

RESOLUTION 2004-11

A RESOLUTION CONCERNING FINANCING BY CAESARS ENTERTAINMENT, INC.

The Indiana Gaming Commission ("Commission") adopts the following Resolution pursuant to authority granted to it under I.C. 4-33 and pursuant to 68 IAC 1-2-6.

The following factors have been considered by the Commission:

1. Pursuant to I.C. § 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. Caesars Entertainment, Inc., formerly known as Park Place Entertainment Corporation owns 82% of RDI/Caesars Riverboat Casino, L.L.C., the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in Elizabeth, Indiana. (collectively referred to as "Caesars").
3. By letter dated December 9, 2003, Caesars requested a waiver by the Executive Director under 68 IAC 5-3-6 of the financing approval requirements set forth in 68 IAC 5-3, seeking after-the-fact approval of a short term unsecured credit facility Caesars (then Park Place) entered into by letter agreement with Wells Fargo Bank on May 24, 2000 . In addition, Caesars requested a waiver seeking approval of a further increase in the short-term unsecured credit facility.
4. Caesars originally received a short term unsecured credit facility in an amount up to \$ 50 million for working capital requirements.
5. Caesars now seeks to increase the credit facility to an amount not to exceed \$ 100 million for working capital requirements.
6. The Executive Director granted the request for both waivers December 18, 2003 after communicating with and receiving approval from Commission Chair Donald R. Vowels and Commission Member Dale Gettelfinger.
7. At this time Caesars requests Commission approval of the May 24, 2000 short term unsecured credit facility in an amount up to \$ 50 million for working capital requirements.
8. Caesars also requests Commission approval to increase the short term credit facility to an amount not to exceed \$ 100 million for working capital requirements.
9. Caesars also requests a waiver of 68 IAC 5-3-2(b)(3), the two 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 Caesars Entertainment, Inc., formerly known as Park Place Entertainment Corporation, and RDI Caesars, L.L.C.

SECTION 2. DEFINITIONS.

The definitions set forth in I.C. § 4-33-2 and 68 IAC apply to this Resolution.

SECTION 3. ACTION ON REQUEST FOR APPROVAL ESTABLISHING A SHORT TERM UNSECURED CREDIT FACILITY.

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

APPROVED
APPROVED OR DISAPPROVED

The request for approval of Caesars' \$ 50,000,000 short term unsecured credit facility is hereby:

APPROVED
APPROVED OR DISAPPROVED

The request for approval of Caesars' \$ 100,000,000 short term unsecured credit facility is hereby:

APPROVED
APPROVED OR DISAPPROVED

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

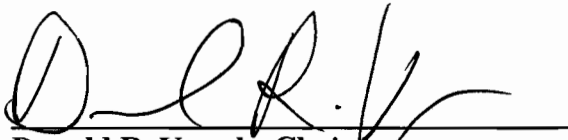
Adoption of this resolution and the approval of the debt transaction does not in any way constitute a waiver of the Commission's authority and ability to approve or disapprove any future changes in the ownership of the Riverboat Owner's License or assets incident thereto which may occur in the event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

SECTION 4. EFFECTIVE DATE.

This resolution is effective immediately.

ADOPTED THIS THE 6TH DAY OF FEBRUARY, 2004:

THE INDIANA GAMING COMMISSION



Donald R. Vowels, Chair

ATTEST:



Thomas Milcarek, Secretary