

# INDIANA GAMING COMMISSION BUSINESS MEETING

9:30 a.m., (local time) December 3, 2004  
Grand Victoria Casino and Resort  
600 Grand Victoria Drive  
Rising Sun, Indiana, 47040

**Call to Order and Roll Call:** Chairman Donald Vowels called the meeting to order at approximately 9:35 a.m. local time. A quorum was present.

**Present:** Commission Members: Donald R. Vowels, Chairman; Thomas Milcarek, Secretary; I. Maurice Ndukwu, Robert Barlow and Norman Melhiser. Staff: Glenn R. Lawrence, James Osborn, Jennifer Arnold, Jennifer Chelf, Susan Brodnan, Catherine Hood, Leanne Bailey, and members of the public. Norman Melhiser was introduced as the newest commissioner.

## **Approval of the Minutes:**

Upon motion by Robert Barlow, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commissioners approved the minutes of the October 1, 2004, business meeting.

## **Report of the Executive Director:**

### **Waiver of Rules and Regulations**

These requests were approved by the Executive Director.

- Caesars and Harrah's were granted a waiver of the requirements to maintain all records within the state of Indiana.
- Belterra was granted a waiver of the requirement to file inventory reports for electronic gaming devices on a riverboat's anniversary of its license.
- Harrah's was granted a waiver allowing the tip count team to be comprised of two (2) dealers rather than one dealer and one cage cashier.
- Trump had requested and was granted a waiver of the requirement to use evidence tape to seal logic boards but the waiver was withdrawn and in its place a waiver of the requirement to remove logic boards from electronic gaming devices while being stored for those EGDs that will be used for training purposes.

**Orange County Update:** Executive Director Lawrence provided an update on the Orange County project. The Commission staff is continuing to negotiate with the Trump organization. The Commission staff has been in contact with the local development folks, Boykin and the Cook Group relative to both hotels. They are continuing to negotiate their agreement, the lease agreements, the contracts agreements, and the room guarantee agreements. The Trump organization has most of their permits that are required for the facility. They are doing a traffic study for the Department of Transportation. Finalization of the archeological studies is almost complete. The Trump organization has completed the soil borings, their archeological studies and obtained the other permits required. The architects have drawings of the boat and site completed.

Executive Director Lawrence, Chief Counsel James Osborn and Deputy Director Jennifer Arnold met with the transition team from the new governor's office to discuss various issues dealing with the Gaming Commission. One of the issues discussed was the Trump situation and the negotiations regarding the Orange County project. An article in today's newspaper which relates to certain alleged agreements or statements that were made by the Executive Director in those discussions states that Executive Director Lawrence agreed to delay signing any documents pertaining to Trump until January 10, 2005. He denies agreeing to that fact. Executive Director Lawrence stated it has been his belief and understanding that the Commission was an independent Commission. Executive Director Lawrence has never been advised, directed from the governor's office to anything that would change those decisions of an independent Commission. He did indicate to the transition team that he would discuss their request with the Commission and staff members. Executive Director Lawrence stated that he takes his direction from the Commission Members and was under the understanding that the Members of the Commission authorized him to do the right thing and to sign any documents that may be appropriate for the benefit of the citizens of the State of Indiana, including discussions of the Orange County project. Executive Director Lawrence has been directed by the Commission not to sign any documents until the local agreements have been reached. At such time the Orange County local agreements have been reached, the contracts will have to be reviewed by the Executive Director, Chairman and attorney member of the Commission.

Additionally, the transition team of Governor Elect Daniels is in discussion with the governor's office concerning a blanket request for certain documents from all state agencies relative to documents, several of which have been deemed confidential by the Commission staff. Chairman Vowels clarified the confidentiality statement which Executive Director Lawrence was referring to with the transition team's request for certain documents or all documents that he was prohibited by statute to release certain documents and doing so without the proper authorization could result in a criminal charge.

**Old Business:**

No old business

**New Business:**

**Rules:**

**Resolution 2004-62**

A Resolution Adopting 68 IAC 15-3-3, 68 IAC 15-5-2, 68 IAC 15-6-2, 68 IAC 15-6-3, 68 IAC 15-6-5 as Final Rules.

