

**INDIANA GAMING COMMISSION
TELE-PHONIC CONFERENCE BUSINESS MEETING**

**10:00 a.m., March 25, 1997
Hearing Room of the
Indiana Gaming Commission
N190, 100 North Senate Avenue
Indianapolis, IN 46204**

Present: Commission member Alan Klineman, Chair; participating by phone-Thomas Milcarek, Robert Sundwick, Robert Swan, Dr. David Ross, Jr., M.D.; Staff-Jack Thar, Floyd Hannon, Kay Fleming, Cindy Dean, Deana Garner, Tonya Sallee, Michelle Marsden and members of the public. Don Vowels and Ann Bochnowski were not present.

Call to Order and Roll Call

Chairman Alan Klineman called the meeting to order at approximately 10:05 a.m. (local time). A quorum was present. Mr. Swan was appointed Acting Secretary since Mr. Vowels was unable to attend meeting.

Approval of the Minutes

Upon motion by Bob Swan, second by Tom Milcarek, the minutes of the February 21, 1997 were unanimously approved as distributed.

Report of the Executive Director

Jack Thar, Executive Director, gave an update report to the Commission on the activities of the riverboats. One of the main points were that Blue Chip Casino, Michigan City, withdrew its public debt offering for \$80M and the concurrent private placement of \$20M as the market was looking to an interest rate of 14% and a contingent interest rate of 10% for a total effective interest rate of 17.9%. Blue Chip proposes a credit line through a private debt placement of \$80M offered to all shareholders. The Commission approved the Executive Director to approve the final offering.

Old Business

None

New Business

Resolution 1997-12

A Resolution Granting Temporary Supplier's License to Southwest Systems Corporation.

Action: Upon motion by David Ross, second by Bob Sundwick, and unanimous vote of those present, the Commission granted a temporary Supplier's License to Southwest Systems Corporation.

Bond Reduction Requests

Casino Aztar

On January 8, January 21, February 19, February 25 and March 10, 1997, Casino Aztar made payments to the City of Evansville pursuant to the Development Agreement between Casino Aztar and the City of Evansville and as a condition of the Riverboat Owner's License issued to Casino Aztar. As a result of these payments, the Indiana Gaming Commission authorizes the National City Bank to reduce the Letter of Credit 101 and Letter of Credit 102 posted by Casino Aztar beginning with Letter of Credit 101, in a total amount of \$3,012,500.01.

Action: Upon motion by Bob Swan, second by Bob Sundwick and unanimous vote of those present, the Commission authorized the National City Bank to reduce the Letters of Credit posted by Casino Aztar, beginning with Letter of Credit 101, in a total of \$3,012,500.01.

Grand Victoria Casino & Resort, L.L.C.

On March 19, 1997, Grand Victoria Casino & Resort, L.L.C. ("Grand Victoria") made payments to the City of Rising Sun pursuant to the Development Agreement between Grand Victoria and the City of Rising Sun and as a condition of the riverboat owner's license issued to Grand Victoria in the amount of \$1,386,117.00, the amount by which the Surety Bond may be reduced.

Action: Upon motion by Tom Milcarek, second by David Ross, and unanimous vote of those present, the Commission authorized the National Union Fire Insurance Company of Pittsburgh, PA to reduce the Surety Bond posted by Grand Victoria in the total amount of \$1,386,117.00.

Denial of Occupational License

REF: Marc S. Cline

On or about November 8, 1995, Marc S. Cline applied for an Occupational License, Level 3, to work for Casino Aztar ("Aztar") and was issued a temporary Occupational License. During the background investigation, it was discovered that Mr. Cline was convicted of the Offense of Professional Gambling, a Class A Misdemeanor in Vanderburgh Circuit Court on March 10, 1992. Mr. Cline revealed the charge, but it appears that Mr. Cline indicated the charge had been

dismissed. As a result, the Commission staff has formally advised Mr. Cline that his temporary Occupational License had been revoked, effective immediately and his application for a permanent Occupational License was denied by the Commission staff rendering him ineligible to work for any riverboat in a position that requires licensure.

Action: Upon motion by Bob Swan, second by David Ross and unanimous vote of those present, the Commission denied Marc S. Cline's application for an Occupational License, Level 3.

Request for Felony Waiver

REF: Luis F. Raudry

On May 15, 1996, Luis F. Raudry filed a Request for Felony Waiver, to allow him to receive an Occupational License, Level 2, for employment with Trump Casino, Inc. On or about December 17, 1996, the hearing officer, Kay Fleming, filed Recommendations and Findings of Fact. The recommendation was for the denial of Mr. Raudry's application and the recommendation was adopted by the Commission on the same date. Mr. Raudry appealed the decision to Administrative Law Judge Bernard Pylitt in a timely manner. The Administrative Law Judge heard testimony of witnesses, accepted exhibits tendered by the parties, and heard arguments of counsel on February 11, 1997. On March 5, 1997, Judge Pylitt filed his Findings of Fact, Conclusions of Law and Recommendation in this matter. Judge Pylitt recommended that the Hearings Officer's Recommendations and the Commission's Order of December 17, 1996, be reversed and vacated, and that Luis Raudry's Petition for a Felony Waiver be approved.

