

HOLLYWOOD Casino®

— PERRYVILLE, MD —

1201 Chesapeake Overlook Pkwy ★ Perryville, MD 21903

October 31, 2014

Stephen Martino
Director, Maryland Lottery and Gaming Control Agency
1800 Washington Blvd., Suite 330
Baltimore, MD 21230

Charles LaBoy
Assistant Director for Gaming, Maryland Lottery and Gaming Control Agency
1800 Washington Blvd., Suite 330
Baltimore, MD 21230

Re: Reduction of VLTs at Hollywood Casino Perryville

Stephen and Charles,

I am writing to officially request the removal of VLTs from the casino floor at Hollywood Perryville. This request would be for the removal of no more than 308 machines from our floor to arrive at or slightly over 850 VLTs. As we finalize the floor plan and cabinet mix for the floor that number could deviate slightly, but never more than the requested 308 machines would be removed.

As a part of the asset transfer in 2015, the property plans to purchase 599 machines from the lottery at a price tag of nearly \$3.7 million, approximately 150 machines from Bally Technologies for at least an additional \$1.0 million, and over 50 completely new games for the casino floor at over \$1.0 million (all in 2014/2015). Finally, the property will also invest around \$1.5 million next year into daily fee games and conversions as well.

This significant investment into the product mix of the property will be the most impactful investment the property has made since the arrival of table games and will no doubt improve the customer experience. Please be assured that we are not reducing slot machines at the risk of reducing slot revenues, but rather right-sizing our VLT footprint. The additional space provided from the reduction will allow Hollywood Casino to explore other amenities which will improve our marketability. As we finalize the plan and get permission to decrease our count, we will provide an updated floor plan that outlines our proposed layout. Thank you in advance for your help. This is an exciting time for Hollywood Perryville and I am more than happy to address any concerns or questions you may have.

Sincerely,



Matthew Heiskell
General Manager
Hollywood Casino Perryville

410.378.8500 ★ hollywoodcasinoperryville.com