**Action:** Upon motion by Robert Barlow, second by Norman Melhiser, and unanimous vote of those present, the Commission adopted Resolution 2004-62. The proposed rules will be forwarded to the Office of the Attorney General for approval as final rules pursuant to IAC 4-22-2-32. Upon approval by the Office of the Attorney General, the rules will be submitted to the Governor's Office for approval pursuant to IAC 4-22-2-33. After the rules have been approved or deemed approved by the Governor, the rules will be submitted to the Secretary of State for filing in accordance with IC 4-22-2-35. The Commission further adopts any stylistic, grammatical, typographical, or other non-substantive changes that the Commission or the Legislative Services Agency may make to the above rules before they are printed as final rules in the Indiana Register.

## **Occupational License Matters:**

### **Brian J. Schwass Settlement Agreement 04-OL-BT-01**

On or about November 26, 2003, Brian J. Schwass was issued a temporary occupational license and a permanent occupational license on February 26, 2004 to work as a Dealer at Belterra Casino. On April 19, 2004, Mr. Schwass, while a patron at Grand Victoria Casino, asked to cash out two five dollar cheques. After the cage employee paid the two cheques, Mr. Schwass then asked for change for two hundred dollar bills. The cage employee counted out two hundred dollars in twenty dollar bills. Mr. Schwass then took the ten dollars from the two cheques, two hundred in twenty dollar bills, as well as two one hundred dollar bills still on the counter. A surveillance employee notified Commission agents that a theft had occurred at the level two cage. Surveillance tapes confirmed that two hundred dollar bills had been taken from the cage by a patron asking for smaller bills. The surveillance department recognized Mr. Schwass as a former Grand Victoria employee. Commission agents at Grand Victoria contacted Mr. Schwass on or about April 23, 2004, and Mr. Schwass admitted in a written statement to taking the two one hundred bills. Commission staff served Mr. Schwass with a complaint for disciplinary action due to his actions at Grand Victoria. Commission staff and Mr. Schwass agree to enter into a settlement agreement to resolve this matter. Pending Commission approval, the settlement agreement states that Mr. Schwass be suspended for a period of five (5) days, beginning December 13, 2004, with his license to be reinstated on December 18, 2004. Mr. Schwass agrees that no vacation time shall be used while serving his suspension and Mr. Schwass agrees that his failure to comply with this Settlement Agreement will result in further disciplinary action against his license.

**Action:** Upon motion by Thomas Milcarek, second by Robert Barlow, and unanimous vote of those present, the Commission approved the proposed terms of the Settlement Agreement.

### **Misdemeanor Gambling Waiver Request of Matiana Billman BC-MG-04-01**

On or about July 13, 2004, Ms. Matiana Billman submitted an application for a level 2 occupational license to work as a Dealer at Blue Chip Casino and received a temporary occupational license. Ms. Billman disclosed on her application that she had been convicted of a misdemeanor gambling offense on or about February 26, 2004. Ms. Billman submitted a request for a waiver of the gambling conviction. Catherine Hood, Staff Attorney for the Commission, having previously been appointed as a review officer for such matters by Glenn Lawrence, conducted a hearing at Blue Chip Casino on November 16, 2004, to consider Ms. Billman's request for a misdemeanor gambling waiver. Ms. Billman was present, pro se. The review officer recommends that the request for the misdemeanor gambling waiver be granted.

**Action:** Upon motion by Robert Barlow, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission adopts the recommendation of the review officer approving the request for a gambling waiver of Ms. Matiana Billman.

### **New Game Approvals:**

#### **Resolution 2004-63**

A Resolution Concerning Approval of the Game of Sweepstakes Poker. Gaming Systems Unlimited submitted the game of Sweepstakes Poker (previously known as Fast Action Poker/Hold'Em) for approval for play on Indiana riverboats. Gaming Laboratories International, Inc. ("GLI") reviewed the information and material submitted by Gaming Systems Unlimited and found that the game of Sweepstakes Poker is a variation of the traditional game of Poker. Gaming Systems Unlimited received conditional approval of the game for a period of six (6) months, pursuant to Resolution 2003-38, adopted by the Commission on September 12, 2003. Trump Casino sponsored Sweepstakes Poker by introducing the game to its casino floor following the conditional approval. Trump has indicated in writing that it wishes to continue offering the game of Sweepstakes Poker.

