written request for mediation, whichever occurs first. Mediation may continue after

the commencement of a civil action, if the parties so desire. The provisions of this Clause may be enforced by any Court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorneys' fees, to be paid by the party against whom enforcement is ordered.

In the event any party hereto should be compelled to seek court enforcement of the foregoing paragraph by another party hereto, all parties acknowledge and agree that they shall not object to either the equitable jurisdiction of the Pennsylvania Courts in any such action or to the standing of the party seeking such enforcement.

16. Termination.

(a) In addition to any remedies available at law or in equity, any party to this Agreement may, at its option, terminate this Agreement upon a material breach of the terms of this Agreement by any then current party; provided, that the party electing to terminate or exercise other remedies provides written notice to the other parties under this Agreement of such breach and its intention to terminate or exercise other remedies, and; provided, further that the violating party fails to commence cure of such breach within forty-five (45) days after receipt of such notice and diligently proceeds to cure such breach. SugarHouse may declare the failure of the SSD to operate pursuant to the SSD Purpose to be a material breach of this Agreement, subject to the notice and cure period provided in the previous sentence. Notwithstanding the foregoing, if the SSD engages or facilitates others engaging in activities which, in the reasonable opinion of SugarHouse, are detrimental to the development or operation of SugarHouse Casino, such activities may be declared by SugarHouse as a material breach of this Agreement and the notice and cure period shall be reduced to three (3) business days each. After the formation of

the SSD is complete, this provision shall run to and from the SSD and not to and from the Authorized Community Signatories.

(b) In addition, this Agreement shall terminate immediately upon the permanent termination of gaming operations at the SugarHouse Casino or the suspension, non-renewal or revocation of its License, but not upon any temporary interruption or suspension of gaming operations as may be required by emergency conditions or by order of PGCB. SugarHouse shall not be in default of any of its obligations under this Agreement in the event the action or inaction by SugarHouse which is alleged to constitute a default occurs at a time when the SugarHouse Casino is permanently closed or no longer in operation for gaming activities. Upon any temporary interruption or suspension of SugarHouse's gaming operation, SugarHouse's obligations under paragraphs 4, 10 and 13 of this Agreement shall be similarly suspended. SugarHouse shall resume full performance under this Agreement upon the re-opening of the SugarHouse Casino and resumption of SugarHouse Casino's gaming operations.

(c) Notwithstanding anything contained in this Agreement to the contrary, this Agreement may be terminated by SugarHouse in its sole discretion at any time on or after March 31, 2009, if SugarHouse does not possess the unappealable approvals, licenses and permits necessary to commence construction of the SugarHouse Casino on the entire SugarHouse Site in accordance with the approved Plan of Development, and the start of construction of the SugarHouse Casino project on the entire SugarHouse Site has not commenced as a result thereof.

17. Assignment. The parties contemplate that upon formation of the SSD, the Authorized Community Signatories shall assign their rights and obligations to the SSD and shall no longer be parties to, nor be liable under, this Agreement. Otherwise, this Agreement may not be transferred or assigned by any party hereto without prior approval of all other parties, except

that SugarHouse will assign and delegate this Agreement to any successor owner of SugarHouse's License and/or SugarHouse Casino, and any successor owner of SugarHouse's License or SugarHouse Casino to whom this Agreement is assigned shall be bound by this Agreement. In addition, SugarHouse may satisfy its Contribution obligations outlined in Section 4 through its Foundation without this being deemed an assignment requiring written consent. In the event of any assignment, transfer, sale, conveyance, foreclosure or other disposal of the SugarHouse Casino and/or its License by SugarHouse (or any successor-in-interest to SugarHouse) (a "Transfer"), such successor owner shall succeed to the rights and obligations of SugarHouse under this Agreement and shall assume fully in writing and be liable for all liabilities and obligations of SugarHouse under this Agreement which remain unfulfilled as of the date of Transfer and for all future liabilities and obligations, and SugarHouse shall then be free of all liabilities and obligations from and after the date of such Transfer.

18. Governing Law. This Agreement shall be governed and interpreted by and in accordance with Pennsylvania law, and at all times shall be subject to terms and provisions of the Act. Upon execution, SugarHouse agrees to advise the PGCB that it is unaware of any current condition that at that time causes this Agreement or any provision thereof to be invalid.

19. Notices. All Notices provided under this Agreement shall be in writing and shall be deemed given only upon receipt by personal service or by certified or registered mail, postage prepaid, return receipt requested or by overnight mail, by the Parties at the addresses set forth in this Agreement. The Parties hereto may designate successors for each of the following by written notice to the other Parties.

