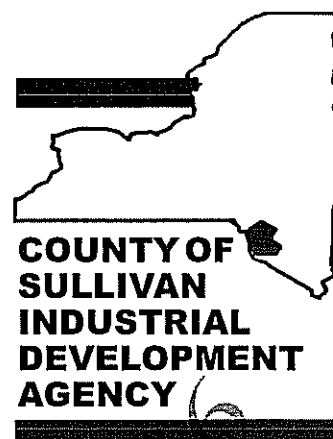


One Cablevision Center  
Ferndale, New York 12734  
(845) 295-2603  
(845) 295-2604 FAX

May 1, 2015



To Whom It May Concern:

Re: New York State Sales and Use Tax Exemption  
County of Sullivan Industrial Development Agency w/  
Monticello Raceway Management, Inc. and Montreign Operating Company, LLC  
("Company")

Pursuant to TSB-M-87(7) issued by the New York State Department of Taxation and Finance on April 1, 1987, you have requested a letter from the County of Sullivan Industrial Development Agency ("Agency") containing the information required by said policy statement regarding the sales tax exemption with respect to the purchase, lease or rentals of building materials, furniture, fixtures, equipment and supplies to be used in connection with the acquisition, construction and equipping of the following described project by the Company:

(i) the acquisition by the Agency of a leasehold interest or other interest in certain property located at Joyland Road and Thompsonville Road in the Town of Thompson ("Town"), County of Sullivan ("County"), New York State and being more particularly identified as all or part of tax map numbers 23-1-11.3, 23-1-48, 23-1-52 (portion), 23-1-53 (portion), 23-1-54.1, 23-1-54.2 (portion), 23-1-54.3 (portion) and containing in the aggregate approximately 186 acres ("Land"), (ii) the construction and equipping on the Land a "Casino Resort", which will consist of, among other things, a casino, hotel, banquet event center, restaurants, support buildings and structured and surface parking and related facilities and amenities (collectively, the "Improvements"), (iii) the acquisition in and around the Land and the Improvements of certain items of equipment and other tangible personal property ("Equipment," and collectively with the Land and the Improvements, the "Facility" or "Project"); and (iv) the financing of all or a portion of the foregoing through a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency shall lease or sublease the Land from the Company and appoint the Company as its agent to undertake the Project and shall sublease the Facility back to the Company (the "Straight Lease Transaction").

\* This Sales Tax Exemption Letter shall not be used to abate sales tax on purchases of motor vehicles.

On March 19, 2013 and September 3, 2014, the Agency, a corporate governmental Agency constituting a body corporate and politic and a public benefit corporation and a governmental agency of the State of New York adopted a resolution whereby the Agency appointed the Company as its agent to acquire, construct and equip the Project.

This is to certify that purchases, leases or rentals by the Agency, through its agent, the Company, of materials to be incorporated into the Facility and purchases, leases or rentals of supplies, tools, equipment, or services necessary to acquire, construct and equip such Facility are exempt from any sales or use tax imposed by the State of New York and any governmental instrumentality located within the State of New York.

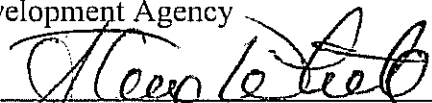
It is further certified that since the Agency is a public benefit corporation, neither it, nor the Company as its agent, is required to furnish an "Exempt Organization Certificate" in order to secure exemption from sales or use tax for such items.

A copy of this letter retained by any vendor or seller to the Company as agent for the Agency, may be accepted by such vendor or seller as a "statement and additional documentary evidence of such exemption" as provided by New York Tax Law 1132(c)(2), thereby relieving such vendor or seller from the obligation to collect sales or use tax upon purchases or rentals of such materials, supplies, tools, equipment, or services by the Agency through its agent, the Company.

THIS LETTER SHALL BE IN EFFECT TO AND INCLUDING DECEMBER 31, 2016.

In the event you have any questions with respect to the above, please do not hesitate to contact me.

County of Sullivan Industrial  
Development Agency

  
By: Steve White, Chief Executive Officer

60286-023v2

\* This Sales Tax Exemption Letter shall not be used to abate sales tax on purchases of motor vehicles.