

RESOLUTION 2005-23

A RESOLUTION APPROVING THE FINANCING MATTERS ESSENTIAL TO THE CONSUMMATION OF TRUMP INDIANA, INC. AND ITS AFFILIATES' PLAN OF REORGANIZATION AND SUBSEQUENT EXIT FROM BANKRUPTCY

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 and 68 IAC 5-3-2, the Commission must review proposed debt transactions to ensure that the riverboat owner's license is not leased or hypothecated, or money is not borrowed or loaned against the riverboat owner's license.
2. Trump Indiana, Inc. holds the riverboat owner's license to operate a riverboat gaming facility located in Gary, Indiana.
3. In a letter dated April 14, 2005, Trump Indiana, Inc. and its ultimate parent companies, Trump Hotels & Casino Resorts, Inc., and Trump Hotels & Casino Resorts Holdings, L.P. (collectively referred to as "THCR") requested approval to enter into two debt transactions which are essential to the consummation of THCR's Plan of Reorganization and subsequent exit from bankruptcy. THCR also requested that the 68 IAC 5-3-2(b) two meeting rule be waived or otherwise satisfied on or before the scheduled effective date of THCR's Plan of Reorganization, currently set for May 4, 2005.
4. In the first debt transaction the reorganized Trump Hotels & Casino Resorts Holdings, L.P. and Trump Hotels & Casino Funding, Inc. will issue Senior Second Priority Mortgage Notes in the aggregate principal amount of \$1.250 billion. The notes will carry an interest rate of 8.25% and be due on the tenth anniversary of issuance. The notes will be guaranteed by all subsidiaries of THCR and will be secured by a second priority interest in substantially all of the assets of THCR. The proceeds of the notes will be utilized, together with the issuance of new common stock of THCR, to satisfy THCR's existing \$1.8 billion indebtedness.
5. In the second transaction, THCR will enter into an Exit Facility with Morgan Stanley and UBS in the aggregate principal amount of up to \$500 million. The Exit Facility will be in three tranches as follows:
 - (i) a single draw term loan facility in the amount of \$150 million;
 - (ii) a delayed draw term loan facility in the amount of \$150 million; and
 - (iii) a revolving credit facility in the amount of \$200 million.

The two term loans will mature seven (7) years from issuance and carry an interest rate based on a premium (currently expected to be 1.5% and 2.5% respectively) to the federal funds rate or Eurodollar loans rate and will be secured by a first priority interest in substantially all of the present and future assets of THCR. The revolving facility will carry the same collateral as the term loans but mature on the fifth (5th) anniversary of issuance.

The Exit Facility will be utilized for the transactional costs related to THCR's restructuring, expansions and renovations of THCR's business, and for other general corporate purposes.

6. The Commission's bankruptcy counsel, Michael Hile, and outside financial analyst and certified public accountant, Dr. Charlene Sullivan, have reviewed and analyzed all documentation material to the debt transactions and have advised Commission staff that said transactions do not impinge upon Trump Indiana, Inc.'s license.
7. Following the effective date of THCR's Plan of Reorganization, Trump Hotels & Casino Resorts, Inc. will be re-named as "Trump Entertainment Resorts, Inc."; Trump Hotels & Casino Resorts Holdings, L.P. will be re-named as "Trump Entertainment Resorts Holdings L.P."; and Trump Hotels & Casino Resorts Funding, Inc. will be re-named as "Trump Entertainment Resorts Funding, Inc."
8. THCR's exit from bankruptcy will facilitate THCR's payment of bills for professional services which have been provided to the Commission by Mr. Hile and Dr. Sullivan, and made necessary by the THCR bankruptcy.
9. THCR has advised the Commission that upon exit from bankruptcy, over \$8 million of the Exit Facility will be allocated to Trump Indiana, Inc. for purposes of making capital improvements to Trump Indiana's Gary, Indiana property. Commission approval of the debt transactions at issue will expedite the distribution of these funds.
10. THCR has advised the Commission that upon exit from bankruptcy, Trump Indiana, Inc.'s outstanding tax obligations to the State of Indiana will be paid in full pursuant to an agreement with the Indiana Department of Revenue. Commission approval of the debt transactions at issue will enable the prompt distribution of these funds to the State of Indiana.

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

SECTION 1: SCOPE

This resolution applies to Trump Indiana, Inc., its ultimate parents, Trump Hotels & Casino Resorts, Inc., and Trump Hotels & Casino Resorts Holding, L.P., and their affiliates.

SECTION 2: DEFINITIONS

The definitions set forth in IC 4-33-2 and 68 IAC apply to this resolution.

SECTION 3: ACTION ON REQUEST FOR APPROVAL OF FINANCING

The request for approval of the issuance of Senior Second Priority Mortgage Notes in the aggregate principal amount of \$1.250 billion at an interest rate of 8.25% to be due on the tenth (10th) anniversary of issuance is hereby:

APPROVED

(APPROVED OR DISAPPROVED)

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

The request for approval of the Exit Facility with Morgan Stanley and UBS in the aggregate principal amount of up to \$500 million in three tranches is hereby:

APPROVED

(APPROVED OR DISAPPROVED)

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

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

APPROVED

(APPROVED OR DISAPPROVED)

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 21st DAY OF APRIL, 2005.

THE INDIANA GAMING COMMISSION:

Harold Calloway, Chair

ATTEST:

Secretary