



EXHIBIT VIII.B.10.

SUPPLEMENTAL TAX PAYMENT

Submit as Exhibit VIII.B.10. a statement as to whether the Applicant agrees to pay a binding supplemental fee if the Applicant is awarded a License. If yes, describe the amount of the binding supplemental fee. Any agreement to pay a binding supplemental fee will become a condition to the License. If the Applicant does not agree to pay a binding supplemental fee, it should explicitly state such.



Montreign Operating Company, LLC, as the owner, operator and Manager of Montreign Resort Casino in Region One, will pay a gaming tax of thirty-nine percent (39%) of Gross Gaming Revenue from slot machines and ten percent (10%) of Gross Gaming Revenue from all other sources. State, county and local governments will also enjoy substantial new tax revenues directly generated by Montreign and the other component parts of the proposed Gaming Facility (i.e., the Indoor Waterpark Lodge, the Entertainment Village, and Monster Golf Course) through sales, income, real estate, hotel, entertainment and other tax levies as more fully described in Exhibit VIII.B.4. These new tax revenues will further increase as other parts of the Adelaar comprehensive master planned resort community are developed and come on-line.

Additionally, Montreign's affiliate, Monticello Raceway Management, Inc., owns and operates

the Monticello Casino and Raceway, a video gaming machine ("VGM") and harness horseracing facility. Since the beginning of MCR's VGM operations in 2004, MRMI has contributed in excess of \$274 million to education in the State of New York, in excess of \$2.6 million to the Village of Monticello, \$5.8 million to the Town of Thompson and \$2.8 million to Sullivan County as a result of such VGM operations.

If approved by the Commission, MRMI intends to continue its operations, albeit with a reduction in the number of VGMs. To mitigate any adverse consequences that may result from a reduction in MCR's VGM operations, MRMI has entered into a Water Supply Agreement with the Village of Monticello under which (i) a surcharge is payable to the Village to guarantee that the Village receives an amount not less than that payable in property taxes on account of MCR in tax year 2013-2014 and (ii) a hold harmless fee is payable in an amount of not less than \$188,000 to cover any reduction in VGM payments to the Village. The Water Supply Agreement is attached as Attachment VIII.B.10.-1.

Accordingly, Montreign Operating Company, LLC is not presently offering a supplemental fee after carefully weighing the anticipated tax burden under the existing tax structure and additional amounts payable under the Water Supply Agreement against the need to prudently conserve resources to ensure the financial viability of the proposed Gaming Facility.

MRMI CONTRIBUTIONS

\$274+ MILLION
to education in the State of
New York

\$2.6+ MILLION
to the Village of Monticello

\$5.8 MILLION
to the Town of Thompson

\$2.8 MILLION
to Sullivan County