

RESOLUTION 2004-68

A RESOLUTION CONCERNING FINANCING BY PINNACLE 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. Pinnacle Entertainment, Inc. is the parent corporation of Belterra Resort (Indiana), LLC, the entity that holds the riverboat owner's license to operate a riverboat gaming facility located in Belterra, Indiana.
3. By letter dated November 8, 2004, Pinnacle Entertainment, Inc. ("Pinnacle") 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 approval to refinance \$162 million of 9.25% Senior Subordinated Notes through a combination of (a) a drawdown under the company's existing bank credit facility; (b) an add-on issuance of senior subordinated notes under the Company's existing 8.25% senior subordinated notes; and (c) an issue of convertible senior subordinated notes.
4. Pursuant to Resolution 2003-2, the Executive Director granted the request for waiver of financing approval requirements on November 12, 2004 and approved Pinnacle's refinancing request after communicating with and receiving approval from Commission Chair Donald R. Vowels and Commission Member Norman Melhiser.
5. At this time Pinnacle requests Commission ratification of the November 12, 2004 waiver of financing approval requirements and approval of Pinnacle's proposed refinancing.

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

SECTION 1. SCOPE.

This Resolution applies to Pinnacle Entertainment, Inc.

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 TO RATIFY THE NOVEMBER 12, 2004 WAIVER OF FINANCING APPROVAL REQUIREMENTS AND APPROVAL OF PINNACLE'S PROPOSED REFINANCING

The request to ratify the November 12, 2004 waiver of 68 IAC 5-3-2(b)(3), the two meeting rule is hereby:

APPROVED

APPROVED OR DISAPPROVED

and the request to ratify the November 12, 2004 approval permitting Pinnacle to refinance \$162 million of 9.25% Senior Subordinated Notes through a combination of (a) a drawdown under the company's existing bank credit facility; (b) an add-on issuance of senior subordinated notes under the Company's existing 8.25% senior subordinated notes; and (c) an issue of convertible senior subordinated notes 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 3rd DAY OF DECEMBER, 2004:

THE INDIANA GAMING COMMISSION



Donald R. Vowels, Chair

ATTEST:



Thomas Milcarek, Secretary