The addresses for Notices are as follows:

If to Authorized Community: At address shown on execution page
to be replaced by

SSD notice address after
SSD is formed.

If to SugarHouse: SugarHouse Casino
1080 N. Delaware Avenue, 8th Floor
Philadelphia, PA 19125
Attn: President

With a copy to: Sprague & Sprague
The Wellington Building
Suite 400
135 South 19th Street
Philadelphia, PA 19103
Attn: Charles J. Hardy

20. Enforcement; Third Party Beneficiaries. Except with respect to the obligations of SugarHouse pursuant to paragraph 3 above, which may be enforced by the Authorized Community Signatories, the provisions of this Agreement may be enforced only by or against the Special Services District or SugarHouse, its successors or permitted assigns, and no other person or entity shall have any right, in his, her or its own name, or on behalf of any other person or entity, to seek enforcement of any of the provisions of this Agreement against any other person or entity. Except as stated in the prior sentence, this Agreement is made for the sole benefit of SugarHouse and the Special Services District, and nothing contained in this Agreement, express or implied, is intended to or shall confer upon any other person or entity (including the Authorized Community Signatories) any third-party beneficiary or any other legal or equitable rights, benefits or remedies of any kind or nature.

21. Counterparts. This Agreement may be executed in one or more counterparts, each of which, shall be deemed an original instrument.

22. No Waiver. No assent, express or implied, by any party to any breach of or default in any term, covenant or condition in this Agreement contained on the part of any other

party shall constitute a waiver of or assent to any succeeding breach of or default in the same or any other term, covenant or condition of this Agreement and each party shall have all remedies provided in this Agreement and under applicable law with respect to any subsequent act that would have originally constituted a breach of or default under this Agreement.

23. Exculpation. Except with regard to any assignment of this Agreement permitted pursuant to Section 16 of this Agreement, any obligation of SugarHouse, the SSD or the Authorized Community Signatories under or with respect to this Agreement shall be enforceable only against and payable out of the interest of SugarHouse, or the SSD, in the SugarHouse Casino or the assets of the SSD, and no partner of SugarHouse, nor any member or partner of a partner of SugarHouse, or any member of the SSD or the Authorized Community Signatories, or their respective shareholders, principals, partners, members, beneficiaries, advisors, trustees, directors, officers or employees, personal representatives, successors and assigns shall have any personal or individual liability of any kind whatsoever under this Agreement.

24. Other Entity. In the event a neighborhood improvement district or similar entity ("Other Entity") with taxing or assessment powers is formed and the SugarHouse Site is included in the area to be taxed or assessed, the amount paid by SugarHouse or the Foundation to the Other Entity in any year shall be an offset to the amount of the Contribution(s) otherwise payable by SugarHouse or the Foundation.

25. Additional Community Signatories. In the spirit of neighborly cooperation, the parties hereto agree that Additional Community Signatories may be eligible to join in this Agreement at the discretion of all the current Authorized Community Signatories. The Authorized Community Signatories shall develop procedures for admitting additional Authorized

Community Signatories and shall determine what legal documents must be executed by such additional Authorized Community Signatories.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned parties, intending to be legally bound hereby, have entered into this Community Benefits Agreement, to be effective as of the Effective Date.

HSP GAMING, LP, a Delaware limited partnership

By: HP Gaming Partners, L.P., a Delaware limited partnership, its general partner

By: High Penn Gaming, LLC, a Delaware limited liability company, general partner of HP Gaming Partners, L.P.

By: _____
Name:
Title:

Authorized Community Signatories

FISHTOWN ACTION:

By: _____
Name:
Title:
Dated as of _____, 2008.
Address: _____

Attn: President

NEW KENSINGTON CDC:

By: _____
Name:
Title:
Dated as of _____, 2008.
Address: _____

Attn: President

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HSP GAMING, LP, a Delaware limited partnership

By: HP Gaming Partners, L.P., a Delaware limited partnership, its general partner

By: High Penn Gaming, LLC, a Delaware limited liability company, general partner of HP Gaming Partners, L.P.

By: _____
Name:
Title:

Authorized Community Signatories

FISHTOWN ACTION:

By: Maddeline O'Brien
Name: MADELEINE O'BRIEN
Title: Chairperson
Dated as of 11/20/, 2008.
Address: 1530 E. Montgomery Ave
Chila PA 19125

Attn: President

NEW KENSINGTON CDC:

By: Richard J. Lewis
Name: Richard F. Lewis
Title: President and Chairman of the Board
Dated as of November 20, 2008.
Address: 2515 Frankford Ave
Philadelphia PA 19125

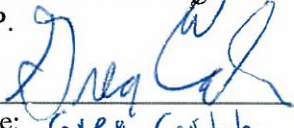
Attn: President

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HSP GAMING, LP, a Delaware limited partnership

By: HP Gaming Partners, L.P., a Delaware limited partnership, its general partner

By: High Penn Gaming, LLC, a Delaware limited liability company, general partner of HP Gaming Partners, L.P.

