

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF RHODE ISLAND**

)	
In re:)	Chapter 11
)	
UTGR, INC. d/b/a TWIN RIVER, <u>et al.</u> , ¹)	Case No. 09-12418 (ANV)
)	
Debtors.)	Jointly Administered
)	

NOTICE OF DEBTORS’ FILING OF AMENDED SETTLEMENT AGREEMENT

PLEASE TAKE NOTICE that, on October 22, 2009, the Debtors filed a motion seeking entry of an order approving a settlement agreement (the “Settlement Agreement”) by and between the Debtors, the R.I. Greyhound Owners Association, Inc. (the “RIGOA”), and Merrill Lynch Capital Corporation in its capacity as administrative agent (the “First Lien Agent,” together with the Debtors and the RIGOA, the “Settlement Parties”) under that certain Third Amended and Restated First Priority Credit Agreement by and among the Debtors, the First Lien Agent, and the lenders party thereto from time to time, dated as of June 30, 2005, as amended and restated as of July 18, 2005, August 11, 2005, and August 23, 2005, as further amended as of August 22, 2006 and as further amended, modified, or supplemented through the date hereof. See Debtors’ Motion for Entry of an Order Approving Settlement Agreement [Docket No. 364] (the “Settlement Motion”).

PLEASE TAKE FURTHER NOTICE that, on November 10, 2009, the Official Committee of Unsecured Creditors (the “Creditors’ Committee”) filed the Limited Objection of Official Committee of Unsecured Creditors to Debtors’ Motion for Entry of an Order Approving Settlement Agreement [Docket No. 380], and the United States Trustee for the District of Rhode

¹ The Debtors in these chapter 11 cases are BLB Management Services, Inc., BLB Worldwide Holdings, Inc., and UTGR, Inc.

Island (the “U.S. Trustee”) filed the Objection of United States Trustee to Debtors’ Motion for Entry of an Order Approving Settlement Agreement [Docket No. 386] (together, the “Objections”).

PLEASE TAKE FURTHER NOTICE that, to address the concerns stated in the Objections, the Settlement Parties amended the Settlement Agreement (the “Amended Settlement Agreement”), provided the Amended Settlement Agreement to the Creditors’ Committee and to the U.S. Trustee, and discussed the amendments with both parties.

PLEASE TAKE FURTHER NOTICE that the Debtors are hereby filing as: **Exhibit A**, the Amended Settlement Agreement; **Exhibit B**, a comparison of the Amended Settlement Agreement to the originally-filed Settlement Agreement; **Exhibit C** a revised proposed order approving the Amended Settlement Agreement by and between the Settlement Parties; and **Exhibit D**, a comparison of the revised proposed order to the originally-filed proposed order.

PLEASE TAKE FURTHER NOTICE that the hearing on the Settlement Motion and the Amended Settlement Agreement will be held before the Honorable Arthur N. Votolato, Bankruptcy Judge of the United States Bankruptcy Court for the District of Rhode Island, at the United States Bankruptcy Court on 380 Westminster St., Providence, Rhode Island 02903, on **November 17, 2009 at 1:00 p.m. (prevailing Eastern Time)**.

Dated: November 13, 2009
Providence, Rhode Island

WINOGRAD, SHINE & ZACKS, P.C.

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- and -

KIRKLAND & ELLIS LLP

/s/ Paul M. Basta

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Counsel for the Debtors and Debtors in Possession

EXHIBIT A

Amended Settlement Agreement

AMENDED SETTLEMENT AGREEMENT

This AMENDED SETTLEMENT AGREEMENT (the “Agreement”) is made this ___ day of November, 2009 by and between the Debtors (as defined below), the R.I. Greyhound Owners Association, Inc. (“RIGOA”) and Merrill Lynch Capital Corporation (“Merrill” and together with the Debtors and RIGOA, the “Parties”), in its capacity as administrative agent (the “First Lien Agent”) under that certain Third Amended and Restated Credit Agreement by and among the Debtors, the First Lien Agent, and the lenders party thereto from time to time, dated as of June 30, 2005, as amended and restated as of each of July 18, 2005, August 11, 2005, and August 23, 2005, as further amended as of August 22, 2006 and as further amended, modified, or supplemented through the date hereof.

RECITALS

A. On June 23, 2009 (the “Petition Date”), UTGR, Inc. (“UTGR”), BLB Management Services, Inc. (“BLB Management Services”), and BLB Worldwide Holdings, Inc. (“BLB Worldwide” and, together with UTGR and BLB Management Services, the “Debtors”) each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Rhode Island (the “Bankruptcy Court”), commencing chapter 11 cases, which are being jointly administered under case number 09-12418 (the “Bankruptcy Cases”), and each of the Debtors continues to operate its businesses and manage its properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. UTGR and RIGOA are parties to that certain Lincoln Greyhound Park Racing Agreement, dated as of July 18, 2005 and amended as of September 8, 2008 (the “Prepetition Agreement”), pursuant to which RIGOA provided greyhound dogs and certain greyhound racing services to UTGR.

