

RESOLUTION 2001-39

A RESOLUTION CONCERNING THE REQUEST OF THE MAJESTIC STAR CASINO, LLC AND CERTAIN AFFILIATES TO ENTER INTO DEBT TRANSACTIONS TO FACILITATE THE PURCHASE OF ASSETS OF THE FITZGERALDS GAMING CORPORATION

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. The Commission issued a Riverboat Owner's License to the entity known as The Majestic Star Casino, LLC on June 3, 1996, with an effective date of June 11, 1996. The Commission renewed the Riverboat Owner's License held by The Majestic Star Casino, LLC on August 23, 2001.
2. Mr. Don Barden is the 100% owner of Barden Development, Inc. ("BDI"). BDI is the 100% owner of The Majestic Star Casino, LLC ("Majestic Star"). The Majestic Star is the 100% owner of Majestic Investor, LLC ("Investor"). Investor is the 100% owner of Majestic Investor Holdings, LLC. ("Holdings") Holdings is the 100% owner of Majestic Investor Capital Corp. ("Capital Corp.") and of Barden Gaming Nevada, LLC, Barden Gaming Mississippi, LLC and Barden Gaming Colorado, LLC (collectively, the "Barden Gaming Entities"). BDI Investor, Holdings, Capital Corp. and the Barden Gaming Entities are affiliates of Majestic Star as that term is defined by 68 IAC 1-1-2.1. (See diagram attached.)
3. Investor entered into a definitive purchase agreement dated November 22, 2000, as amended December 4, 2000, with Fitzgeralds Gaming Corporation ("Fitzgeralds") to purchase three (3) Fitzgeralds brand casinos. The Fitzgeralds casinos are located in Las Vegas, Nevada, Black Hawk, Colorado, and Tunica, Mississippi. Investor subsequently assigned and contributed its rights under this purchase agreement to Holdings.
4. In order to facilitate the transaction, Fitzgeralds Gaming Corporation and its subsidiaries voluntarily filed for Chapter 11 Bankruptcy in U.S. District Court in Nevada on December 5, 2000. The sale was approved by the Bankruptcy Court on March 19, 2001 but remains contingent on, among other things licensing and financing.
5. In order to complete the Fitzgeralds transaction, approximately \$140 to \$155 million of long term debt due in 2007 or 2008 will be needed to be raised by Holdings. Given the current capitalization of Holdings, it is

likely that no additional capital contribution will be made by Majestic Star, and Majestic Star will not be a guarantor of the new debt issued to complete the Fitzgeralds transaction.

6. Mr. Don Barden and affiliates of Majestic Star have received the necessary approvals to hold casino licenses located in Nevada, Colorado, and Mississippi.
7. It is anticipated that the transaction will close in the fourth quarter of 2001.

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA GAMING COMMISSION, THAT THE FOLLOWING RESOLUTION IS ADOPTED:

SECTION 1. SCOPE.

This resolution applies to The Majestic Star Casino, LLC. and its affiliates.

SECTION 2. DEFINITIONS.

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

SECTION 3. PURCHASE OF THREE (3) FITZGERALD'S BRAND CASINOS BY THE MAJESTIC INVESTOR HOLDINGS, LLC, AN AFFILIATE OF THE MAJESTIC STAR CASINO, LLC.

The purchase of three (3) Fitzgeralds brand casinos by Majestic Investor Holdings, LLC is hereby:

APPROVED
Approved or Denied.

SECTION 4. ACTION ON REQUEST FOR APPROVAL OF DEBT TRANSACTIONS BY MAJESTIC INVESTOR HOLDINGS, LLC, BARDEN DEVELOPMENT, INC., BARDEN GAMING NEVADA, LLC, BARDEN GAMING COLORADO, LLC AND BARDEN GAMING MISSISSIPPI, LLC AS AFFILIATES OF THE MAJESTIC STAR CASINO, LLC.

The request for the approval of affiliates of The Majestic Star Casino, LLC, of debt transactions in the following structure: not more than \$155 million in notes, \$7 million bank loan and \$15 million in a bank credit facility for a total of not more than \$177 million in debt at prevailing interest rates is hereby:

APPROVED
Approved or Denied

subject to a review and approval of the terms of the final draft and associated documents by the Commission staff.

Adoption of this resolution and the approval of the financing of The Majestic Star Casino, LLC affiliate's debt does not in any way constitute a waiver of the Commission's authority and ability to approve or disapprove any future changes in the ownership of the Riverboat Owner's License, or assets incident thereto which may occur in the event of a default.

SECTION 5. EFFECTIVE DATE.

This resolution is effective immediately.

ADOPTED THIS THE 16th DAY OF NOVEMBER, 2001.

THE INDIANA GAMING COMMISSION:



Donald R. Vowels, Chair

ATTEST:



Thomas Milcarek, Secretary