**Action:** Upon motion by Robert Barlow, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved the game of Sweepstakes Poker for use on Indiana riverboats. All riverboats who offer the game of Sweepstakes Poker must have pre-approved rules of the game and layout schematics.

### **Supplier's License Matters:**

#### **Resolution 2004-64**

A Resolution Concerning the Renewal of Supplier's Licenses held by IEP, Ltd., IGT, Tech Innovations, Inc. and Midwest Game Supply Company. The Supplier Licensees have requested renewal of licensure and the renewal fees have been paid in accordance with 68 IAC 2-2-31 and 68 IAC 2-2-8. The Supplier Licensees may have outstanding background investigation fees and will be responsible for payment of the background fees. If payment for the background fees is not received as directed by the Commission staff, the license will be subject to non-renewal or revocation.

**Action:** Upon motion by Robert Barlow, second by Thomas Milcarek, and unanimous vote of those present, the Commission granted the renewal of the Supplier's Licenses issued to IEP, Ltd, IGT, Tech Innovations, Inc. and Midwest Game Supply Company on the condition that any outstanding background fees are paid as directed by the Commission staff. The Supplier's Licenses will be valid for a period of one (1) year from the date of issuance. The Supplier Licensees must request renewal of the Supplier's License at least thirty (30) days before the expiration of the license and pay the Five Thousand Dollar (\$5,000) renewal fee.

#### **Resolution 2004-65**

A Resolution Granting a Permanent Supplier's License to Southwest Surveillance Systems. The Commission issued a temporary Supplier's License to Southwest Surveillance Systems pursuant to Resolution 2004-15. The Commission has completed the background investigation on the temporary Supplier Licensee and has found Southwest Surveillance Systems suitable to receive a permanent Supplier's License.

**Action:** Upon motion by Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission issued Southwest Surveillance Systems a permanent Supplier's License. Issuance of the Supplier's License is conditioned upon payment of the cost of the license investigation and the payment of \$5,000 annual license fee in accordance with IC 4-33-1 and 68 IAC 2-2. The Supplier's License will be valid for a period of one (1) year from the date

of issuance. The Supplier Licensee must request renewal of the Supplier's License at least thirty (30) days before the expiration of the license and pay the Five Thousand Dollar (\$5,000) renewal fee.

### **Riverboat Owner's Matters:**

#### **Order of Renewal for Aztar Indiana Gaming Company, LLC Riverboat Owner's License**

The Riverboat Owner's License held by Aztar Indiana Gaming Company, LLC was renewed on December 5, 2003 and expires on December 4, 2004. Aztar requests the renewal of its license and has submitted the required application fee. Commission staff recommends that the license be renewed for a period of one year from December 5, 2004, to December 4, 2005.

**Action:** Upon motion by Norman Melhiser, second by Robert Barlow, and unanimous vote of those present, the Commission granted Aztar Indiana Gaming Company, LLC's request to renew the license for a period of one year, expiring December 4, 2005.

