

June, 2007

Diversity at

BUSHKILL

G • R • O • U • P

TO FURTHER ENHANCE OUR EXISTING COMMITMENT TO PROVIDE EQUAL OPPORTUNITY FOR SUCCESS FOR ALL EMPLOYEES AND SUPPLIERS, BUSHKILL GROUP WILL BEGIN IMPLEMENTATION OF THE FOLLOWING POLICY IN TANDEM WITH OUR GAMING LICENSE APPLICATION

Statement of Diversity

A message from W. Andrew Worthington President and C.E.O.

Bushkill Group Inc., a Pennsylvania corporation formed in October 2006 and authorized to conduct business in the Commonwealth of Pennsylvania, is proud of its long-standing policy on equal opportunity in employment and in vendor selection.

Vital to our goal of delivering outstanding service and a reliable and trusted product to our guests is our ability to attract and retain the best employees and suppliers in the area. To achieve this goal, we look to our diverse community and the surrounding regions for the most qualified and talented individuals and businesses available.

As we appoint, train and promote employees, select vendors and award contracts, Bushkill Group is committed to fostering diversity at every level in our organization. Every member of our team is expected to become intimate with our Diversity Plan and to embrace its principles and goals. I am ultimately responsible for its implementation and our Human Resources Director and our Director of Purchasing have special responsibilities in this endeavor. They are charged with the education, support and assistance of all employees and departments in implementing all aspects of our Diversity Plan.

In addition, we have established a separate Diversity Committee with a mandate to monitor, test and revitalize our Diversity Plan on an ongoing basis and to report to the Bushkill Group Board their recommendations for the future evolution of the Plan. Bushkill Group was also proud to be a principal sponsor of the inaugural Statewide Conference on Diversity, held in 2006 at East Stroudsburg University, Pennsylvania.

I am very proud of Bushkill Group's Diversity Plan and of our record of devotion to its philosophies to date.

Diversity Policy

It is the policy of Bushkill Group for all employment and purchasing decisions to be made without regard to race, creed, color, religion, national origin, ancestry, affectional or sexual orientation, gender, age, marital status, liability for service in the Armed Force of the United States, disability (where reasonable accommodation may be made to allow for such disability), rehabilitated offender status or any other basis prohibited by applicable state or federal laws. Bushkill Group shall base all employment and purchasing decisions on the merits, qualifications, abilities and attitude of the person or vendor in accordance with all applicable laws relating to equal employment opportunity. The provisions of our Diversity Policy are subject at all times to the governing principle that Bushkill Group will make all employment decisions in a non-discriminatory manner. Our Diversity Policy is not intended to require or cause us to consider any factor other than the individual qualifications of the person or company under consideration.

In addition, in order to preserve a vibrant and inclusive work environment, Bushkill Group commits to:

- Encouraging each employee to be respectful of other team members in words and actions.
- Ensuring that all systems, procedures and company policies support and foster diversity principles.
- Recognize and emphasize the value of differences among all employees.
- Ensure that each employee will have the opportunity to develop his or her skills and level of expertise.
- Creating and maintaining a culture, in which all employees will recognize, respect and respond to the diversity of the Company's customers, vendors and local community.

Diversity Committee

A message from Thomas Casale Diversity Committee Chair

Committee: Mary Gottschall, Andrew Wolf, Kim Stein, Wayne Bolt, Kate White, Sheila Webster, Felix Marzan

I am delighted and honored to serve as Chair of the Diversity Committee for Bushkill Group. Our Committee is charged with ensuring that our Diversity Plan is maintained and consistently applied throughout all departments and all day to day activity of the Company. As a committee, we serve as monitors, auditors, engineers and most of all, champions of the Plan.

With the assistance of our Human Resources Department, our Committee is responsible for:

- Educating all employees in the personnel requirements of this Diversity Plan;
- Implementing and administering all personnel aspects of this Diversity Plan;
- Dissemination of this Plan and associated policy statements internally to each employee, on employee bulletin boards and through an annual Policy Statement to all employees; and externally to employee recruitment sources including labor unions, and inclusion of our Equal Opportunity Employer notice in all advertisements or solicitations for employment.
- Providing support and assistance to other employees in the implementation of the personnel aspects of this Diversity Plan;
- Ensuring that all managers and supervisors carry out their personnel duties in accordance with this Diversity Plan;
- Reviewing all procedures used by managers and supervisors in personnel matters to ensure compliance with this Diversity Plan;
- Reviewing job descriptions and performance standards on a continuing basis to ensure compliance with this Diversity Plan;
- Maintaining accurate records regarding implementation of the personnel aspects of this Diversity Plan, including employment data on minority and women representation in the workforce in all job classifications, salary information, recruitment and training information, including executive and managerial level recruitment, and training, retention and outreach efforts.