By: 
Name: Greg Carlh
Title: CEO

Authorized Community Signatories

FISHTOWN ACTION:

By: _____
Name: _____
Title: _____
Dated as of _____, 2008.
Address: _____

Attn: President

NEW KENSINGTON CDC:

By: _____
Name: _____
Title: _____
Dated as of _____, 2008.
Address: _____

Attn: President

EXHIBIT A

(Description of Boundaries of Neighboring Community)
(Which shall also describe boundaries of the Special Services District)

The Special Service District shall consist of the area of Philadelphia, Pennsylvania located within a boundary line described as follows:

1. Commencing at the center of the intersection of 6th Street and Callowhill Street;
2. Thence continuing north along 6th Street to the center of the intersection of 6th Street and West Girard Avenue;
3. Thence continuing east along West Girard Avenue to the center of the intersection of West Girard Avenue and Germantown Avenue;
4. Thence continuing northwest along Germantown Avenue to the center of the intersection of Berks Street and Germantown Avenue;
5. Thence continuing west along Berks Street to the center of the intersection of Berks Street and 6th Street;
6. Thence continuing north along 6th Street to the center of the intersection of 6th Street and Norris Street Avenue;
7. Thence continuing east along Norris Street to the center of the intersection of Norris Street and Frankford Avenue;
8. Thence continuing northeast along Frankford Avenue, to the center of the intersection of Frankford Avenue and Lehigh Avenue;
9. Thence continuing southeast along Lehigh Avenue and further continuing in the line of Lehigh Avenue to the Delaware River;
10. Thence continuing southwest along the Philadelphia side of the Delaware River to the line of Callowhill Street; and
11. Thence continuing west along the line of Callowhill Street to the foot of Callowhill Street and further continuing along Callowhill to the point and place of beginning, at the center of the intersection of Callowhill Street and 6th Street.

