

RESOLUTION 2003-46

A RESOLUTION CONCERNING FINANCING BY MAJESTIC STAR CASINO, LLC

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 Commission has considered the following factors:

1. Pursuant to IC 4-33-4-21, the Commission must review proposed debt transactions to ensure that the riverboat owner's license is not leased, hypothecated, or money is not borrowed or loaned against the riverboat owner's license.
2. By submission dated August 29, 2003, Majestic Star Casino, LLC ("Majestic Star"), the entity that holds a Riverboat Owner's License to operate a casino in Lake County, Indiana, requested approval to refinance the outstanding balance of previously approved transactions in an amount totaling up to \$350 million and will consist of two transactions: the first transaction consists of a Rule 144A offering of up to \$270 million in Senior Secured Notes with a subsequent public offering; the second transaction is a Loan and Security Agreement for up to \$80 million.
3. The 144A Senior Secured Notes are for an amount of up to \$270 million, with a maturity date of 2010 at an interest rate below 10% semiannually.
4. Wells Fargo Foothill is the lender of the \$80 million Loan and Security Agreement due September 2007. The interest rate is a floating rate determined, on a monthly basis, by the lesser of the following:

LIBOR plus up to 4.5 percentage points or
Prime plus up to 1.75 percentage points
5. Majestic Star requests a waiver of 68 IAC 5-3-2(b)(3), the two (2) meeting rule.

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

SECTION 1. SCOPE.

This resolution applies to Majestic Star Casino, LLC.

SECTION 2. DEFINITIONS.

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

SECTION 3. ACTION ON REQUEST FOR APPROVAL OF FINANCING BY MAJESTIC STAR CASINO, LLC.

The request for a waiver of 68 IAC 5-3-2(b)(3), the two (2) meeting rule is hereby:

APPROVED

APPROVED OR DISAPPROVED

The request for approval of Majestic Star's refinancing in a total amount of up to \$350 million is hereby:

APPROVED

APPROVED OR DISAPPROVED

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 proposed financing 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 12TH DAY OF SEPTEMBER, 2003.

THE INDIANA GAMING COMMISSION:



Donald Vowels, Chair

ATTEST:



Thomas Milcarek, Secretary