Where applicable, the Committee and Bushkill Group's Human Resources Department will use the ethnic/racial categories identified in employer survey reports that are required by the United States Equal Opportunity Commission and the Office of Federal Contract Compliance Programs of

the United States Department of Labor under 709 of Title VII of the Civil Rights Act of 1964 (42 U.S.C.A § 2000(e)-8) or by subsequent amendments to that Federal act.

With the assistance of our Purchasing Department, our Committee is responsible for:

- Educating all employees in the purchasing requirements of this Diversity Plan;
- Implementing and administering the purchasing aspects of this Diversity Plan;
- Dissemination of this Plan and associated Policy Statements externally to all vendors and potential vendors seeking to do business with Bushkill Group, inclusion of language on all purchasing agreements barring discriminatory practices by any of our suppliers and contractors, inclusion of our Equal Business Opportunity Purchaser notice in all advertisements or solicitations for the purchase of goods or services, and when appropriate, providing notice to vendors who are on the list of certified minority and women's enterprises maintained by the Pennsylvania Gaming Control Board of solicitations for the purchase of goods or services.
- Providing support and assistance to other employees in the implementation of the purchasing aspects of this Diversity Plan;
- Ensuring that all managers and supervisors carry out their purchasing duties with this Diversity Plan;
- Reviewing all procedures used by managers and supervisors in purchasing matters to ensure compliance with this Diversity Plan;
- Maintaining accurate records regarding implementation of the purchasing aspects of this Diversity Plan including: a) the total number and value of all contracts or transactions awarded for goods and services; b) the total number and value of all contracts or transactions awarded to minority and women's business enterprises; c) an identification of each contract or transaction awarded to a minority or women's business enterprise.

The Numbers

Bushkill Group Employee Profile – December 31, 2006

Total	Caucasian	Minority	Male	Female
520	356	164	226	294
	68.4%	31.6%	43.5%	56.5%

Pocono Mountain Region Comparison

92.3%	*9.3%	49.4%	50.6%
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Bushkill Group Managers & Above Profile – December 31, 2006

Total	Caucasian	Minority	Male	Female
59	51	8	33	26
	86.4%	13.6%	55.9%	44.1%

Bushkill Group Workforce by Ethnicity – December 31, 2006

Total	African-American	Hispanic	Asian-American	Native American
520	87	70	7	0
	16.7%	13.5%	1.3%	0.00%

Pocono Mountain Region Comparison

3.8%	4.5%	0.8%	0.2%
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Bushkill Group Managers & Above by Ethnicity – December 31, 2006

Total	African-American	Hispanic	Asian-American	Native American
59	4	3	1	0
	6.8%	5.1%	1.7%	0.0%

Pocono Mountain Region Data Source: 2000 US Census Total Population Demographic Profile for Monroe, Pike, Carbon and Wayne Counties

**Regional minority totals include population declaring two or more races*

Philanthropy

Bushkill Group, as a leading employer in an ever-growing community, has established a culture for sharing and giving to those who are less able and less fortunate. As a key element of our Diversity Plan, our Diversity Committee reviews all considerations for support, resources and cash donations for congruence with the Plan and overall impact on diversity in the community.

In recent years, Bushkill Group has focused on providing assistance and support to:

VNA/Hospice	Pocono Health Foundation
Pocono Mountains Chamber of Commerce	Mike Howard Memorial
Pocono Mountain Visitors Bureau	Pocono Mountain Regional Police
Habitat for Humanity	Fitzmaurice Community Services
Drug & Crime Prevention	Pocono Healthy Community Alliance
YMCA	Gersham Litts Scholarship Fund
Pocono Environmental Education Center	United Way
Home of their Own	Pocono Senior Adventure
Exchange Club	Barrett Township Library
American Cancer Society	Jürgen/Belau Memorial Tournament
Pocono Medical Center Auxiliary	Monroe County Bar Foundation
Special Olympics	Kiwanis
Big Brothers/Big Sisters	Marshalls Creek Fire Company
Local Primary & Secondary Schools	Bushkill Ambulance
Gregory Moyer Defibrillator Fund	Bushkill Fire Department
Pocono Arts Council	Salvation Army
Bushkill Outreach	American Red Cross
Bushkill Little League	Stroudsburg Little League
Stroudsburg Soccer	
Juliana V. Bolt Scholarship	
Prince Hall Foundation	
Lillian L. Wertz-Graham Nursing Scholarship	
Hurricane Katrina Family Relocation Fund	
Christopher Rose Fund – Gang Violence Awareness	
Northampton Community College - Scholarship	
US Marine Corps Returning Soldier Accommodations	
East Stroudsburg University – Scholarship and Foundation	