C. RIGOA asserts that (i) one or more of the Debtors owed RIGOA certain amounts for services and provided by RIGOA to one or more of the Debtors under the Prepetition Agreement that were due and payable as of the Petition Date, and (ii) in the event the Bankruptcy Court grants the Motion and authorizes the Debtors to reject the Prepetition Agreement, one or more of the Debtors could potentially owe RIGOA rejection damages in the approximate amount of at least \$99,000,000 (collectively, the “Prepetition Debt”), both of which amounts may entitle RIGOA to a general unsecured claim corresponding to the foregoing amounts against the bankruptcy estate of one or more of the Debtors (the “Prepetition Claim”).

D. RIGOA asserts that for the period from and after the Petition Date one or more of the Debtors owes RIGOA certain amounts for services provided by RIGOA to one or more of the Debtors under the Prepetition Agreement, which amounts RIGOA asserts have not been paid by the Debtors and may entitle RIGOA to an administrative expense claim pursuant to section 503 of the Bankruptcy Code against the bankruptcy estate of one or more of the Debtors (the “Administrative Expense Claim”).

E. On August 8, 2009, the Debtors filed a Motion for Entry of an Order Authorizing Rejection of Executory Contract (the "Motion") seeking an order, pursuant to 11 U.S.C. § 365(a), authorizing the Debtors to reject the Prepetition Agreement [Docket No. 209].

F. On September 23, 2009, RIGOA filed an objection to the Motion (the "Objection") [Docket No. 306].

G. On September 25, 2009, the Debtors filed their reply to the Objection and in support of the Motion [Docket No. 311] and Merrill, in its capacity as First Lien Agent, filed a joinder to the Motion [Docket No. 312].

H. In consideration of the resolution of the Prepetition Claim and the Objection as set forth herein, RIGOA is willing to consent to the rejection of the Prepetition Agreement and compromise the Prepetition Claim, and any administrative expense claims that could be asserted under section 503 of the Bankruptcy Code, on the terms set forth herein, subject to entry of an order by the Bankruptcy Court approving this Agreement.

I. The Debtors and RIGOA have each determined that, subject to the Bankruptcy Court's approval, it is in the best interests of the Parties to enter into this Agreement to effectuate the rejection of the Prepetition Agreement and the compromise and resolution of the Prepetition Claim on the terms set forth herein.

J. This Agreement will be fully effective on the date on which the Bankruptcy Court enters an order approving this Agreement pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Settlement Effective Date").

DECRETALS

In consideration of the foregoing recitals, which are incorporated into this Agreement, and the covenants and conditions contained herein, the Parties hereby agree as follows, subject to and effective as of the Settlement Effective Date:

1. The Debtors hereby reject, and RIGOA consents to the rejection of, the Prepetition Agreement.

2. In full and final satisfaction of any and all claims held by RIGOA against any of the Debtors or the Debtors' bankruptcy estates arising from or relating to the Prepetition Agreement, including (a) the Prepetition Claim, (b) any claims arising from or relating to the rejection of the Prepetition Agreement under section 365 of the Bankruptcy Code, (c) the Administrative Expense Claim and any other administrative expense claims that could be asserted under section 503 of the Bankruptcy Code; and (d) any and all other claims that RIGOA may be entitled to file or assert now or in the future arising from or relating to the Prepetition Debt or the Prepetition Agreement (collectively, the "Released Claims"), RIGOA shall be

entitled to an allowed administrative claim against the bankruptcy estate of UTGR in the amount of \$2,000,000 (the "Administrative Expense Claim") and shall also be entitled to an allowed general unsecured claim against the bankruptcy estate of UTGR in an amount that shall result in a distribution to RIGOA through the Debtors' chapter 11 plan of reorganization (the "Plan") of \$3,000,000 (the "Allowed General Unsecured Claim Distribution"); provided, however, that payment of the full \$3,000,000 Allowed General Unsecured Claim Distribution is subject to satisfaction of the conditions precedent in Section 4 hereof.

3. The Administrative Expense Claim of \$2,000,000 shall be paid to RIGOA on the Settlement Effective Date.

4. The Allowed General Unsecured Claim Distribution shall be payable to RIGOA in the below amounts and manner only upon satisfaction of the following conditions precedent.

