

LOUISIANA GAMING CONTROL BOARD

Minutes of Special Board Meeting - March 29, 2001

APPROVED

5/15/01

The Louisiana Gaming Control Board conducted a meeting on Thursday, March 29, 2001, at the Dept. of Natural Resources, Mineral Board Hearing Room, 10:00 a.m. Present at this meeting were: Hillary J. Crain, Chairman; Robert M. Fleming, Vice-Chairman; Ralph R. Perlman, Sec./Treasurer; James Boyer, Gen. Sherian Cadoria, Dudley Lastrapes, Marcia Morgan and Rupert Richardson. Absent was board member Dennis Kinchen and ex-officio members, Sec. Cynthia Bridges and Col. Terry Landry.

The meeting was called to order. The Chairman stated there were two issues to be decided at this special meeting. The first issue involved Jazz Casino Company, LLC in New Orleans. Pending before the Board was the approval and authorization of execution of the third amendment to the amended and renegotiated casino operating contract subject to certain suspensive conditions.

Mr. John Campbell, Special Asst. Attorney General, addressed the Board with reference to the amendment. Following his discussion, it was moved by Sec. Perlman and seconded by Gen. Cadoria to adopt the amendment.

Prior to the vote, Mr. Tom Barbera, counsel for Metro Gaming, who is part owner of Bally's Belle of Orleans Casino in New Orleans, spoke in opposition of any changes in the landbased contract.

Mr. Anthony Delvescovo with Park Place Entertainment, also addressed the Board stating that Metro Gaming did not have any authority to object to anything on behalf of Bally's Belle of Orleans Casino, and that Belle did not object at this time.

Following the discussion, the Board voted unanimously to adopt the amendment.

Jay Quinlan, Director of the Attorney General's Gaming Division, Mr. Basile Uddo, general counsel for J.C.C. Holding Company, Mr. Billy Patrick, bankruptcy counsel, Mr. Richard Nevins with the Jeffries Company, and Mr. Jeff Traylor, State Police Gaming Audit Division, addressed the Board concerning the consideration of the declaratory order requested by Jazz Casino Company with respect to the plan of reorganization and related transactions.

Following discussion it was moved by Mr. Boyer to issue an order on the petition as amended seeking a declaratory ruling with respect to the plan of reorganization and related transactions of Jazz Casino Corporation. That motion was seconded by Gen. Cadoria and unanimously approved by the Board. The order is attached hereto as attachment #1.

On motion of Ms. Morgan, it was moved to approve the resolution with reference to the third amendment and orders that were given in the petition. That motion was seconded by Vice-Chairman

Fleming and unanimously approved by the Board. The resolution is attached hereto as attachment #2.

The next item on the agenda dealt with the consideration of approval of Penn National Gaming, Inc. with Louisiana Casino Cruises, Inc. and purchase of individual ownership.

Mr. Leonce Gautreaux and Ms. Elizabeth Behan, both Asst. Attorneys' General, along with Maggie Malone, State Police Gaming Audit Division, and Trooper Kerry Trahan, addressed the Board on this matter. Speaking on behalf of Penn Gaming were Mr. Freddie Pitcher, counsel, Mr. Joe Lassinger, Vice-President and general counsel at Penn Gaming, and Mr. Peter Carlino, Chairman. On behalf of Louisiana Casino Cruises was Joseph Brantley, counsel.

Following the presentation, it was moved by Sec. Perlman to approve the merger of Penn National Gaming and Louisiana Casino Cruises, Inc. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

The Board then acted upon the renewal of the license of Louisiana Casino Cruises, Inc. It was moved by Mr. Boyer to renew the riverboat gaming license of Louisiana Casino Cruises, Inc., subject to the conditions placed on the license and authorizing the Chairman to sign the conditions on behalf of the Board. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Board received public comments by Mr. Chris Pickren, attorney representing Metro Gaming. Metro Gaming had received a cash call letter from Park Place and was requesting the Board to send the matter to a Hearing Officer.

The Chairman stated that this was a special meeting and since the comments dealing with Metro Gaming were not on the agenda, the Board could not take action on that matter.

Mr. Pickren then requested that the Board amend the agenda. At that time, Mr. Leonce Gautreaux, Asst. Attorney General and Mr. Ray Lamonica, Special Asst. Attorney General both addressed the Board. Mr. Gautreaux stated that Metro already had a motion filed to recuse one of the Hearing Officers and a motion to recuse the Board from hearing a certain matter. Mr. Lamonica stated he thought this matter was a civil issue and that jurisdiction would be in civil district court.

It was moved by Mr. Lastrapes to amend the agenda to add the Metro matter. That motion was seconded by Ms. Morgan but did not receive the two-thirds vote needed to pass. It failed by a five to three vote. Voting to amend the agenda were: Chairman Crain, Mr. Lastrapes and Ms. Morgan. Voting against the measure were: Vice-Chairman Fleming, Sec. Perlman, Mr. Boyer, Gen. Cadoria and Ms. Richardson.

Mr. Pickren then requested the Board to call an emergency special meeting within seven days.

It was moved by Mr. Lastrapes to amend the agenda to discuss whether the Board should hold a special meeting. That motion was seconded by Ms. Morgan but failed to receive a two-thirds

vote. Voting for the motion were: Chairman Crain, Mr. Lastrapes, Ms. Morgan and Ms. Richardson. Voting against the motion were: Vice-Chairman Fleming, Sec. Perlman, Mr. Boyer and Gen. Cadoria.

There being no further comments, it was moved by Vice-Chairman Fleming to adjourn. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

The meeting was adjourned.