EXECUTIVE SUMMARY

In the early 1900s, the French Lick Springs Resort & Spa and the West Baden Springs Hotel enjoyed international prominence and became magnets for celebrities, politicians and the rich and famous, including well-known patrons such as "Diamond Jim" Brady, Al Capone, mayors from major cities, governors and even a presidential candidate. Guests could enjoy golf at the Donald Ross PGA Championship golf course, horseback riding, bowling, billiards, swimming, hiking, and nightly theater. Most everything a guest would need was on the grounds including a bank, shops and a barber.

In 1902, the lavish West Baden Springs resort opened nearby with its elegant atrium that was covered by the world's largest free-span dome at the time. "In the 1920s, 14 Pullman cars a day would arrive. Each hotel had its own depot. There were 20 to 30 smaller hotels in the area. People who came here didn't come for a day or two, but for "weeks."

Blue Sky Casino, LLC's ("Blue Sky") ambition is to return two historic hotels, the French Lick Springs Resort & Spa and West Baden Springs Hotel, to the splendor and grandeur that they once enjoyed as a tourist destination where people, can come to relax, vacation, play, visit the attractions, attend conferences and visit the casino.

Upon completion of the renovation of the French Lick Springs Resort & Spa, there will be approximately 400 guest rooms and suites, major conference and convention facilities, and a full array of resort recreational amenities, including world class spa and golf components with a golf school, practice range golf and two golf courses, one of which being the original Donald Ross Championship Golf Course, designed by one of the best known golf course architects of the early part of the last century. The Blue Sky project will also complete the restoration of the West Baden Springs Hotel, the world's largest dome until the Houston Astro Dome was built, which has been called the "Save of the Century."

Blue Sky's parent company is a joint venture owned by Lauth Resorts & and Casino, LLC, an affiliate of Lauth Group, Inc., a national real estate developer based in Indianapolis, and Orange County Holdings, Inc., a non-stock charitable not for profit organization formed by the Cook Group family of companies in Bloomington, Indiana. Orange County Holdings, Inc., which is one half owner of the joint venture, will fund charitable and philanthropic purposes such as:

- Programs to promote economic growth and the quality of life in and around Orange County and other parts of Southern and Central Indiana
- Education programs, including those that conduct actual instruction for students at the university, college, secondary or elementary school level

- Projects to support historic preservation and restoration

The casino will be the only Indiana casino project primarily Indiana owned, with at least fifty percent of its cash distributions providing for charitable and philanthropic purposes within Indiana.

The Proposed Development

Blue Sky's proposal consists of a nautically themed casino, parking garage, entertainment lounge, sports bar and casual bistro that will all be attached to the French Lick Springs Resort & Spa. Blue Sky will invest approximately $70 million to develop the casino, related amenities and local infrastructure. In addition, Blue Sky's affiliate will renovate the French Lick Springs Resort & Spa and golf courses at an estimated cost of approximately $90-110 million. Further, as the market develops, Blue Sky's affiliate will complete the renovation of the West Baden Springs Hotel at an estimated cost of approximately $25-30 million. Blue Sky estimates that in the initial phases it will invest in excess of $240 million.

Blue Sky's goal is to create the premier destination resort and conference center in the Midwest and maintain an elegant dedication to health and recreation. Further, with more than 3,000 acres available for additional development, Blue Sky expects to add, as part of a phased expansion, numerous additional amenities aimed at drawing visitors to this secluded, beautiful, historic community including the following:

- New championship golf course
- PGA sponsored world-class instruction academy
- New or expanded corporate meeting space
- New or expanded convention space
- Additional retail development
- Additional entertainment venues
- New restaurants
- Interval ownership condominiums
- Town homes
- RV park(s)
- Apartment homes
- Casino expansion
- Additional gaming devices

Blue Sky's casino exterior façade will be a nautical design that will complement the architecture of the French Lick Springs Resort & Spa. The nautically designed casino will be complimented by a water feature that further enhances the architecture of the casino. Blue Sky will also develop a parking garage with 800 parking spaces, additional surface overflow parking, parking for up to 12 tour buses and ample employee parking.

Blue Sky will develop an approximately 70,000 square foot casino facility attached to the French Lick Springs Resort & Spa, the "Casino". The Casino will have approximately 1,000 slot machines of various denominations and a minimum of 25 table and poker games. The Casino will feature a casual bistro, a sports bar/deli and an entertainment lounge. The interior theme and design of the Casino and related amenities will also complement the interior architecture of the French Lick Springs Resort & Spa.

The French Lick Springs Resort & Spa will contain such amenities as a corporate conference center, fine dining restaurant, casual dining and/or buffet, full service spa and exercise facility, lounges, recreation, retail shops, bowling, riding stables, the refurbished Donald Ross Championship Golf Course and the refurbished lower golf course.