### **Disciplinary Action Matters:**

#### **Showboat Marina Casino Partnership Complaint No. 04-HA-02**

In 2004, Showboat Marina Casino Partnership ("Harrah's") violated six (6) Indiana gaming regulations. They are as follows: (1) A person under twenty-one shall not be present on a riverboat. On or about April 15, 2004, a female patron passed through the turnstiles with a small child. Neither of the two security guards present at the boarding area attempted to stop the child from passing through the turnstiles. (2) Pursuant to guidelines that were created at the implementation of twenty-four hour gaming, "the recording, resetting, and on board additions to the entrance turnstile shall be completed in the presence of and observed by the Indiana Gaming Commission agent." Harrah's reset the turnstile counter for the gaming day of April 17, 2004 without a Commission agent present. (3) Riverboats are responsible for ensuring that the turnstile or equivalent keeps an accurate count of the patrons who board the riverboat. This calculation is to be made using the highest count of the following options: a turnstile or equivalent, a manual count, a ticket stub count, or any other method approved by the Executive Director. On or about April 20, 2004, Harrah's conducted a planned power outage in the pavilion area that lasted approximately 35 minutes. Due to the outage, the entrance and exit turnstiles were not functioning. For the first 20 minutes of the outage, Security personnel counted patrons using a stick count, which is not an approved method of calculating the number of patrons that board the riverboat. (4) On or about April 17, 2004, Harrah's conducted a High Limit Tax Day event promotion, which was submitted to and approved by the Commission staff. The promotion involved particular slot machines located on the second level of the casino. Commission agents were contacted regarding patron complaints surrounding the promotion. It was discovered that Harrah's had stopped the play of several patrons and indicated that the machines they were playing should not have been included in the promotion. However, the machines were included in the submission. Harrah's did not seek Commission approval to deviate from the terms of the approved promotion. (5) Specific odds must be used for payout of winning hands for the table game Let It Ride. Winning hands must be paid in accordance with these odds, unless additional odds have been submitted and approved. Harrah's did not submit additional odds for this game. On or about April 5, 2004, Commission agents were notified of a patron complain regarding Let It Ride. The complaint stemmed from odds that Harrah's implemented for this game.

Specifically, the maximum bet payout amount was capped on a winning royal flush hand. The capped amount would not coincide with the payout amount due to a patron if calculated by the appropriate odds that were to be offered. (6) Riverboat licensees are to take a commission on all winning wages on the banker's hand in the table game Baccarat. The payment is to be made by players at the end of the shoe. This requirement is also reflected in Harrah's approved internal control procedures. In 2004, Harrah's conducted an internal analysis of its procedures and notified Commission staff that it was not requiring payment at the end of the shoe, but was instead entering information into its player tracking system to record what patrons owed.

The actions of Harrah's described above violated Indiana gaming rules and terms of approved promotions. Commission staff and Harrah's agree that a sanction be imposed. Commission staff recommends and Harrah's will agree to pay a fine in the total amount of \$34,000: \$1,500 for Count I, \$2,500 for Count II, \$5,000 for Count III, \$10,000 for Count IV, \$5,000 for Count V and \$10,000 for Count VI.

**Action:** Upon motion by Robert Barlow, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement.

**Aztar Indiana Gaming Company, LLC**  
**Complaint No. 04-AZ-03**

In 2004, Aztar Indiana Gaming Company, LLC ("Aztar") violated two (2) Indiana gaming regulations. They are as follows: (1) A person under twenty-one shall not be present on a riverboat. On July 11, 2004, a minor was located on the vessel after a security officer received an anonymous tip from another patron that there was a minor on board. A review of the surveillance tapes showed the twenty year old patron boarding the vessel at approximately 4:20 a.m. without being asked for identification. (2) Individuals who are present on the riverboat via a vendors badge may not participate in any gambling game. On September 14, 2004, a vendor was present on the vessel after having been issued a vendor badge to teach a new table game. At approximately 5:43 p.m. the vendor was observed playing video poker at the level one bar. He was questioned by a Commission agent and revealed that he played blackjack on September 13, 2004, again while in possession of a vendor badge.

The actions of Aztar described above violated Indiana statute and gaming regulations. Commission staff and Aztar agree that a sanction be imposed and have entered into a Settlement Agreement. Commission staff recommends and Aztar will agree to pay a fine in the amount of \$9,000: \$6,000 for the minor incident and \$3,000 for the vendor incident.

**Action:** Upon motion by Thomas Milcarek, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement.

**Blue Chip Casino, LLC**  
**Complaint No. 04-BC-03**

On October 3, 2004, Blue Chip Casino, LLC ("Blue Chip") violated two (2) Indiana gaming regulations. They are as follows: (1) A person who is less than twenty-one (21) years of age may not be present in the area of riverboat where gambling is being conducted. A twenty year old patron boarded the vessel. She presented identification to the admissions area security guard, but was still allowed to board the vessel. After playing a slot machine for several minutes she approached the Rewards Booth to obtain a Rewards Card. Her age was discovered and she was asked to leave the vessel. (2) A female patron passed through the turnstiles and entered the

boarding area holding her minor child. She was not stopped by the admissions area security guards. While at the deli in the boarding area she was asked to leave the vessel by a marine employee.