Equal Opportunity of Employment Policy

Bushkill Group is committed to providing equal employment opportunity to all employees and applicants regardless of a person's race, creed, color, religion, national origin, ancestry, affectional or sexual orientation, gender, age, marital status, liability for service in the Armed Force of the United States, disability (where reasonable accommodation may be made to allow for such disability), rehabilitated offender status, or any other legally protected status.

This policy applies to all conditions of employment including, but not limited to, recruitment, selection, placement, transfer, promotion, training, compensation, benefits, and termination. All decisions regarding conditions of employment must be based on the individual's overall qualifications and his or her ability to meet the requirements of the position.

Bushkill Group has appointed an Equal Employment Officer, responsible for the oversight and implementation of our Equal Opportunity of Employment Policy. Our EEO, Andrew Wolf, can be reached at:
Bushkill Group, Inc.
PO Box 447
Buskill, PA 18324
(570) 588 6661 (Ext. 2150)

Americans with Disabilities Act

It is the policy of Bushkill Group to comply with all applicable provisions of the Americans with Disabilities Act (ADA). Employees with disabilities shall be provided with reasonable accommodations except where such accommodation would cause the Company undue hardship. We invite employees with disabilities that require reasonable accommodation to inform our Human Resources Department of their need for such reasonable accommodation. The Company will use its utmost discretion in keeping such information confidential.

Harassment Free Environment Policy

Policy

It is the Company's policy to maintain a working environment where everyone is treated with respect and dignity. All workplace relationships should be professional and free of harassment, unlawful bias and other offensive conduct. The Company will not tolerate unlawful discrimination, including harassment, based on race, creed, color, religion, national origin, ancestry, affectional or sexual orientation, gender, age, marital status, liability for service in the Armed Force of the United States, disability, rehabilitated offender status, religion and other forms of legally impermissible harassment and will not tolerate any employee creating a workplace environment that is hostile or offensive to fellow employees. The Company also will not tolerate offensive or otherwise unprofessional behavior that it determines is inappropriate in the workplace, even if it does not amount to unlawful harassment. The Company's policy prohibits harassing conduct even if it is not sufficiently severe or pervasive to meet the legal definition of a hostile environment.

Scope

All employees and applicants at all locations are protected by this policy. This policy prohibits harassment not only by or toward employees, but also by or toward vendors, customers, guests, owners, contractors, suppliers, visitors, trades people, and other non-employees on the Company's premises or conducting business with the Company.

Definitions

Harassing Conduct (General)

Verbal, physical or visual conduct that relates to race, creed, color, religion, national origin, ancestry, affectional or sexual orientation, gender, age, marital status, liability for service in the Armed Force of the United States, disability, rehabilitated offender status, religion, any other protected classification, or any other conduct which has the purpose or effect of interfering with working performance or creating an intimidating, hostile or offensive working environment.

Examples include but are not limited to: i) epithets, slurs, or threatening, intimidating, or hostile acts; ii) written or graphic material on the Company's premises or on Company business that reflects hostility or aversion toward an individual or group.

Sexually Harassing Conduct

Unwelcome touching, sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when such conduct:

- i) is made explicitly or implicitly a term or condition of employment;
- ii) is used as a basis for employment decisions; or,
- iii) has the purpose or effect of interfering with work performance or creating an otherwise intimidating, hostile or offensive working environment.

Examples of behaviors that would violate this policy include but are not limited to:

- Repeated flirtations;
- Sexual advances or propositions;
- Pressure for sexual favors;
- Jokes, stories, comments, or verbal abuse of a sexual nature;
- Offensive or degrading or derogatory words used to describe or refer to a person;
- Leering, whistling or other sexually suggestive conduct;
- The display in the workplace or while on Company business of sexually explicit or suggestive objects;
- Inquiries into or descriptions of one's sexual experiences or activities; or,
- Unnecessary physical contact.

