

RESOLUTION 2001-13

A RESOLUTION CONCERNING FINANCING BY HARRAH'S OPERATING COMPANY, INC.

The Indiana Gaming Commission ("Commission") adopts the following resolution pursuant to authority granted to it under IC 4-33 and pursuant to 68 IAC 1-2-6.

The following factors have been considered by the Commission:

1. Pursuant to IC 4-33-4-21, the Commission must review proposed debt transactions to ensure that the Riverboat Owner's License is not leased, hypothecated, or money is not borrowed or loaned against the Riverboat Owner's License.
2. Harrah's Operating Company, Inc. ("Harrah's") owns 99.55% of Showboat Marina Casino Partnership, the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in East Chicago, Indiana.
3. By submission dated January 30, 2001, Harrah's requested an after the fact approval of 8% Senior Notes due February 1, 2011, in the principal sum amount of \$500,000,000. Harrah's had issued the notes on or about January 29, 2001.
4. Harrah's requests a waiver of 68 IAC 5-3-2(b)(3), the two (2) meeting rule.

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:

SECTION 1. SCOPE.

This resolution applies to Harrah's Operating Company, Inc. and Showboat Marina Casino Partnership.

SECTION 2. DEFINITIONS.

The definitions set forth in IC 4-33-2 and 68 IAC apply to this resolution.

SECTION 3. ACTION ON REQUEST OF SENIOR NOTES IN THE AMOUNT OF \$500 MILLION.

The request for a waiver of 68 IAC 5-3-2(b)(3), the two (2) meeting rule is hereby:

APPROVED

APPROVED OR DISAPPROVED

and the request for approval of the 8% Senior Notes due February 1, 2011 in the principal sum amount of \$500 million is hereby:

APPROVED

APPROVED OR DISAPPROVED.

Subject to a review and approval of the terms of the final draft and associated documents by the Commission staff.

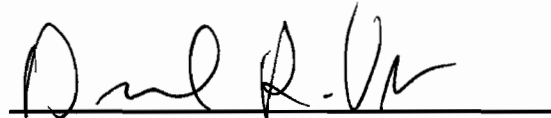
Adoption of this resolution and the approval of the debt transaction does not in any way constitute a waiver of the Commission's authority and ability to approve or disapprove any future changes in the ownership of the Riverboat Owner's License, or assets incident thereto which may occur in the event of a default.

SECTION 4. EFFECTIVE DATE.

This resolution is effective immediately.

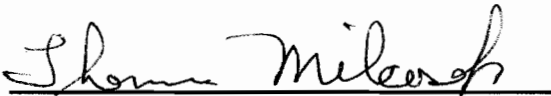
ADOPTED THIS THE 2nd DAY OF MARCH, 2001:

THE INDIANA GAMING COMMISSION:



Donald R. Vowels, Chair

ATTEST:



Thomas Milcarek, Secretary

**COMMISSION ACTION
IN RE SETTLEMENT AGREEMENT
HARRAH'S OPERATING COMPANY, INC.
COMPLAINT NO. 01-HA-1**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVES

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

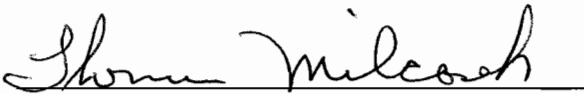
IT IS SO ORDERED THIS THE 2nd DAY OF MARCH, 2001:

THE INDIANA GAMING COMMISSION:



Donald R. Vowels, Chair

ATTEST:



Thomas Milcarek, Secretary