(a) The effective date of the Plan shall have occurred, which Plan shall be expressly contingent upon:

(i) the treatment of claims consistent with the term sheet dated as of June 22, 2009 (the "Term Sheet" (attached hereto as Exhibit A)); and

(ii) the obtainment of the objectives set forth in the Term Sheet that shall result in the reorganized Debtors achieving, on a prospective annual basis, the increased EBITDA performance envisioned by the Term Sheet (the "Incremental Annual EBITDA"); provided, however, if the entire Incremental Annual EBITDA is not obtained, the Allowed General Unsecured Claim Distribution of \$3,000,000 shall be reduced proportionally by the amount of Incremental Annual EBITDA not obtained. For the purpose of clarity, the amount of Incremental Annual EBITDA envisioned by the Term Sheet is \$17,959,000.

(b) The total amount of the Allowed General Unsecured Claim Distribution shall be paid to RIGOA in four equal quarterly installments as follows: (i) 25% shall be paid on the last day of the calendar quarter following the occurrence of the effective date of the Plan (the "Initial Post-Confirmation Payment Date"); and (ii) 25% shall be paid on the last day of each of the three calendar quarters that follow the Initial Post-Confirmation Payment Date.

5. Other than the Administrative Expense Claim and the Allowed General Unsecured Claim Distribution, all of the Released Claims, whether or not evidenced by one or more proofs of claim filed by RIGOA, shall be disallowed and expunged in their entirety without further need for any action by the Debtors or further Bankruptcy Court approval.

6. As an express condition to the Debtors' grant of each of the Administrative Expense Claim and the Allowed General Unsecured Claim Distribution, as applicable, RIGOA agrees as follows:

(a) not to not file, perfect or otherwise assert against the Debtors, the Debtors' bankruptcy estates, or any of their respective assets or property (real or personal) any claim, lien or interest (regardless of the statute or other legal authority upon which such lien or interest is asserted) arising from or related to the Prepetition Agreement or the Prepetition Claim;

(b) not to oppose, or cause or support any opposition to, any motion or application filed by the Debtors with the Bankruptcy Court to approve this Agreement;

(c) to support the Plan filed by the Debtors in the Bankruptcy Cases, and, to the extent RIGOA is entitled to vote on the Plan, it shall (i) vote to accept the Plan by delivering its duly executed and completed ballot accepting such Plan prior to the end of the solicitation period with respect to the Plan; (ii) not change or withdraw (or cause to be changed or withdrawn) such vote; and (iii) not, in any material respect, (x) object to, delay, impede or take any other action to interfere with acceptance or implementation of the Plan, or (y) propose, file, support, or vote for any restructuring, workout or plan of reorganization for the Debtors other than the Plan; and

(d) not to (i) directly or indirectly seek, negotiate, solicit, support or vote in favor of any alternative transaction other than the Plan; (ii) withhold, withdraw, qualify or modify its approval of the Plan; (iii) object to the entry of all orders of the Bankruptcy Court relating to the Plan and the disclosure statement related to the Plan; (iv) object to or otherwise commence any proceeding opposing any of the terms of the Plan; (v) commence any proceeding or prosecute, join in or otherwise support any action to oppose or object to the Plan; (vi) encourage any individual, corporation, company, voluntary association, partnership, joint venture, trust, unincorporated organization or government (or any agency, instrumentality or political subdivision thereof) to object to, delay, impede, appeal or take any other action, directly or indirectly, to interfere with the formulation, confirmation and effectuation of the Plan; (vii) object to any document that is appropriate or necessary to implement the Plan; (viii) take any action that is inconsistent with, or that would delay in any material respect confirmation or effectuation of the Plan; or (ix) oppose, interfere, obstruct, or hinder the Debtors' plans, initiatives, or goals in connection with the Bankruptcy Cases, the Plan, and their racing operations.

7. Also as an express condition to the Debtors' grant of each of the Administrative Expense Claim and the Allowed General Unsecured Claim Distribution, as applicable, and upon satisfaction by the Debtors of their final payment obligation to RIGOA pursuant to this Agreement (which date shall be the "Settlement Expiration Date"), RIGOA agrees to immediately disband and cease to operate, which shall be evidenced by:

(a) a resolution of the board of directors of RIGOA to dissolve RIGOA;

(b) a notice of dissolution in respect of RIGOA, both of which shall be delivered to the Debtors and the First Lien Agent no later than 14 days following the Settlement Expiration Date; and

(c) a certificate of dissolution issued by the Secretary of State of the State of Rhode Island, which shall be delivered by the representative of the dissolved RIGOA to the Debtors and the First Lien Agent no later than 5 days following its issuance.

8. In the event RIGOA breaches any of the provisions of this Agreement, all payments made pursuant to this Agreement as of the time of such breach shall be immediately disgorged by RIGOA and paid to the Debtors or reorganized Debtors, as applicable.