The actions of Blue Chip described above violated Indiana statute and gaming regulations. Commission staff and Blue Chip agree that a sanction be imposed and have entered into a Settlement Agreement. Commission staff recommends and Blue Chip will agree to pay a fine in the total amount of \$10,500: \$4,500 for the twenty year old and \$6,000 for the female patron with her minor child.

**Action:** Upon motion by Robert Barlow, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement.

**RDI/Caesars Riverboat Casino, LLC  
Complaint No. 04-CS-05**

In October 2004, RDI/Caesars Riverboat Casino, LLC ("Caesars") violated one (1) Indiana gaming regulation. It is as follows: a person who is less than twenty-one (21) years of age may not be present in the area of riverboat where gambling is being conducted. On or about October 24, 2004, a twenty year old patron boarded the vessel. This patron entered through the turnstiles behind two adults and was not asked for identification. While attempting to obtain a cash advance his age was discovered and he was ejected from the vessel.

The actions of Caesars described above violated Indiana statute and gaming regulations. Commission staff and Caesars agree that a sanction be imposed and have entered into a Settlement Agreement. Commission staff recommends and Caesars will agree to pay a fine in the amount of \$1,500.

**Action:** Upon motion by Robert Barlow, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement.

**Bond Approval:**

**Resolution 2004-66**

Pinnacle Entertainment, Inc. is the parent corporation of Belterra Resort (Indiana) LLC, the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in Belterra, Indiana. Pinnacle posted Surety Bond and Guaranty, Bond Number BE 0940122, in the amount of \$3,500,000 with the Gulf Insurance Company, as Surety, and Select Insurance Company, as Guarantor. The Commission approved Surety Bond and Guaranty on March 21, 2001. On November 7, 2001, the Commission ordered a reduction in Surety Bond and Guaranty BE 0940122 to \$2,000,000. Pinnacle requested the ability to replace the Surety Bond and Guaranty BE 0940122 with a Surety Bond of Fidelity and Deposit Company of Maryland, guaranteed by the Zurich American Insurance Company in the amount of \$3,500,000, Surety Bond Number 08758849. Virginia Dill McCarty, outside Counsel for the Commission, has performed due diligence on Fidelity and Deposit Company of Maryland and Zurich American Insurance Company and has advised the Commission that Surety Bond Number 08758849 meets the requirements of IC 4-33 and 68 IAC and satisfies the remaining commitments of Pinnacle. Pinnacle also requested the ability to submit a reduced bond in the amount of \$2,000,000, contingent on review by Ms. Virginia Dill-McCarty.

**Action:** Upon motion by Robert Barlow, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved Pinnacle's request for approval to replace Surety Bond and Guaranty, Bond Number 0940122 with Surety Bond Number 08758849 in the amount of \$3,500,000 posted by Pinnacle Entertainment with Fidelity and Deposit Company of Maryland and guaranteed by the Zurich American Insurance Company, and ratifies the release of Surety Bond and Guaranty, Bond Number 0940122 to Pinnacle Entertainment.

**Action:** Upon motion by Robert Barlow, second by Thomas Milcarek, and unanimous vote of those present, the Commission approved Pinnacle's request to submit a reduced bond in the amount of \$2,000,000, contingent upon review by Ms. Virginia Dill-McCarty.

### **Transfer of Ownership:**

#### **Resolution 2004-67**

Caesars Entertainment, Inc., ("Caesars") is the ultimate parent company of Roman Holding Corporation of Indiana ("Roman Holding"). Roman Holding and Riverboat Development, Inc. ("RDI") are the members of RDI/Caesars Riverboat Casino, LLC, which is the licensed owner of the Caesars Indiana riverboat in Harrison County. Romans Holding own 82% of the interest in the LLC and RDI owns the remaining 18% interest. By letter dated November 29, 2004, Caesars requests approval to acquire (either directly or through a wholly-owned subsidiary) the ownership interest of RDI. Caesars and RDI have agreed in principle that RDI will sell its entire ownership interest in the LLC to Caesars for an agreed-upon monetary payment. The parties are preparing the necessary documentation and intend to close this transaction by year-end, subject to regulatory approval. Upon completion of the transaction, Caesars and/or its wholly-owned subsidiaries will own 100% of the interests in RDI/Caesars Riverboat Casino, LLC No new key persons or substantial owners are being introduced as a result of this transfer of interest. Caesars request a waiver of the normal transfer procedures, including background investigations and payment of a transfer fee of \$50,000.

