



Divi Carina Bay Casino

May 4, 2016

Virgin Islands Casino Control Commission
3005 Orange Grove
Christiansted, V.I. 00820

Attention: Violet Anne Golden, Chairman

Re: Closure of Racino

Dear Chairman Golden:

Please be advised that on May 3, 2016 TRAXCO, Inc. received the attached letter from the Attorney General which threatens criminal sanctions if TRAXCO (and thus its subtenants, including Treasure Bay V.I. Corp.) does not vacate the property leased to TRAXCO pursuant to the Sub Lease dated December 15, 2004 by the close of business on May 6, 2016. Although TRAXCO believes that the claims for termination are invalid and that the threat of criminal sanctions are unjustified, neither TRAXCO nor TBVI will put itself and its officers, directors and employees at risk given that these threats come from the highest ranking legal official in the Territory. Accordingly, while TRAXCO is reserving all of its rights and does not agree that the Lease has been terminated or has expired, TRAXCO will comply with the Attorney General's demand, under duress, and vacate the property by the close of business on May 6, 2016 and has required that its subtenant, Treasure Bay V.I. Corp., do the same. Please be advised that Treasure Bay V.I. Corp. is commencing the dismantling and closure of its gaming facilities at the Randall "Doc" James Racetrack immediately and will vacate that location as soon as possible but no later than May 6, 2016. All gaming equipment will be transported to Divi Carina Bay Casino by Atlantic trucking or company transport. Please acknowledge receipt of this letter.

Thank you very much

Very truly yours,

Anton Kuipers
General Manager

cc: Dr. Roderick Moorehead, Commissioner
Mr. Henry Richardson, Commissioner
Brendalyn Edwards, Division of Gaming Enforcement