

ORDER 2009-148

**RATIFYING THE PREVIOUSLY AWARDED
INTERIM WAIVER AND APPROVAL OF THE DEBT SALE PROPOSED
BY PINNACLE ENTERTAINMENT, INC.**

Pursuant to IC 4-33-4-21 and 68 IAC 5-3-2, the Indiana Gaming Commission (“Commission”) reviews proposed debt transactions to analyze the financial health of riverboat licensees and to ensure that a riverboat owner’s license is not leased or hypothecated, or that money is not borrowed or loaned against a riverboat owner’s license.

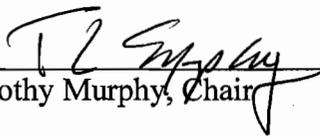
The Commission has considered the following factors:

1. In a letter dated June 29, 2009, Pinnacle Entertainment, Inc. (“Pinnacle”), through counsel, requested Commission approval to obtain A) debt financing and B) a waiver of the applicable procedural requirements set forth in 68 IAC 5-3.
2. The proposed financing will of the issue of \$450 million in senior unsecured notes, due in 2017. The proceeds of the notes, after fees, will be used to repurchase all of their outstanding 8.75% notes, to pay down their revolving credit facility, to repurchase part of their outstanding 8.25% notes, as well as for general corporate purposes.
3. In accordance with Resolution 2008-74, after analyzing the proposed transaction, consulting with Commission financial analyst Dr. Charlene Sullivan, and receiving the requisite concurrence from Chairman Murphy, Executive Director Ernest Yelton issued an interim approval and waiver of 68 IAC 5-3-2, via letter dated July 30, 2009.
4. Subject to certain enumerated and continuing conditions that are hereby incorporated into this Order, the July 30th letter authorized Pinnacle to close on the proposed credit facility without receiving prior approval from the full Commission and without satisfying the “two meeting requirement” of 68 IAC 5-3-2(b)(2) and (3).
5. Resolution 2008-74 requires that Executive Director Yelton’s interim approval and waiver be reported to the full Commission at the next business meeting held under 68 IAC 2-1-5. Additionally, 68 IAC 5-3-7 requires that such waiver be reported to the Commission in order that it may have the opportunity to direct the Executive Director to take additional or different action.
6. The Commission members have received the confidential financial analysis from Dr. Sullivan and the Executive Director’s interim approval and waiver.

Based on the foregoing, the Commission hereby **RATIFIES** the Executive Director’s July 30, 2009 interim approval and waiver.

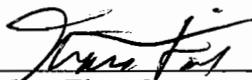
IT IS SO ORDERED THIS THE 17TH DAY OF SEPTEMBER, 2009.

THE INDIANA GAMING COMMISSION:



Timothy Murphy, Chair

ATTEST:



Marc Fine, Secretary