

RESOLUTION 2004-31

A RESOLUTION CONCERNING THE APPLICATION OF HARRAH'S OPERATING COMPANY, INC. TO ACQUIRE THE OWNERSHIP OF HORSESHOE GAMING HOLDING CORP.

The Indiana Gaming Commission ("Commission") adopts the following resolution pursuant to the 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. Harrah's Operating Company, Inc. (Harrah's) has entered into an agreement to acquire a one hundred percent (100%) ownership interest in Horseshoe Gaming Holding Corp. (Horseshoe).
2. Harrah's and Horseshoe each hold separate and independent Indiana Riverboat Owner's Licenses and both operate riverboats in the state of Indiana.
3. Harrah's has indicated that it has sufficient funds at its disposal to finance this acquisition. Harrah's does contemplate amending its current credit facility from a \$2 billion capacity to a \$3 billion capacity for matters unrelated to the acquisition.
4. Harrah's and Horseshoe have both addressed the Commission concerning this acquisition.
5. For other purposes, the Indiana State Police, Background Investigative Unit has completed background investigations of Harrah's and Horseshoe and both are in good standing.

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 Horseshoe Gaming Holding Corp.

SECTION 2. DEFINITIONS.

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

SECTION 3. ACTION ON THE APPLICATION OF HARRAH'S OPERATING COMPANY, INC. TO ACQUIRE THE OWNERSHIP OF HORSESHOE GAMING HOLDING CORP.

The Commission hereby:

GRANTS
GRANTS OR DENIES

The application of Harrah's Operating Company, Inc. (Harrah's) to acquire a one hundred percent (100%) ownership interest in Horseshoe Gaming Holding Corp. (Horseshoe). If the Commission grants the application, the approval of the acquisition shall be subject to the acceptance of the following conditions by Harrah's and Horseshoe, as applicable.

1. All terms, conditions, and obligations as contained in both the Riverboat Owner's Licenses as originally issued by the Indiana Gaming Commission, including any and all requirements for re-licensure, and any written amendments thereto, or any changes made with the permission of the Commission.
2. All terms, conditions, and obligations as contained in the economic development agreement between Horseshoe and the City of Hammond.
3. Harrah's is required to keep a separate management team for each of the riverboats.
4. Harrah's shall advise the Indiana Gaming Commission if and when any changes in management are made.
5. Harrah's shall advise the Indiana Gaming Commission if and when any operational consolidations are made.
6. This acquisition is subject to Indiana Gaming Commission approval of any and all necessary financing transactions.
7. Maintain statutory MBE/WBE goals at each property.
8. This acquisition is subject to Harrah's payment of \$2 million transaction fee to the Indiana Gaming Commission pursuant to IC 4-33-4-21 (d).
9. This acquisition will be approved unless the Federal Trade Commission rules against this acquisition.

SECTION 4. EFFECTIVE DATE.

This resolution is effective immediately.

ADOPTED THIS THE 30th DAY OF APRIL, 2004:

THE INDIANA GAMING COMMISSION:

A handwritten signature in black ink, appearing to read "Donald R. Vowels", written over a horizontal line.

Donald R. Vowels, Chair

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas Milcarek", written over a horizontal line.

Thomas Milcarek, Secretary