9. RIGOA represents and warrants that it (a) is the owner and holder of the Prepetition Claim, (b) has not sold, assigned or otherwise transferred the Prepetition Claim to any third party, and (c) has full authority to enter into this Agreement.

10. RIGOA acknowledges and agrees that (a) its execution of this Agreement shall cause this Agreement to be binding against the Kennel Owners (as defined in the Prepetition Agreement); (b) the Kennel Owners shall have no rights or claims against the Debtors of any kind now or in the future; and (c) it shall hold harmless, indemnify, and defend the Debtors or any of their successors from any claim, losses, liabilities, damages, costs or expenses (including reasonable attorneys' fees) arising out of, in relation to, or in any way associated with any action, claim or lawsuits brought by the Kennel Owners against the Debtors or any of their successors or any action taken by the Kennel Owners to delay, oppose, hinder, obstruct, impede or interfere with the formulation, solicitation, acceptance, confirmation or implementation of the Plan or with the Debtors' plans, initiatives, or goals in connection with the Bankruptcy Cases and the Debtors' racing operations.

11. This Agreement shall be binding upon (a) all successors and assigns of each of the Parties to the Agreement, and (b) any subsequently appointed chapter 11 trustee or chapter 7 trustee to the extent one is appointed.

12. Neither this Agreement, nor the settlement provided for herein, nor any statement made, action or position taken, or document prepared or executed in connection with the negotiation, execution or implementation of this Agreement and the compromise and settlement of claims provided for herein shall be deemed to be, or construed as, an admission by any Party of any liability, wrongdoing, act or matter or that any claim or defense has or lacks merit.

13. This Agreement contains the entire agreement by and between the Parties with respect to the subject matter hereof, and all prior understandings or agreements, if any, are merged into this Agreement.

14. This Agreement may only be changed, modified or otherwise altered in a writing executed by all the parties to this Agreement. Oral modifications are not permitted.

15. This Agreement shall be construed and interpreted in accordance with the laws of the State of Rhode Island. For purposes of construing this Agreement, none of the Parties shall be deemed to have been the drafter of the Agreement.

16. Each of the Parties agrees to submit to the exclusive jurisdiction of the Bankruptcy Court for any action to enforce or interpret this Agreement.

17. Facsimile or other electronic copies of signatures on this Agreement are acceptable, and a facsimile or other electronic copy of a signature on this Agreement is deemed an original.

18. This Agreement may be executed in counterparts, each of which is deemed an original, but when taken together constitute one and the same document.

19. This Agreement, and the obligations of the Parties hereunder, shall be in full force and effect upon approval by the Bankruptcy Court.

[remainder of page left intentionally blank]

IN WITNESS WHEREOF and in agreement herewith, the Parties have executed
and delivered this Agreement as of the date first set forth above.

UTGR, INC.

R.I. GREYHOUND OWNERS ASSOCIATION,
INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

BLB MANAGEMENT SERVICES, INC.

MERRILL LYNCH CAPITAL CORPORATION,
as First Lien Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

BLB WORLDWIDE HOLDINGS, INC.

By: _____
Name:
Title:

Exhibit A

Term Sheet dated June 22, 2009

EXHIBIT B

Comparison of Amended Settlement Agreement to originally-filed Settlement Agreement

AMENDED SETTLEMENT AGREEMENT

This AMENDED SETTLEMENT AGREEMENT (the “Agreement”) is made this ___ day of ~~October~~November, 2009 by and between the Debtors (as defined below), the R.I. Greyhound Owners Association, Inc. (“RIGOA”) and Merrill Lynch Capital Corporation (“Merrill” and together with the Debtors and RIGOA, the “Parties”), in its capacity as administrative agent (the “First Lien Agent”) under that certain Third Amended and Restated Credit Agreement by and among the Debtors, the First Lien Agent, and the lenders party thereto from time to time, dated as of June 30, 2005, as amended and restated as of each of July 18, 2005, August 11, 2005, and August 23, 2005, as further amended as of August 22, 2006 and as further amended, modified, or supplemented through the date hereof.

RECITALS

A. On June 23, 2009 (the “Petition Date”), UTGR, Inc. (“UTGR”), BLB Management Services, Inc. (“BLB Management Services”), and BLB Worldwide Holdings, Inc. (“BLB Worldwide” and, together with UTGR and BLB Management Services, the “Debtors”) each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Rhode Island (the “Bankruptcy Court”), commencing chapter 11 cases, which are being jointly administered under case number 09-12418 (the “Bankruptcy Cases”), and each of the Debtors continues to operate its businesses and manage its properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

B. UTGR and RIGOA are parties to that certain Lincoln Greyhound Park Racing Agreement, dated as of July 18, 2005 and amended as of September 8, 2008 (the “Prepetition Agreement”), pursuant to which RIGOA provided greyhound dogs and certain greyhound racing services to UTGR.

