

ORDER 2007-41

AN ORDER RATIFYING THE PREVIOUSLY AWARDED INTERIM WAIVER AND APPROVAL OF THE AMENDED AND RESTATED CREDIT FACILITY AND NOTE ISSUANCE PROPOSED BY BOYD GAMING CORPORATION

Pursuant to IC 4-33-4-21 and 68 IAC 5-3-2, the Indiana Gaming Commission (“Commission”) reviews proposed debt transactions to analyze the financial health of riverboat licensees and to ensure that a riverboat owner’s license is not leased or hypothecated, or that money is not borrowed or loaned against a riverboat owner’s license.

The Commission has considered the following factors:

1. In letters dated April 6, 2007 and May 7, 2007, Boyd Gaming Corporation (“Boyd”), through counsel, requested Commission approval of two proposed debt transactions.
2. According to Boyd, the first proposed debt transaction shall be in the form of an Amended and Restated Senior Credit Facility (“Credit Facility”) in an amount not to exceed \$5 billion. The second proposed debt transaction shall be in the form of a note issuance (“Notes”) in an aggregate amount not to exceed \$1 billion.
3. Pursuant to Resolution 2006-10, after analyzing the proposed transactions and receiving the requisite concurrences from the Commission’s Chair (William Barrett) and outside financial expert (Dr. Charlene Sullivan), Executive Director Ernest Yelton issued an interim approval and waiver of 68 IAC 5-3-2, via letter dated June 1, 2007. In a prior email dated May 18, 2007, the Commission’s General Counsel notified Boyd that the Chairman and Executive Director had approved the Credit Facility, and that a formal interim approval letter would follow at a later date.
4. Subject to certain enumerated and continuing conditions, the June 1st letter outlined the allowable parameters of the debt transactions and authorized Boyd to close on the proposed Credit Facility as well as issue the proposed Notes without receiving prior approval from the full Commission and without satisfying the “two meeting requirement” of 68 IAC 5-3-2(b)(2) and (3).
5. The Commission members have received confidential analyses of the proposed Credit Facility and Note issuance from the Commission’s outside financial expert, Dr. A. Charlene Sullivan who recommends approval.
6. Resolution 2006-10 requires that Executive Director Yelton’s interim approval and waiver be reported to the full Commission at the next business meeting held under 68 IAC 2-1-5. Additionally, 68 IAC 5-3-7 requires that such waiver be reported to the Commission in order that it may have the opportunity to direct the Executive Director to take additional or different action.

Based on the foregoing, the Commission hereby **RATIFIES** the Executive Director’s June 1, 2007 interim approval and waiver. The Commission’s ratification is subject to Boyd’s continuing

compliance with the terms and conditions included in Executive Director Yelton's June 1st letter. Should Boyd willfully fail to abide by said terms and conditions, the Commission reserves the right to withdraw this ratification; require Boyd to obtain additional approval(s); and/or take other appropriate disciplinary action.

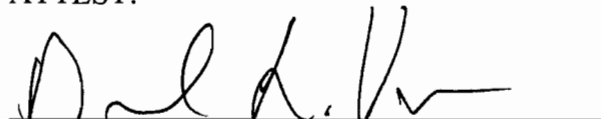
IT IS SO ORDERED THIS THE 7TH DAY OF JUNE, 2007.

THE INDIANA GAMING COMMISSION:



William W. Barrett, Chair

ATTEST:



Donald R. Vowels, Secretary