Action: Upon motion by Bob Sundwick, second by David Ross and unanimous vote of those present, the Commission adopted the recommendation of the Administrative Law Judge, Bernard Pylitt, and approved the request for Felony Waiver of Luis F. Raudry.

REF: Larry Pratchett, Sr.

On or about May 7, 1996, Larry Pratchett, Sr. applied for an Occupational License, Level 2, to be a member of the Hard Count team on the Trump Indiana, Inc. ("Trump"). Between May 29, 1996 and November 20, 1996, the Commission completed a background investigation on Mr. Pratchett, including a criminal history check. It was discovered that Mr. Pratchett was convicted of Theft from a Person on or about September 14, 1971, which is a felony conviction. Additionally, Mr. Pratchett was convicted of the offense of a Burglary, A Class C felony on or about February 17, 1978. On November 20, 1996, Mr. Pratchett submitted a Request for Felony Waiver. Trump advised the Commission, in writing, that it would not hire Mr. Pratchett if a felony waiver was granted. As a result, the Commission found Mr. Pratchett to be ineligible for a Waiver and denied his Request for a Waiver on December 31, 1996.

The Commission filed a timely Verified Statement of Facts, Motion to Dismiss, or in the alternative, Motion for Summary Judgement. Pursuant to IC 4-21.5-3-4, a party has seven days to respond to a Motion to Dismiss and the proposed Dismissal Order. As of March 6, 1997, Mr. Pratchett had not responded to the Motion to Dismiss.

On March 6, 1997, Judge Pylitt filed his Findings of Fact, Conclusions of Law and Recommendation in this matter. Judge Pylitt recommended that Mr. Pratchett's Appeal of the Denial of the Request for Felony Waiver be Dismissed and Mr. Pratchett's application for an Occupational License be Denied.

Action: Upon motion by David Ross, second by Tom Milcarek and unanimous vote of those present, the Commission adopted the recommendation of the Administrative Law Judge Bernard Pylitt without further review and denied the request for Felony Waiver of Larry Pratchett, Sr.

REF: James Thomas

On Thursday, February 20, 1997, the Indiana Gaming Commission ("Commission") filed a Verified Statement of Facts, Motion to Dismiss or in the alternative, Motion of Summary Judgment, pursuant to the Pre-hearing Order entered in this matter on February 6, 1997. The Motion to Dismiss raised the issue of the timeliness of the appeal filed on behalf of James Thomas. Mr. Thomas was ordered, by the Administrative Law Judge, to file his response to the Commission's Motion to Dismiss regarding the timeliness of Mr. Thomas' appeal by Thursday, March 6, 1997, pursuant to 68 IAC 7-1-7(b).

On February 19, 1997, the Commission and Bernard L. Pylitt, Administrative Law Judge for the Commission, received a letter from Bruce Carr, attorney for James Thomas stating that Mr. Thomas wished to withdraw his appeal. The Administrative Law Judge has entered an Order dismissing the appeal of Mr. Thomas.

Action: Upon motion by Bob Swan, second by Bob Sundwick and unanimous vote of those present, the Commission accepts the order of dismissing the appeal of James Thomas.

Issuing the Showboat Marina Casino Partnership A Riverboat Owner's License

The Indiana Gaming Commission ("Commission") issued a Certificate of Suitability to the Showboat Marina Casino Partnership ("Showboat") on January 8, 1996. During the time since the issuance of the Certificate of Suitability, Showboat has been finalizing those steps necessary to commence regular riverboat excursions pursuant to IC 4-33. This order will become effective at such time as the Commission staff finds that Showboat has completed those tasks forth in Section B of the order, but not before April 15, 1997.

Action: Upon motion by Bob Swan, second by Bob Sundwick and unanimous vote of those present, the Commission adopts this Order to issue to Showboat Marina Casino Partnership a Riverboat Owner's License pursuant IC 4-33.

Next Meeting

Chairman Alan Klineman announced that the next business meeting will be April 15, 1997 in East Chicago at the Robert A. Pastrick Marina prior to the opening of the Showboat Marina Casino Partnership Riverboat. The time and exact location of the meeting are to be announced.

Adjournment

Upon motion by Bob Sundwick, second by Bob Swan and unanimous vote, the meeting was adjourned at 10:40 a.m.

Minutes

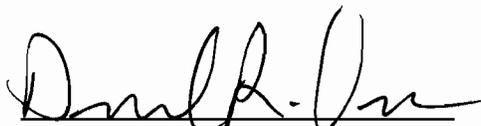
The minutes of March 25, 1997 were prepared by Michelle Marsden, Executive Secretary, of the Indiana Gaming Commission staff. A transcript is not available.

Respectfully submitted,


Michelle Marsden

THE INDIANA GAMING COMMISSION:


Alan I. Klineman, Chair


Don Vowels, Secretary