**Action:** Upon motion by Robert Barlow, second by Norman Melhiser, and unanimous vote of those present, the Commission approved Caesars request to purchase the RDI's 18% interest in RDI/Caesars Riverboat Casino, L.L.C. and the waiver of normal transfer procedures including a background investigation and payment of a \$50,000 transfer fee.

### **Financing:**

#### **Harrah's East Chicago**

As a first meeting rule, Kay Fleming with Ice Miller and Philip Parenti, Chief Regulatory Compliance Officer for Harrah's addressed and updated the Commission on Harrah's proposed financing plan. Harrah's intends to get an amended and restated credit agreement in an amount not to exceed \$5 billion. Harrah's also plans on doing a Rule 144(a) private placement of up to \$2 billion in fixed rate senior notes and would like the option to able to seek or to create \$500 million in senior notes. Harrah's current plan is to seek interim approval before the end of the year. They plan to close early first quarter 2005.

#### **RIH Acquisitions Indiana, LLC**

As a first meeting rule, Jack Thar with Ice Miller and Nick Ribis, Principal with Resorts International, for Resorts and Colony Capital, addressed the Commission. Mr. Ribis gave a history of his gaming experience and Resorts/Colony financial structure as they are in the



process of acquiring Harrah's East Chicago. Mr. Ribis is a friend and business associate with Mr. Thomas Barrick who is the chairman of Colony Capital. Colony Capital is a \$10 billion fund with investments around the world and has a total of six (6) funds. The investor for the Resorts East Chicago will be Colony 6. Mr. Ribis is not a partner in Colony but an individual partner in transactions with the acquisition of Resorts International in April of 2001. Resorts International rebuilt a 175 room tower into a 500 room tower for a total of 1,000 rooms in Atlantic City. In May 2004, Resorts International acquired the Las Vegas Hilton, a hotel with 3,000 rooms adjacent to the convention center. Resorts International is in the process of about \$75 million renovation on this property. Rudy Preto is the general manager and chief operating officer at that location and will be the senior executive for the Indiana property. They have hired Joseph DeRosa as the new general manager for Resorts East Chicago. He is already on property working with the transition team. In September 2004, Resorts International signed a contract with Harrah's and Caesars to acquire four (4) properties. Harrah's in East Chicago, Harrah's in Tunica and Valley Tunica and the Atlantic City Hilton. For the Indiana Harrah's property, they plan on retaining all the staff except for certain executives and are in the process of filling those vacancies now. This transaction will close sometime in the 1<sup>st</sup> Quarter 2005, depending on regulatory approvals. As to the financing of this transaction, Resorts International is putting in \$360 million of equity, which has already been raised. They have committed financing from Deutsch bank and Goldman Sach of a combination of two different debt pieces of paper of \$950 million. Those transactions will obviously close concurrently with regulatory approvals, but they have committed financing and are prepared to move ahead. They will rename the Harrah's property to Resorts.

#### **Resolution 2004-68**

Pinnacle Entertainment, Inc. is the parent corporation of Belterra Resort (Indiana), LLC that holds the riverboats owner's license to operate a riverboat gaming facility located in Belterra, Indiana. By letter dated November 8, 2004, Pinnacle Entertainment, Inc. ("Pinnacle") requested a waiver by the Executive Director under 68 IAC 5-3-6 of the financing approval requirement set forth in 68 IAC 5-3 seeking approval to refinance \$162 million of 9.25% senior subordinated notes through a combination of (a) a drawdown under the company's existing bank credit facility; (b) an add-on issuance of senior subordinated notes under the Company's existing 8.25% senior subordinated notes; and (c) an issue of convertible senior subordinated notes. Pursuant to Resolution 2003-2, the Executive Director granted the request for waiver of financing approval requirements on November 12, 2004 and approved Pinnacle's refinancing request after communicating with and receiving approval from Commission Chair Donald Vowels and Commission Member Norman Melhiser. At this time, Pinnacle requests Commission ratification of the November 12, 2004, waiver of financing approval requirements and approval of Pinnacle's proposed refinancing.

