CHIP AND A CHAIR MASSAGE THERAPY LLC

GAMING SERVICE PROVIDER REGISTRATION HEARING

PRESENTATION TO PENNSYLVANIA GAMING CONTROL BOARD

APRIL 11, 2012

PROCEDURAL BACKGROUND

- Chip and A Chair ("C&C") filed a GSP Registration Application on April 16, 2011
- By Order of the Board, Bureau of Licensing accepted the GSP Application on about October 18, 2011
- C&C was Granted Interim Authority to conduct business on December 9, 2011
- Having satisfied all applicable requirements, C&C's Registration Application is ready for approval

PENNSYLVANIA OPERATIONS

- C&C commenced service at Harrah's Chester Casino
 & Racetrack on February 13, 2012
- C&C commenced service at Parx Casino on February 20, 2012
- Negotiations are ongoing for service to Sands Casino Resort Bethlehem

CHIP and A CHAIR - UNIFORMS



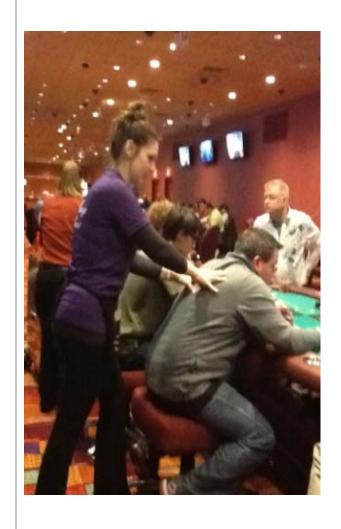


CHIP and A CHAIR

 All massage therapists must be licensed by Pennsylvania State Board of Massage Therapy

- All therapists are trained:
 - Only player initiated conversation
 - No commenting on play or cheering
 - No massaging affected areas (e.g., head, neck, arms) during play
 - Stop clock upon player request during hand

CHIP and A CHAIR – POKER MASSAGE







CHIP and A CHAIR – JOB CREATION

- C&C has created 20 new employment positions for therapists to serve Harrah's & Parx Chester
- Up to 8 additional therapist positions will be created to serve Sands Bethlehem if finalized

CASINO & PATRONS DESIRE SERVICE

- C&C has received positive demand for and feedback about its services from casinos and patrons
- In March 2012, C&C Performed 1,374 therapeutic massages
 - ▼ 904 massages at Parx
 - x 470 massages at Harrah's Chester

CASINO & PATRONS DESIRE SERVICE

- Standard rates:
 - x \$2 per minute; or
 - x \$20 for every 15 minutes
- In March 2012, out of 1,374 massages, C&C received a single complaint (related to not enjoying the massage services)
 - Patron received a complimentary massage and was satisfied

CASINOS & PATRONS DESIRE SERVICE



BRYAN P. SCHROEDER
ASSISTANT GENERAL COUNSE

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E-MAIL: bschroeder@parxcasino.co

April 5, 2012

VIA FEDERAL EXPRESS

Hon. William H. Ryan, Jr. Chairman Pennsylvania Gaming Control Board 303 Walnut Street Verizon Tower, 5th Floor Harrisburg, PA 17101-1825

> RE: Chip and a Chair Massage Therapy LLC Docket No. 2049-2011

Dear Chairman Ryan:

On behalf of Greenwood Gaming & Entertainment, Inc. ("GGE"), d/b/a Parx Casino, I write to express our strong support for the approval of the Gaming Service Provider registration application of Chip and a Chair Massage Theapsy, LLC ("C&C"). As you may recall, GGE previously provided a letter for submission to the Pennsylvania Gaming Control Board ("PGGB" or the "Board") encouraging the PGGB to accept C&C's application and permit massage therapists to become gaming service providers.

At that time, we expressed our view that Poker massages were a vital customer service that was in high demand in Parx Casino's Poker Room. The ability to provide that service was necessary for GGE to compete with neighboring jurisdictions and provide the best customer experience possible.

After the Board permitted C&C to apply for a gaming service provider registration, GGE sponsored its application and C&C began providing massage services at Parx Casino in late February 2012. We are pleased to report that C&C's service has been an even greater success than we had anticipated and extremely well received by our patrons. GGE has received nothing but positive feedback from customers and has not received any complaints about the massage services provided by C&C.

Because this service has been so successful with our customers, GGE urges the Board to approve C&C's registration application. In so doing, GGE encourages the Board to afford it the flexibility of possibly offering C&C's services in other areas of the gaming floor in the future.

2999 street road • bensalem pa 19020 p. 267. 223. 3800 f. 215, 639. 1594 w. parxcasino.com

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CASINOS & PATRONS DESIRE SERVICE



VIA E-MAIL to Alta Drayton Brown (boardclerk@state.pa.us)

William H. Ryan, Jr., Chairman Pennsylvania Gaming Control Board Strawberry Square Verizon Tower, 5th Floor Harrisburg, PA 17106-9060

HARRAH'S CHESTER CASINO & RACETRACK

Re: Docket Number 2049-2011

Dear Chairman Ryan:

I am writing on behalf of Chester Downs and Marina, LLC d/b/a Harrah's Chester Casino & Racetrack ("<u>Harrah</u>'s <u>Chester</u>") to express Harrah's Chester's support of the gaming service provider registration application of Chip and a Chair Massage Therapy, LLC ("<u>C&C</u>"), and the concept of providing massage services on the gaming floor in Pennsylvania.

Harrah's Chester is pleased to report that since the time of C&C's application to the Pennsylvania Gaming Control Board (the "Board"), we have enjoyed a good working relationship with C&C and have received strong positive feedback from our customers regarding the provision of massage services in our poker room.

As the Board considers the application of C&C, and broader matters relating to the scope of permissible massage services, we ask that that the Board make provision for the possibility of massage services being offered in any open area of the gaming floor. You may recall that by letter from outside counsel dated October 12, 2011, Harrah's Chester noted that the most common concerns regarding the provision of such services on the gaming floor, i.e., the physical touching of patrons and the creation of distraction, are generally allayed by consideration of the highly surveilled areas in which such services are offered. So long as such services are limited to open areas of the gaming floor, they will remain highly scrutinized. Accordingly, we submit that very little opportunity for impropriety in the delivery of such services exists, and the history of our affliates' offering of such services in many other U.S., jurisdictions supports this proposition. Harrah's Chester respectfully suggests that the success we have experienced to date without incident and significant customer demand for broader delivery of massage services warrant your favorable consideration of this request.

Thank you for your consideration.

Dwayne Cambra- Director of Finance

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ery truly yours.

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The success we have experienced to date without incident and significant customer demand for broader delivery of massage services warrant your favorable consideration of this request.