

## **RESOLUTION 2005-52**

### **A RESOLUTION CONCERNING COMMISSION RATIFICATION OF THE EXECUTIVE DIRECTOR'S WAIVER OF 68 IAC 5-3-2 AND APPROVAL OF PINNACLE ENTERTAINMENT, INC'S PROPOSAL TO AMEND ITS EXISTING CREDIT FACILITY PURSUANT TO RESOLUTION 2005-24**

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 a riverboat owner's license is not leased or hypothecated, or that money is not loaned or borrowed against the license.
2. Pinnacle Entertainment, Inc. ("Pinnacle"), through its counsel, has requested Commission approval and a waiver of the 68 IAC 5-3-2 two meeting rule for a proposal to amend or replace the Company's existing credit facility. Under the terms of the proposal, the credit facility would increase from \$400 million up to \$850 million. Interest on the amended credit facility would be subject to change based on the floating rate index selected, but Pinnacle expects such rate to remain at least 50 to 100 basis points lower than that which is presently applicable to the Company's current facility. Pinnacle expects that the proposed changes will extend the maturity date on the facility and potentially improve the Company's access to credit in order to finance improvements in its existing properties and construct its St. Louis, Missouri developments and other projects. The revised financing is scheduled to close in mid-November, 2005.
3. On September 20, 2005, after analyzing the proposed debt transaction in accordance with the provisions of Resolution 2005-24, Executive Director Ernest Yelton issued a waiver of 68 IAC 5-3-2 such that Pinnacle could proceed with finalizing the proposed credit facility amendments without the approval of the full Commission and without satisfying the "two meeting requirement" of 68 IAC 5-3-2(2) and (3).
4. The waiver was granted on the express condition that Pinnacle provide, as soon as practicable, all information and documentation contemplated by 68 IAC 5-3-2 with regard to the debt transaction, including final drafts, for final review and approval by Commission staff.
5. Resolution 2005-24 requires that a waiver such as this 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.

**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 IC 4-33-2 and 68 IAC apply to this resolution.

**SECTION 3: RATIFICATION OF THE EXECUTIVE DIRECTOR'S WAIVER OF 68 IAC 5-3-2 AND APPROVAL, PURSUANT TO RESOLUTION 2005-24, OF PINNACLE ENTERTAINMENT, INC.'S PROPOSED AMENDMENTS TO ITS CREDIT FACILITY.**

The Commission hereby;

**RATIFIES**

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(RATIFIES OR DENIES)

the Executive Director's issuance of a waiver of 68 IAC 5-3-2, pursuant to Resolution 2005-24, permitting the proposed amendments to Pinnacle's credit facility to proceed without the approval of the full Commission and without satisfying the "two meeting requirement" of 68 IAC 5-3-2(2) and (3). The Commission reserves the right to withdraw this ratification if the final documentation submitted by Pinnacle includes provisions which materially differ from the terms presented by Pinnacle at the time of its request for approval.

**SECTION 5: EFFECTIVE DATE**


This resolution is effective immediately.

**ADOPTED THIS THE 26th DAY OF SEPTEMBER, 2005.**

THE INDIANA GAMING COMMISSION:

  
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Harold Calloway, Chair

ATTEST:

  
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Donald R. Vowels, Secretary