Economic Benefits to Local Communities

Community and Merchant Relationships

Blue Sky will work with local developers to promote the broad range of existing amenities and development of new amenities in Orange County and surrounding counties to make the area a year round destination.

Blue Sky, in combination with Majestic (its Casino Manager) and Benchmark (its Hotel Operator), will promote the area as the premier destination resort and conference center in the Midwest. The refurbishment of the amenities at the French Lick Springs Resort & Spa, including, without limitation, the Donald Ross Championship Golf Course, spa, fitness center and conference center space, will be an important aspect of the resort community. The development of the French Lick Springs Resort & Spa will benefit from Benchmark Hospitality's expertise as a nationally recognized resort & conference center management company that represents a significant brand within the conference & meeting segment of the hotel industry. With 25 years of experience in marketing to the group market, the Benchmark brand is a meaningful brand name recognizable in the group meetings market as the premier conference resort operator.

Economic Impact of the Casino and Hotels

Direct Economic Impact

Direct Local Employment Impact – The direct economic impact is a function of the Casino's payroll, operating expenses and development costs. Blue Sky will employ approximately 560 employees providing an estimated $17.1 million in annual salaries and benefits at the Casino. In addition, the French Lick Springs Resort & Spa, when fully developed and operating at full capacity, will employ as many as an estimated 550 employees providing an estimated $10.4 million in annual salaries and benefits at the hotel. In the future, the renovated West Baden Springs Hotel when fully developed and operating at full capacity will employ as many as an estimated 300 employees providing an estimated $5 million in salaries and benefits. Blue Sky's hiring policies will ensure that residents of Orange County will have first priority for positions at the Casino and the hotels.

Casino Tax Revenue Impact

Blue Sky projects that the casino will generate an estimated $17.5 million in gaming tax revenue on $84 million of adjusted gaming revenue. Further, Blue Sky estimates that it will generate an estimated $4.2 million in admission taxes on admission of just over 1 million annual customers.

The Blue Sky Team

The Blue Sky Team is comprised of Lauth Resorts & Casino LLC, an affiliate of Lauth Group, Inc., and Orange County Holdings, Inc., a non-stock charitable not for profit organization formed by the Cook Group family of companies. The following are descriptions of the economic development and gaming expertise of the Blue Sky Team.

Lauth Group, Inc.

Since 1977, Lauth has developed billions of dollars worth of facilities throughout the United States. A licensed general contractor in 49 states with projects completed from coast to coast, Lauth is one of the nation's leading development and construction firms. With offices in Indianapolis, Charlotte, Denver, Nashville and Orlando, Lauth delivers all types of facilities including healthcare, industrial, office and retail properties.
People. Trust. Experience. (SM)

Cook Group Inc.

The world's largest privately held medical device manufacturer with international headquarters in Bloomington, Ind., COOK® (www.cookgroup.com) is a leading designer, manufacturer and global distributor of minimally invasive medical device technology for diagnostic and therapeutic procedures. Cook Group also owns and operates real estate, retail management and travel services businesses. Through its real estate development and management company, CFC, Inc., the Cook Group family of companies has placed a special emphasis on preserving architecturally significant buildings in Bloomington and south central Indiana.

Majestic Star Casino

The Majestic Star Casino, LLC ("Majestic"), a multi-jurisdictional gaming company, will manage the Casino. Majestic owns and operates a riverboat gaming facility located in Gary, Indiana ("Majestic Star"), a Fitzgeralds-brand casino and hotel located in Tunica County, Mississippi ("Fitzgeralds Tunica") and a Fitzgeralds-brand casino in Black Hawk, Colorado ("Fitzgeralds Black Hawk"). Majestic also manages for Barden Development, Inc. ("BDI") a casino and hotel in downtown Las Vegas, Nevada ("Fitzgeralds Las Vegas"). As of December 31, 2004, the casinos that Majestic owns and manages collectively contained approximately 4,496 slot machines, 119 table games and 1,145 hotel rooms.

Benchmark Hospitality International

Benchmark Hospitality International ("Benchmark"), an independent hospitality management company based in The Woodlands (Houston), Texas, operates resorts, conference centers and hotels, both domestically and internationally. Benchmark manages the French Lick Springs Resort and Spa. Based in Texas, Benchmark has more than 25 years of experience and operates 17 facilities in 12 states. Their properties include Turtle Bay Resort in Hawaii, Scottsdale Resort and Conference Center in Arizona, The Chattanoogan in Tennessee, Cheyenne Mountain Resort in Colorado, Del Lago Resort in Houston, Lansdowne Resort in Washington, D.C. and the Founders Inn in Virginia Beach.