

ORDER 2019-112

AN ORDER OF THE INDIANA GAMING COMMISSION APPROVING A DEBT TRANSACTION PROPOSED BY CAESARS ENTERTAINMENT CORPORATION

On April 9, 2019, Caesars Entertainment Corporation (“Caesars”) requested Indiana Gaming Commission (“Commission”) approval to undertake debt activity that would be subject to Ind. Code § 4-33-4-21, Ind. Code § 4-35-5-7 and 68 IAC 5-3, along with a waiver of the applicable procedural requirements set forth in 68 IAC 5-3, pursuant to Resolution 2017-109. Caesars is the parent company of Caesars Resorts Collection (which operates Hoosier Park and Indiana Grand Casinos) and Caesars Entertainment Operating Company (which operates Horseshoe Hammond and Horseshoe Southern Indiana Casinos). The Commission reviews proposed debt transactions to analyze the financial health of casino licensees and to ensure that a casino owner’s license is not leased or hypothecated and that money is not borrowed or loaned against a casino owner’s license.

The Commission has considered the following factors related to Caesars’ request:

1. Caesars explained the details of the debt activity in confidential documents provided to the Commission;
2. The Commission has analyzed Caesars’ request to undertake debt activity and the request for waiver of applicable procedural requirements; and
3. On May 1, 2019, an interim approval of this transaction was granted by the Executive Director pursuant to the delegation of authority found in Resolution 2017-109. Prior to issuing the interim approval, the transaction was reviewed by the Executive Director, the Commission Chair, and the Commission Member who is a Certified Public Accountant. Resolution 2017-109 requires that an interim approval must be reported at the next business meeting held under 68 IAC 2-1-5.

COMMISSION ACTION

The Commission finds that the “two-meeting” rule, as provided in 68 IAC 5-3-2, is impractical and burdensome and that a waiver is in the best interest of the public and the gaming industry. Based on the foregoing and in accordance with its authority under 68 IAC 1-2-13, the Commission hereby **APPROVES** Caesars’ request for a waiver of the “two meeting” requirement.

The Commission has considered the transaction proposed by Caesars and in accordance with 68 IAC 5-3 has carefully weighed the request, the supporting documentation, and the report of the Commission’s financial analyst. Based on the foregoing, the Commission hereby **APPROVES** Caesars’ debt request, subject to the following conditions:

1. The terms articulated in the final financing documentation do not materially differ from the terms that Caesars has presented in writing for approval to date;
2. The terms of the final documentation do not violate Ind. Code § 4-33-4-21 or Ind. Code § 4-35-5-7;
3. Caesars must provide the Commission with a legal opinion demonstrating compliance with Ind. Code § 4-33-4-21 and Ind. Code § 4-35-5-7; and
4. Caesars must close the proposed financing on or before December 31, 2019.

IT IS SO ORDERED THIS 30th DAY OF MAY, 2019.

THE INDIANA GAMING COMMISSION: ATTEST:



Michael McMains, Chair



Joseph Svytanoff, Secretary