C. RIGOA asserts that (i) one or more of the Debtors owed RIGOA certain amounts for services and provided by RIGOA to one or more of the Debtors under the Prepetition Agreement that were due and payable as of the Petition Date, and (ii) in the event the Bankruptcy Court grants the Motion and authorizes the Debtors to reject the Prepetition Agreement, one or more of the Debtors could potentially owe RIGOA rejection damages in the approximate amount of at least \$99,000,000 (collectively, the “Prepetition Debt”), both of which amounts may entitle RIGOA to a general unsecured claim corresponding to the foregoing amounts against the bankruptcy estate of one or more of the Debtors (the “Prepetition Claim”).

D. RIGOA asserts that for the period from and after the Petition Date one or more of the Debtors owes RIGOA certain amounts for services provided by RIGOA to one or more of the Debtors under the Prepetition Agreement, which amounts RIGOA asserts have not been paid by the Debtors and may entitle RIGOA to an administrative expense claim pursuant to section 503 of the Bankruptcy Code against the bankruptcy estate of one or more of the Debtors (the “Administrative Expense Claim”).

E. On August 8, 2009, the Debtors filed a Motion for Entry of an Order Authorizing Rejection of Executory Contract (the "Motion") seeking an order, pursuant to 11 U.S.C. § 365(a), authorizing the Debtors to reject the Prepetition Agreement [Docket No. 209].

F. On September 23, 2009, RIGOA filed an objection to the Motion (the "Objection") [Docket No. 306].

G. On September 25, 2009, the Debtors filed their reply to the Objection and in support of the Motion [Docket No. 311] and Merrill, in its capacity as First Lien Agent, filed a joinder to the Motion [Docket No. 312].

H. In consideration of the resolution of the Prepetition Claim and the Objection as set forth herein, RIGOA is willing to consent to the rejection of the Prepetition Agreement and compromise the Prepetition Claim, and any administrative expense claims that could be asserted under section 503 of the Bankruptcy Code, on the terms set forth herein, subject to entry of an order by the Bankruptcy Court approving this Agreement.

I. The Debtors and RIGOA have each determined that, subject to the Bankruptcy Court's approval, it is in the best interests of the Parties to enter into this Agreement to effectuate the rejection of the Prepetition Agreement and the compromise and resolution of the Prepetition Claim on the terms set forth herein.

J. This Agreement will be fully effective on the date on which the Bankruptcy Court enters an order approving this Agreement pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Settlement Effective Date").

DECRETALS

In consideration of the foregoing recitals, which are incorporated into this Agreement, and the covenants and conditions contained herein, the Parties hereby agree as follows, subject to and effective as of the Settlement Effective Date:

1. The Debtors hereby reject, and RIGOA consents to the rejection of, the Prepetition Agreement.

2. In full and final satisfaction of any and all claims held by RIGOA against any of the Debtors or the Debtors' bankruptcy estates arising from or relating to the Prepetition Agreement, including (a) the Prepetition Claim, (b) any claims arising from or relating to the rejection of the Prepetition Agreement under section 365 of the Bankruptcy Code, (c) the Administrative Expense Claim and any other administrative expense claims that could be asserted under section 503 of the Bankruptcy Code; and (d) any and all other claims that RIGOA may be entitled to file or assert now or in the future arising from or relating to the Prepetition Debt or the Prepetition Agreement (collectively, the "Released Claims"), RIGOA shall be entitled to an allowed administrative claim against the bankruptcy estate of UTGR in the amount

of \$2,000,000 (the “Administrative Expense Claim”) and shall also be entitled to an allowed general unsecured claim against the bankruptcy estate of UTGR in ~~the amount~~ an amount that shall result in a distribution to RIGOA through the Debtors’ chapter 11 plan of reorganization (the “Plan”) of \$3,000,000 (the “Allowed General Unsecured Claim Distribution”); provided, however, that payment of the full \$3,000,000 Allowed General Unsecured Claim Distribution is subject to satisfaction of the conditions precedent in Section 4 hereof.

3. The Administrative Expense Claim of \$2,000,000 shall be paid to RIGOA on the Settlement Effective Date.

4. The Allowed General Unsecured Claim Distribution shall be payable to RIGOA in the below amounts and manner only upon satisfaction of the following conditions precedent.