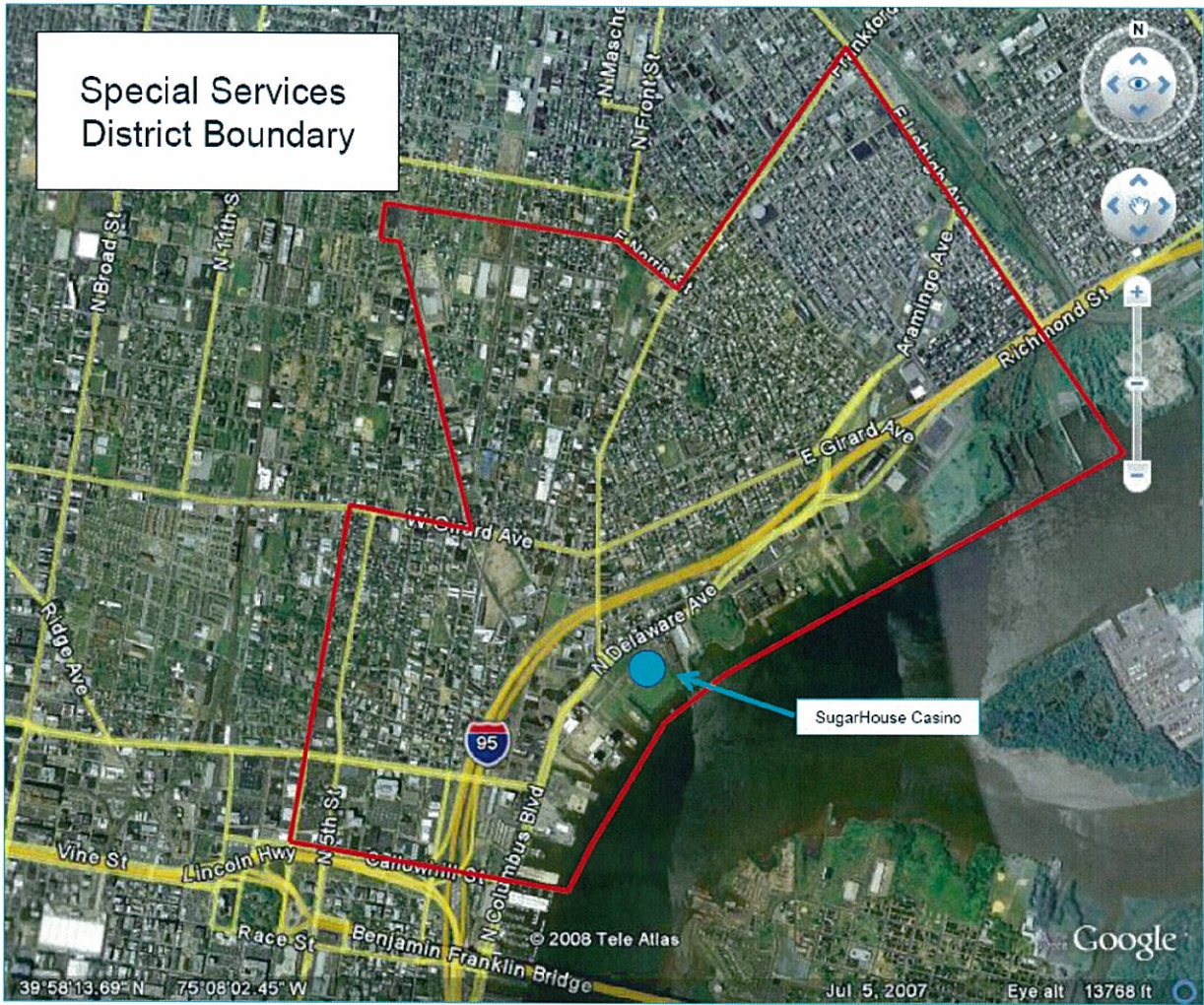


EXHIBIT B

(Description of SugarHouse Site)
(including submerged lands with public waterfront access)

PROPERTY DESCRIPTION (REVISED)

ALL that certain parcel of land situate in the 5th Ward of the City of Philadelphia and Commonwealth of Pennsylvania, bounded and described according to a survey and consolidation plan made by William B. Fahber, Professional Land Surveyor on December 13, 2006, and more particularly described as follows:

BEGINNING at the intersection of the southeasterly line of Delaware Avenue with the northeasterly line of Ellen Street (50 feet wide) and running thence:

Along the southeasterly line of Delaware Avenue, North $43^{\circ}31'03''$ East 726.656 feet to an angle point; thence

Still along said southeasterly line of Delaware Avenue, North $63^{\circ}51'33''$ East 513.810 feet to its intersection with the southwesterly line of Shackamaxon Street (60 feet wide); thence

Along said southwesterly line of Shackamaxon Street South $22^{\circ}26'57''$ East 157.774 feet to its point of intersection with the southeasterly line of the former Penn Street (50 feet wide), now stricken from the city plan, said point being also the southernmost corner of the part of Shackamaxon Street which was stricken from the City Plan; thence

Along the southeasterly end of the remaining part of Shackamaxon Street, being also the southeasterly line, if extended, of the former Penn Street, North $63^{\circ}51'33''$ East 30.062 feet to its intersection with the center line of Shackamaxon Street, said intersection being also in the southwesterly line of that portion of the vacated Shackamaxon Street, the right and title of which is included in deed to Philip F. Bogatin, Inc., as recorded in Book VCS 1035 of Deeds, Pages 578 &c.; thence

Along the center line of the portion of Shackamaxon Street which was stricken from the City Plan, South $22^{\circ}26'57''$ East 799.505 feet to its intersection with the pierhead line of Delaware River as established January 15, 1894 and approved by the Secretary of War on September 10, 1940; thence

Along said pierhead line, South $54^{\circ}04'10''$ West 30.850 feet to an angle point in the pierhead line, being also its intersection with the southwesterly line of the portion of Shackamaxon Street which was stricken from the City Plan; thence

Still along said pierhead line, South $48^{\circ}10'42''$ West 385.958 feet to another angle point in the pierhead line; thence

Still along said pierhead line, South $48^{\circ}14'22''$ West 333.614 feet to a corner, being the easternmost corner of property now or formerly owned by West Highland Holdings, L.L.C., as described in Deed, Document ID # 51473923; thence

Along the northeasterly line of said West Highland Holdings, L.L.C. property, North $46^{\circ}28'57''$ West 768.803 feet to a corner in the center line of a part of Penn Street (60 feet wide) which has been stricken from the City Plan, being also a corner of the reversion parcel described in said deed to West Highland Holdings, L.L.C.; thence

Along the northwest line of said reversion parcel, South $43^{\circ}31'03''$ West 99.250 feet to its point of intersection with the easternmost end of Penn Street, said point being in the northeasterly line of the aforesaid Ellen Street; thence

Along said northeasterly line of Ellen Street, North $46^{\circ}28'57''$ West 230.073 feet to the point and place of beginning.

CONTAINING 983,717 square feet, or 22.5830 acres, more or less.