

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

**10:00 a.m., January 27, 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-Ann M. Bochnowski, Vice-Chair; Don Vowels, Secretary; David Ross, Jr., M.D.; Thomas Milcarek, Robert Swan, Robert Sundwick was not present at beginning of meeting, but joined in later on in the tele-conference call, Staff-Jack Thar, Floyd Hannon, Kay Fleming, Cindy Dean, Tonya Sallee, Frank Brady, Charlie Vonderschmitt, Deana Garner, Michelle Marsden and members of the public.

Call to Order and Roll Call

Chairman Alan Klineman called the meeting to order at approximately 10:10 a.m.(local time). A quorum was present.

Approval of the Minutes

Upon motion by Don Vowels, second by Ann Bochnowski, the minutes of the November 13, 1996 and December 17, 1996 were unanimously approved as distributed.

Report of the Executive Report

Jack Thar, Executive Director, gave an updated report to the Commission on the activities of the riverboats.

Old Business

None

New Business

Resolution 1997-1

A Resolution Concerning Empress Casino's Bank of America Credit Facility

Action: Upon motion by Robert Swan, second by David Ross and unanimous vote of those present, the Commission approved the modifications of the credit facility that Empress has established with Bank of America.

Resolution 1997-2

A Resolution Concerning Casino Aztar's Revolving Credit Facility.

Action: Upon motion by David Ross, second by Don Vowels and unanimous vote of those present, the Commission approved the acquisitions of the second credit facility by Aztar.

Aztar/Evansville Property Exchange

A Request of the City of Evansville and Casino Aztar to allow two pieces of property owned by Casino Aztar to be given to the City of Evansville in lieu of \$2 Million Dollar Cash payment was discussed. The Commission had no opposition to this transaction but deemed that it did not need to take action on this issue.

Resolution 1997-5

A Resolution Concerning the Bond that is to be Posted by Showboat Marina Casino Partnership

Action: Upon motion by Robert Sundwick, second by Thomas Milcarek and unanimous vote of those present, the Commission approves the amount of Fifteen Million and Four Hundred Twenty-Six Thousand \$15,426,000 to be posted by Showboat in an acceptable form pursuant to IC 4-33-6-9, subject to Commission staff review.

Resolution 1997-3

A Resolution Concerning a Change in the Surety Bond Company with which Trump Indiana, Inc. has its Bond Posted.

Action: Upon motion by Don Vowels, second by Robert Swan and unanimous vote of those present, the Commission approves the replacement of Surety Bond and Guaranty, Bond Number 12-0110-31492-96-4 with a similar bond in the amount of \$25,000,000 posted by Trump with American Home Assurance Company, and ratifies the release of Surety Bond and Guaranty Bond number 12-0110-31492-96-4 to Trump once the Commission staff receives the executed original replacement bond.

Blue Chip Debt Financing

Pursuant to 68 IAC 5-3, Blue Chip Casino, Inc. respectfully requests approval to issue up to \$105 million of debt securities in February 1997. Based upon current financial market conditions, they anticipate a fixed interest rate of 13%-14% and a contingent interest rate of 5-8%. The Commission took no action and will require Blue Chip Casino, Inc. to provide more information when the Commission reconvenes to hold a regular non-telephonic business meeting. No resolution was deemed necessary.

Resolution 1997-4

A Resolution Concerning an Extension of the Certificate of Suitability issued to Indiana Blue Chip Hotel & Riverboat Casino Resort Corp. On April 17, 1996.

Action: Upon motion by Robert Swan, second by Ann Bochnowski and unanimous vote of those present, the Commission approved to extend the Certificate of Suitability issued to Indiana Blue Chip Hotel & Riverboat Casino Resort Corp. and will remain valid until the Commission reconvenes to hold a regular non-telephonic business meeting.

Settlement Offers on Disciplinary Actions

Complaint No. 96-AZ-1, Aztar Indiana Gaming Corp.

Disciplinary action against Casino Aztar for not maintaining an accurate accounting of their inventory on tokens and failing to report this to the Commission. The commission staff and the Aztar staff have reached a settlement agreement whereby a fine of \$10,000 would be imposed.

Action: Upon motion by Robert Swan, second by Don Vowels and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement.

Complaint No. 96-EM-1, Empress Casino Hammond

Disciplinary action against Empress Casino Hammond due to the lack of sufficient camera coverage on a cage in violation of 68 IAC 21-1-6(c). Upon learning of the lack of surveillance coverage, Empress employees violated IC 4-33 and 68 IAC 12-1-7(b) with the intentional destruction of the surveillance videotape of a patron transaction on or about July 15, 1996. The commission staff and the Empress staff have reached a settlement agreement whereby a fine of \$7,500 would be imposed.

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

Complaint No. 96-TR-1, Trump Indiana, Inc.

Disciplinary action against Trump Indiana, Inc. due to Trump's failure to properly maintain a hard count room log and soft count room log in violation of 68 IAC 11-2-4 and 68 IAC 11-3-4, failure to properly restrict access to the hard count room while the hard count was in process, and failure to properly secure the door to the hard count room. The commission staff and the Trump staff have reached a settlement agreement whereby a fine of \$8,000 would be imposed.

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

Complaint No. 96-OL-EM-3, Charles E. Elliott

Disciplinary action against Charles E. Elliott, an employee of Empress who was present in the surveillance room at the time the surveillance tape was destroyed. He did not participate in the destruction but was aware of it and didn't report it. The commission staff recommends that Mr. Charles Elliott license be placed on probationary status for a period of six (6) months, at that time, the commission staff will review his application, work record, job performance and suitability and determine whether or not to issue him a permanent license.

Action: Upon motion by Don Vowels, second by Ann Bochnowski, and unanimous vote of those present, the Commission approved the proposed terms of the settlement agreement with Charles E. Elliott.

Next Meeting

Chairman Klineman indicated that the next meeting is tentatively scheduled for February 21, 1997. A time and place will be announced at a later date.

Adjournment

Upon motion by Dr. David Ross, second by Ann Bochnowski and unanimous vote, the meeting was adjourned at 10:59 a.m.

Minutes

The minutes of January 27, 1997 were prepared by Michelle Marsden, Executive Secretary, of the Indiana Gaming Commission staff. A transcript is not available.

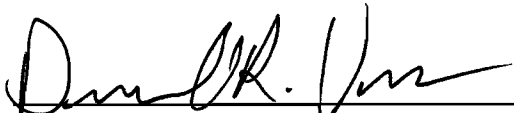
Respectfully submitted,


Michelle Marsden

THE INDIANA GAMING COMMISSION:



Alan I. Klineman, Chairman



Donald R. Vowels, Secretary