(a) The effective date of the ~~Debtors’ chapter 11 plan of reorganization (the “Plan”)~~ Plan shall have occurred, which Plan shall be expressly contingent upon:

(i) the treatment of claims consistent with the term sheet dated as of June 22, 2009 (the “Term Sheet” (attached hereto as Exhibit A)); and

(ii) the obtainment of the objectives set forth in the Term Sheet that shall result in the reorganized Debtors achieving, on a prospective annual basis, the increased EBITDA performance envisioned by the Term Sheet (the “Incremental Annual EBITDA”); provided, however, if the entire Incremental Annual EBITDA is not obtained, the Allowed General Unsecured Claim Distribution of \$3,000,000 shall be reduced proportionally by the amount of Incremental Annual EBITDA not obtained. For the purpose of clarity, the amount of Incremental Annual EBITDA envisioned by the Term Sheet is \$17,959,000.

(b) The total amount of the Allowed General Unsecured Claim Distribution shall be paid to RIGOA in four equal quarterly installments as follows: (i) 25% shall be paid on the last day of the calendar quarter following the occurrence of the effective date of the Plan (the “Initial Post-Confirmation Payment Date”); and (ii) 25% shall be paid on the last day of each of the three calendar quarters that follow the Initial Post-Confirmation Payment Date.

~~5. Pursuant to section 1122 of the Bankruptcy Code, the Plan shall designate the Allowed General Unsecured Claim in a separate class, by itself, for the purposes of voting on the Plan and receiving distributions pursuant to the Plan in accordance with the Agreement.~~

~~5.~~ 6. Other than the Administrative Expense Claim and the Allowed General Unsecured Claim Distribution, all of the Released Claims, whether or not evidenced by one or

more proofs of claim filed by RIGOA, shall be disallowed and expunged in their entirety without further need for any action by the Debtors or further Bankruptcy Court approval.

6. ~~7.~~ As an express condition to the Debtors' grant of each of the Administrative Expense Claim and the Allowed General Unsecured Claim Distribution, as applicable, RIGOA agrees as follows:

(a) not to not file, perfect or otherwise assert against the Debtors, the Debtors' bankruptcy estates, or any of their respective assets or property (real or personal) any claim, lien or interest (regardless of the statute or other legal authority upon which such lien or interest is asserted) arising from or related to the Prepetition Agreement or the Prepetition Claim;

(b) not to oppose, or cause or support any opposition to, any motion or application filed by the Debtors with the Bankruptcy Court to approve this Agreement;

(c) to support the Plan filed by the Debtors in the Bankruptcy Cases, and, to the extent RIGOA is entitled to vote on the Plan, it shall (i) vote to accept the Plan by delivering its duly executed and completed ballot accepting such Plan prior to the end of the solicitation period with respect to the Plan; (ii) not change or withdraw (or cause to be changed or withdrawn) such vote; and (iii) not, in any material respect, (x) object to, delay, impede or take any other action to interfere with acceptance or implementation of the Plan, or (y) propose, file, support, or vote for any restructuring, workout or plan of reorganization for the Debtors other than the Plan; and

(d) not to (i) directly or indirectly seek, negotiate, solicit, support or vote in favor of any alternative transaction other than the Plan; (ii) withhold, withdraw, qualify or modify its approval of the Plan; (iii) object to the entry of all orders of the Bankruptcy Court relating to the Plan and the disclosure statement related to the Plan; (iv) object to or otherwise commence any proceeding opposing any of the terms of the Plan; (v) commence any proceeding or prosecute, join in or otherwise support any action to oppose or object to the Plan; (vi) encourage any individual, corporation, company, voluntary association, partnership, joint venture, trust, unincorporated organization or government (or any agency, instrumentality or political subdivision thereof) to object to, delay, impede, appeal or take any other action, directly or indirectly, to interfere with the formulation, confirmation and effectuation of the Plan; (vii) object to any document that is appropriate or necessary to implement the Plan; (viii) take any action that is inconsistent with, or that would delay in any material respect confirmation or effectuation of the Plan; or (ix) oppose, interfere, obstruct, or hinder the Debtors' plans, initiatives, or goals in connection with the Bankruptcy Cases, the Plan, and their racing operations.

7. ~~8.~~ Also as an express condition to the Debtors' grant of each of the Administrative Expense Claim and the Allowed General Unsecured Claim Distribution, as applicable, and upon satisfaction by the Debtors of their final payment obligation to RIGOA pursuant to this Agreement (which date shall be the "Settlement Expiration Date"), RIGOA agrees to immediately disband and cease to operate, which shall be evidenced by:

(a) a resolution of the board of directors of RIGOA to dissolve RIGOA;

(b) a notice of dissolution in respect of RIGOA, both of which shall be delivered to the Debtors and the First Lien Agent no later than 14 days following the Settlement Expiration Date; and

(c) a certificate of dissolution issued by the Secretary of State of the State of Rhode Island, which shall be delivered by the representative of the dissolved RIGOA to the Debtors and the First Lien Agent no later than 5 days following its issuance.