The Company expressly prohibits any employee from explicitly or implicitly linking any term or condition of employment to sexual or romantic conduct, even if the conduct is consensual.

Complaint and Investigation Process

The Company is committed to protecting all employees from any harassing conduct, and will investigate any potential situations of harassing conduct to the fullest extent necessary, and will take any action and all steps needed to protect employees from this type of conduct.

Any employee or applicant who feels she/he is a victim of – or is otherwise aware of – a violation of this policy should promptly inform the Human Resources department or their supervisor. Any manager/supervisor who is advised or aware of a possible violation of this policy must contact the Human Resources Department.

The Human Resources Department, along with the Legal and/or Public Safety Departments, will be responsible for handling and investigating all complaints, except for those made by or against members of those departments. In the case of a complaint by or against the Human Resources, Legal or Public Safety Departments, the department subject to the complaint will be removed from all parts of the investigation process. Each situation will be promptly investigated. The Company will maintain confidentiality in the investigation process as much as reasonably possible, consistent with its obligations to investigate and respond to the complaint. The Company, in its discretion, may take reasonably necessary or prudent interim measures pending the outcome of the investigation.

Corrective Action

The Company will take corrective action when it has reason to believe there has been a violation of this policy. The Company will take reasonably appropriate disciplinary and/or remedial measures, including but not limited to termination, based on the totality of the circumstances.

No Retaliation

No individual who reports or complains about harassment or improper conduct, or who assists the Company in an investigation of harassment, will be subjected to retaliation. If an employee witnesses or experiences behavior he/she believes to be retaliation, or if he/she is aware of such behavior, he/she has a responsibility to report the behavior immediately to the Human Resources Department or to a member of management.

The Company will not tolerate any effort to avoid, hinder or corrupt the complaint or investigation process, including refusal to cooperate with an investigation or knowingly making false statements during the complaint or investigation process. Such actions may result in disciplinary action up to and including termination of employment.

Purchasing Diversity Policy

Bushkill Group is proud to provide an equal opportunity purchasing environment. We are fully committed to working with minority-, women- and disadvantaged-owned business enterprises providing any product or service from any location. In addition to our current list of MWDBEs in our supplier network, our outreach program is dedicated to identifying MBE, WBE and DBE companies that could provide high quality products and services at competitive prices.

MWDBEs seeking to do business with Bushkill Group are required to be certified by a recognized national or regional organization such as the National Minority Supplier Development Council, the Minority Supplier Development Council of PA-NJ-DE or the Women's Business Enterprise Council.

Bushkill Group provides a Supplier Diversity Program booklet laying out how to seek bidding opportunities with Bushkill Group and information on how to register with local and national Minority Supplier Councils and Associations. This booklet is by reference an integral part of Bushkill Group's Diversity Plan.

The Numbers

Purchasing – 2006*

Total Value	\$25,729,897
MBE/WBE/DBE Totals	\$ 525,902

* Total 2006 purchasing value and MBE/WBE/DBE totals include purchases made on behalf of Outdoor World Corp. This division was sold in December 2006.

June, 2007



Supplier Diversity Program Guide

Fostering partnerships that contribute to the growth and success of minority-, women-, and disadvantage-owned businesses. To further enhance our existing commitment in this area, Bushkill Group will begin implementation of the following policy in tandem with our gaming license application

A message from the President and C.E.O.

At Bushkill Group, the culture of diversity extends well beyond our employees and into our vendor and contractor relationships. Just as we are committed to providing an equal opportunity for success to every member of our team, we also foster and maintain an equal opportunity environment for our suppliers.

We recognize that part of our success depends on finding the best possible providers for goods and services and to achieve this, we actively seek as diverse a vendor base as possible by establishing purchasing relationships with suppliers who meet our needs and expectations.

In today's increasingly diverse society, a strong policy of corporate diversity is more than just the right thing to do. It is essential to our business success and to the well being of our organization as a whole. Bushkill Group was proud to be a principal sponsor of the Inaugural Statewide Conference on Diversity held in 2006 at East Stroudsburg University, Pennsylvania.

If you are a minority-, women-, or disadvantage-owned business with goods or services to offer Bushkill Group, we would be delighted to hear from you.