**Action:** Upon motion by Robert Barlow, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the request to ratify the November 12, 2004 waiver of 68 IAC 5-3-2(b)(3), the two (2) meeting rule.

**Action:** Upon motion by Robert Barlow, second by I. Maurice Ndukwu, and unanimous vote of those present, the Commission approved the request to ratify the November 12, 2004 approval permitting Pinnacle to refinance \$162 million of 9.25% senior subordinated notes through a combination of (a) a drawdown under the company's existing bank credit facility; (b) an add-on issuance of senior subordinated notes under the Company's existing 8.25% senior subordinated

notes; and (c) an issue of convertible senior subordinated notes. This is subject to review and approval of the final draft and associated documents by the Commission staff.

#### **Resolution 2004-69**

Trump Hotels and Casino Resorts, Inc. ("THCR") is the parent corporation of Trump Indiana, Inc. ("Trump"), the entity that holds the riverboat owner's license to operate the Trump riverboat gaming facility located in Gary, Indiana. By letter dated November 19, 2004, THCR requested a waiver by the Executive Director under 68 IAC 5-3-6 of the financing approval requirements set forth in 68 IAC 5-3 seeking approval to obtain a \$100 million revolving credit facility from Beal Bank, S.S. B. Pursuant to Resolution 2003-2, the Executive Director granted the request for a waiver of financing approval requirements on November 19, 2004 and approved THCR's refinancing request after communicating with and receiving approval from Commission Chairman Donald Vowels and Commission Member Norman Melhiser. At this time, THCR requests Commission ratification of the November 19, 2004 waiver of financing approval requirements and approval of THCR's proposed financing.

**Action:** Upon motion by Thomas Milcarek, second by Robert Barlow, and unanimous vote of those present, the Commission approved the request to ratify the November 19, 2004 waiver of 68 IAC 5-3-2(b)(3), the two (2) meeting rule.

**Action:** Upon motion by Thomas Milcarek, second by Robert Barlow, and unanimous vote of those present, the Commission approved the request to ratify the November 19, 2004 approval permitting Trump to obtain a \$100 million revolving credit facility from Beal Bank, S.S. B. This is subject to review and approval of the final draft and associated documents by the Commission staff.

#### **Additional Comments:**

Executive Director Lawrence requested to read into the record a letter sent by John Larimore, Chief Counsel for Governor Kernan. The letter references the conversations between Executive Director Lawrence, Mary Downs, Chief of Staff for Governor Kernan; John Larimore, Chief Counsel for Governor Kernan and Harry Gonzo, Transition Coordinator and ultimate Chief of Staff for Governor Elect Mitch Daniels held on December 1, 2004 regarding the Orange County Operating Agent selection process.

#### **NEXT MEETING:**

The next business meeting of the Indiana Gaming Commission will be determined at a later date.

#### **ADJOURNMENT:**

Upon motion by Robert Barlow, second by I. Maurice Ndukwu, and unanimous vote of those present, the meeting was adjourned at 11:35 a.m.

**MINUTES:**

Wullenweber Court Reporting transcribed the December 3, 2004 Business Meeting. Consequently, the transcript is the complete record of the meeting. Anyone wishing to see the transcript can review it in the Commission office or obtain a copy of the transcript from Wullenweber Court Reporting, 310 West High Street, Lawrenceburg, IN 47025, (812) 537-5566.

These minutes were prepared by Michelle Marsden, Licensing Coordinator for the Indiana Gaming Commission.

Respectfully submitted,

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Michelle Marsden

THE INDIANA GAMING COMMISSION:

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Donald Vowels, Chair

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Thomas Milcarek, Secretary