8. ~~9.~~ In the event RIGOA breaches any of the provisions of this Agreement, all payments made pursuant to this Agreement as of the time of such breach shall be immediately disgorged by RIGOA and paid to the Debtors or reorganized Debtors, as applicable.

9. ~~10.~~ RIGOA represents and warrants that it (a) is the owner and holder of the Prepetition Claim, (b) has not sold, assigned or otherwise transferred the Prepetition Claim to any third party, and (c) has full authority to enter into this Agreement.

10. ~~11.~~ RIGOA acknowledges and agrees that (a) its execution of this Agreement shall cause this Agreement to be binding against the Kennel Owners (as defined in the Prepetition Agreement); (b) the Kennel Owners shall have no rights or claims against the Debtors of any kind now or in the future; and (c) it shall hold harmless, indemnify, and defend the Debtors or any of their successors from any claim, losses, liabilities, damages, costs or expenses (including reasonable attorneys' fees) arising out of, in relation to, or in any way associated with any action, claim or lawsuits brought by the Kennel Owners against the Debtors or any of their successors or any action taken by the Kennel Owners to delay, oppose, hinder, obstruct, impede or interfere with the formulation, solicitation, acceptance, confirmation or implementation of the Plan or with the Debtors' plans, initiatives, or goals in connection with the Bankruptcy Cases and the Debtors' racing operations.

11. ~~12.~~ This Agreement shall be binding upon (a) all successors and assigns of each of the Parties to the Agreement, and (b) any subsequently appointed chapter 11 trustee or chapter 7 trustee to the extent one is appointed.

12. ~~13.~~ Neither this Agreement, nor the settlement provided for herein, nor any statement made, action or position taken, or document prepared or executed in connection with the negotiation, execution or implementation of this Agreement and the compromise and

settlement of claims provided for herein shall be deemed to be, or construed as, an admission by any Party of any liability, wrongdoing, act or matter or that any claim or defense has or lacks merit.

13. ~~14.~~ This Agreement contains the entire agreement by and between the Parties with respect to the subject matter hereof, and all prior understandings or agreements, if any, are merged into this Agreement.

14. ~~15.~~ This Agreement may only be changed, modified or otherwise altered in a writing executed by all the parties to this Agreement. Oral modifications are not permitted.

15. ~~16.~~ This Agreement shall be construed and interpreted in accordance with the laws of the State of Rhode Island. For purposes of construing this Agreement, none of the Parties shall be deemed to have been the drafter of the Agreement.

16. ~~17.~~ Each of the Parties agrees to submit to the exclusive jurisdiction of the Bankruptcy Court for any action to enforce or interpret this Agreement.

17. ~~18.~~ Facsimile or other electronic copies of signatures on this Agreement are acceptable, and a facsimile or other electronic copy of a signature on this Agreement is deemed an original.

18. ~~19.~~ This Agreement may be executed in counterparts, each of which is deemed an original, but when taken together constitute one and the same document.

19. ~~20.~~ This Agreement, and the obligations of the Parties hereunder, shall be in full force and effect upon approval by the Bankruptcy Court.

[remainder of page left intentionally blank]

IN WITNESS WHEREOF and in agreement herewith, the Parties have executed
and delivered this Agreement as of the date first set forth above.

UTGR, INC.

R.I. GREYHOUND OWNERS ASSOCIATION,
INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

BLB MANAGEMENT SERVICES, INC.

MERRILL LYNCH CAPITAL CORPORATION,
as First Lien Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

BLB WORLDWIDE HOLDINGS, INC.

By: _____
Name:
Title:

Exhibit A

Term Sheet dated June 22, 2009

Document comparison done by Workshare DeltaView on Friday, November 13, 2009 2:21:06 PM

Input:	
Document 1	file://C:/Documents and Settings/shessler/Desktop/RIGOA Settlement/RIGOA Settlement Agreement [Execution Version].doc
Document 2	file://C:/Documents and Settings/shessler/Desktop/RIGOA Settlement/Amended RIGOA Settlement Agreement [Execution Version].doc
Rendering set	Enhanced K&E

Legend:	
<u>Insertion</u>	
Deletion	
<i>Moved from</i>	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Redline Summary:		
No.	Change	Text
1	Change	"SETTLEMENT AGREEMENT" changed to "AMENDED SETTLEMENT AGREEMENT"
2	Change	"This SETTLEMENT AGREEMENT (the "Agreement")" changed to "This AMENDED SETTLEMENT...(the "Agreement")"
3-4	Change	"("Agreement") is made this...and between the Debtors" changed to "("Agreement") is made this...and between the Debtors"
5-6	Change	"the bankruptcy estate of UTGR in the amount" changed to "the bankruptcy estate of...to RIGOA through the"
7	Change	"of \$3,000,000 (the "Allowed General" changed to "Debtors' chapter 11 plan...(the "Allowed General"