Sincerely,

W. Andrew Worthington
President and C.E.O.
Bushkill Group, Inc.

Purchasing Policy

Bushkill Group is proud to provide an equal opportunity purchasing environment. We are fully committed to working with minority-, women-, and disadvantage-owned business enterprises providing any product or service from any location.

- Our outreach program is dedicated to identifying MBE, WBE and DBE companies that could provide high quality products and services at competitive prices. Currently, MBE, WBE and DBE represent almost 1.4% of our vendor base and 2.04% of our annual purchasing volume.
- If you are not already in our MBE/WBE/DBE vendor database, you will be required to submit certification of affiliation with any bid.
- All bids from responsive and responsible vendors will be reviewed by our purchasing department and the department in need of the goods or services.
- After review, such bids are selected based on pricing, specification match, quality and any necessary licensing or regulatory qualifications. A purchase order is then generated. MBE, WBE and DBE businesses will be given full consideration based on these criteria.
- Bushkill Group will monitor and record all purchases from MBE, WBE and DBE suppliers to ensure the success and vibrancy of our Supplier Diversity Program.

How to Register with Us

You can begin the application process by visiting the Bushkill Group website at www.BushkillGroup.com. Click on the “MBE/WBE/DBE Vendor Database” link and complete the vendor profile form.

Once we receive your completed profile and a copy of your current certification document, we will forward you an acknowledgement of receipt. A member of our purchasing department may then contact you.

How to find out about bid opportunities

For information on bid opportunities, simply call our central purchasing department at (570) 588 6661 (ext.2303).

Does Bushkill Group only work with large suppliers?

Bushkill Group works with vendors of all sizes. In fact, we have found it particularly rewarding in the past when developing business relationships with small or newly established vendors and helping them experience growth and prosperity.

Does Bushkill Group require its suppliers to be based in the Northeast Pennsylvania area?

No. We currently do business with local, regional, national and international suppliers. General contractors and sub-contractors do however need to be licensed by the state in which the project is located.

Is certification required in order to participate in our Supplier Diversity Program?

The Bushkill Group Supplier Diversity Program is exclusively for bona-fide minority-, women-, and disadvantage-owned business enterprises. We therefore require certification from all vendors prior to participation.

Any recognized U.S. certifying agency including, but not limited to the following can certify your business:

- Women's Business Enterprise National Council
(202) 872 5512

- The Minority Supplier Development Council
(215) 569 1005

- PA Bureau of Minority and Women Business Opportunities
(717) 787 6708)
- Women's Business Enterprise Council for PA/NJ/DE
(215) 790 9232

What does Bushkill Group buy?

FOOD & BEVERAGE – Canned Goods, Bakery Items, Poultry, Meat, Produce, Dry Goods, Frozen Products, Dairy Products, Seafood, Condiments, Vending Products, Ethnic Foods, Specialty Items, Coffee, Tea, Beer, Water, Soda, Juices **RETAIL** – Gifts, Jewelry, Groceries, Print Media, Apparel, Cosmetics, Logo Apparel, Toys & Games, Swimwear, Winter and Skiwear, Souvenirs, Golf Equipment, Accessories, Bundled Firewood, Art **FF&E** – Carpet, Furniture, Glass & Mirrors, Wood and Tile Flooring, Upholstery, Wall Coverings, Artwork, Drapery, Light Fittings **OPERATING SUPPLIES & EQUIPMENT** – Cleaning Equipment & Supplies, Office Supplies, Radios/Beepers, Uniforms, Guest Room Amenities, China, Glassware, Silverware, Arcade Prizes, Hotel Supplies, Linens, Kitchen Supplies, Audio Visual Equipment, Computer Equipment and Software, Banquet Equipment, Signage, Food & Beverage Disposables, Security/Surveillance Equipment, Vehicles, Plant and Machinery, Swimming Pool Supplies, Snow and Ice Melt, Tools **CONSTRUCTION** – Lumber, Drywall, Plumbing Supplies, Electrical Supplies, Demolition, Concrete, Landscaping, Construction Equipment, Painting, Life and Fire Safety Products **GENERAL SERVICES** – Advertising, Printing, Freight, Decorating, Consulting....*and more.....*

For more information, contact:

Bushkill Group Purchasing Department
PO Box 447, Rt.209
Bushkill, PA 18324
Tel: (570) 588 6661
Fax: (570) 588 1868