8	Change	"“Allowed General Unsecured Claim”);" changed to "“Allowed General Unsecured Claim Distribution”);"
9	Change	"Allowed General Unsecured...to satisfaction of the" changed to "Allowed General Unsecured...to satisfaction of the"
10	Change	"Allowed General Unsecured...payable to RIGOA in the" changed to "Allowed General Unsecured...payable to RIGOA in the"
11	Moved from	(a) The effective date of...(the “Plan”)
12	Change	"shall have occurred, which Plan" changed to "Plan shall have occurred, which Plan"
13	Change	"Allowed General Unsecured...shall be reduced" changed to "Allowed General Unsecured...shall be reduced"
14	Change	"Allowed General Unsecured...to RIGOA in four equal" changed to "Allowed General Unsecured...to RIGOA in four equal"
15	Deletion	5. Pursuant to section...with the Agreement.
16	Change	"Other than the Administrative Expense" changed to "6. Other than the Administrative Expense"
17	Change	"Allowed General Unsecured...Released Claims, whether" changed to "Allowed General Unsecured...Released Claims, whether"
18	Change	"As an express condition to the Debtors" changed to "7. As an express condition to the Debtors"
19	Change	"Allowed General Unsecured...RIGOA agrees as" changed to "Allowed General Unsecured...RIGOA agrees as"
20	Change	"Also as an express condition to" changed to "8. Also as an express condition to"
21	Change	"Allowed General Unsecured...and upon satisfaction" changed to "Allowed General Unsecured...and upon satisfaction"
22	Change	"In the event RIGOA breaches any" changed to "9. In the event RIGOA breaches any"
23	Change	"RIGOA represents and warrants that" changed to "10. RIGOA represents and warrants that"

24	Change	"RIGOA acknowledges and agrees that" changed to "11. RIGOA acknowledges and agrees that"
25	Change	"This Agreement shall be binding" changed to "12. This Agreement shall be binding"
26	Change	"Neither this Agreement, nor the" changed to "13. Neither this Agreement, nor the"
27	Change	"This Agreement contains the entire" changed to "14. This Agreement contains the entire"
28	Change	"This Agreement may only be changed," changed to "15. This Agreement may only be changed,"
29	Change	"This Agreement shall be construed" changed to "16. This Agreement shall be construed"
30	Change	"Each of the Parties agrees to submit" changed to "17. Each of the Parties agrees to submit"
31	Change	"Facsimile or other electronic copies" changed to "18. Facsimile or other electronic copies"
32	Change	"This Agreement may be executed in" changed to "19. This Agreement may be executed in"
33	Change	"This Agreement, and the obligations" changed to "20. This Agreement, and the obligations"

Statistics:	
	Count
Insertions	13
Deletions	18
Moved from	1
Moved to	1
Style change	0
Format changed	0
Total changes	33

EXHIBIT C

Revised Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF RHODE ISLAND**

In re:)	
)	Chapter 11
)	
UTGR, INC. d/b/a TWIN RIVER, <u>et al.</u> , ¹)	Case No. 09-12418 (ANV)
)	
Debtors.)	Jointly Administered
)	

ORDER APPROVING AMENDED SETTLEMENT AGREEMENT

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order approving the settlement agreement with the R.I. Greyhound Owners Association, Inc. (the “Order”), and as more fully set forth in the Motion; and the Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and the Court having found that notice of the Motion and of the hearing on the Motion (the “Hearing”) was appropriate under the particular circumstances; and the Court having reviewed the Motion, and having heard the statements in support of the relief requested therein at the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the

¹ The Debtors in these chapter 11 cases are BLB Management Services, Inc., BLB Worldwide Holdings, Inc., and UTGR, Inc.

² All capitalized terms used but otherwise not defined herein shall have the meaning ascribed to them in the Motion.

proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted to the extent provided herein.
2. The Debtors' entry into and performance of the terms of the Amended Settlement Agreement, attached as **Exhibit A** to the Notice of Debtors' Filing of Amended Settlement Agreement, filed on November 13, 2009 [Docket No ___], is authorized and approved pursuant to sections 105(a) and 363(b) of the Bankruptcy Code and Bankruptcy Rule 9019.
3. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
4. Notwithstanding the possible applicability of Rules 6004(h), 7062, and 9014 of the Federal Rules of Bankruptcy Procedure or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
5. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: _____, 2009
Providence, Rhode Island

Arthur N. Votolato
United States Bankruptcy Judge