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White Paper

Preliminary Economics of Illinois Gaming Expansion

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June 2011

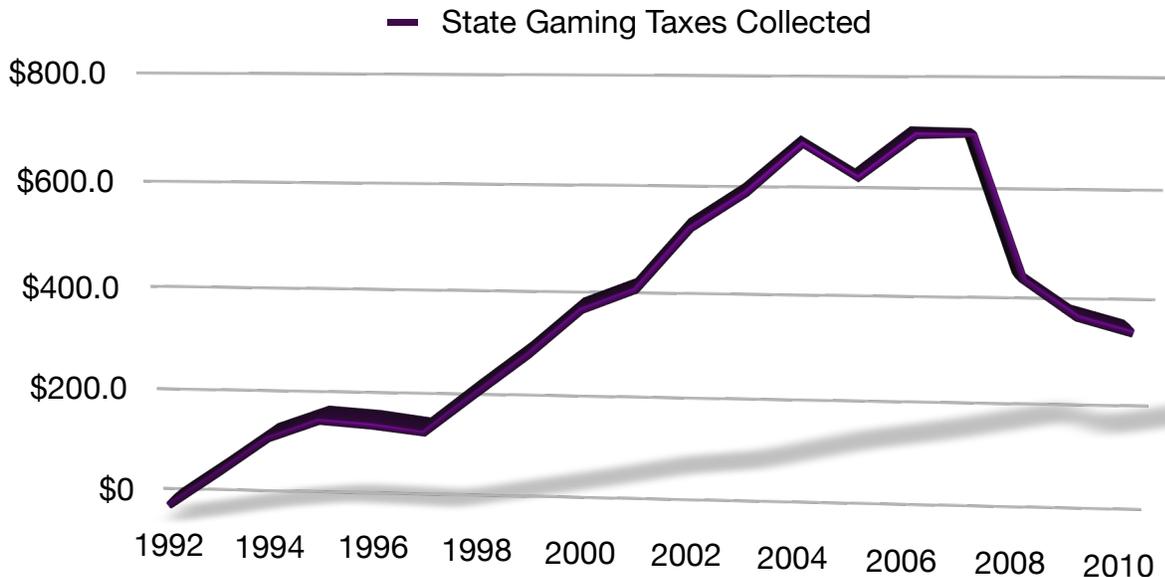


Context

Las Vegas-style gaming was introduced in Illinois when the Riverboat Gambling Act (the Act) was enacted in February 1990, making Illinois the second State in the nation to legalize riverboat gambling. The Act created and authorized the Illinois Gaming Board (IGB) to grant up to ten casino licenses. On September 11, 1991, the first riverboat casino began operation in Alton. Each riverboat gaming operation is authorized to offer up to 1,200 gaming positions, consisting of a mix of electronic gaming devices and table games. In 1999, the Act was amended to permit all riverboat gaming operations to permanently moor at docksites, without conducting cruises on any waterway. Patrons visiting the casinos must be 21 years of age to be admitted to the gambling areas of each operation. The Act requires that all wagering in the casinos be cashless.

There are currently nine operating facilities, with the tenth license having been awarded in 2008. The tenth licensee broke ground in Des Plaines in April 2010 on its facility, to be developed in phases, with the opening expected July 2011. In addition, the licensee will pay a license fee of \$125 million.

The gaming privilege tax in Illinois has been modified since 1991, with a progressive structure that raises the tax rate at higher levels of annual gross gaming revenues (GGR¹). Tax collections had initially increased, but dropped precipitously in 2008, losing ground to neighboring states (e.g. Indiana/Missouri).



Source: Illinois Gaming Board

¹ For the purposes of this report, GGR is used for Adjusted Gross Receipts (AGR) as reported by the IGB.

The Illinois legislature has introduced and passed a recent bill -- Senate Bill 744 -- which generally provides for a significant expansion of gaming with additional licenses, electronic gaming machines (EGMs) at the existing racetracks and additional authorized gaming positions at existing casinos. In addition, the privilege tax structure would be reduced.

Summary of SB744

SB744 has three key components - the establishment of a Chicago Casino Development Authority (CCDA) to own a major Chicago casino, amendment of the Illinois Horse Racing Act of 1975 to permit electronic gaming at the racetracks, and amendment of the Act to expand casino gaming locations. The critical provisions of the bill are summarized below.

Additional Casinos/Riverboats

Chicago License

SB744 provides a license and authorizes the CCDA to own a casino within the City of Chicago and the license will not expire. The CCDA will conduct a competitive bidding process to identify a gaming operator. The CCDA may operate a temporary facility for up to 24 months. The casino may operate up to 4,000 gaming positions. The CCDA is also authorized to operate gaming positions at O'Hare and Midway airports, which are included in the CCDA total of 4,000 gaming positions. The CCDA shall pay an initial license fee of \$25,000 per gaming position.

Additional Riverboats

Four additional riverboat casino licenses are authorized with specific geographic locations specified:

- ▶ Park City (north of Chicago)
- ▶ Rockford (northwest of Chicago)
- ▶ Danville (south of Chicago near the Indiana border)
- ▶ South Chicago suburban (in Bloom, Bremen, Calumet, Rich, Thornton, or Worth Township)

The additional casinos shall pay an initial license fee of \$100,000 plus \$25,000 per gaming position if the riverboat is located in Cook County, or \$12,500 per gaming position if located outside of Cook County.

SB744 also requires each new riverboat or casino license including the CCDA to make a reconciliation payment four years after commencing operations. The reconciliation payment will equal 75 percent of the riverboat or casino's GGR² for the most lucrative 12-month period of operations minus the total amount paid for the casino or riverboat's gaming positions.

EGMs at Racetracks

The Bill authorizes up to 1,200 EGMs that may be operated at the existing racetracks within Cook County (Chicago area) and 900 EGMs at the tracks outside the county. The existing racetrack facilities that may add EGMs are:

- ▶ Arlington Park (in Arlington Heights, northwest of Chicago), Cook County
- ▶ Fairmount Park (Collinsville, east of St. Louis), Madison County
- ▶ Balmoral Park (Crete, south of Chicago near the Indiana border), Will County
- ▶ Maywood Park Race Track (Melrose Park, west of Chicago), Cook County
- ▶ Hawthorne Race Course (Stickney, west of Chicago), Cook County
- ▶ Quad City Downs (East Moline, western Illinois), Rock Island County

² For the purposes of this report, GGR is used for Adjusted Gross Receipts (AGR) as reported by the IGB.

Slot Expansion at Existing Casinos

The number of allowed gaming positions will increase at all riverboat locations from 1,200 to 2,000 in two steps over a period of time, which includes all existing and new locations. Each riverboat casino that increases its number of positions will be required to pay an initial fee of \$25,000 per position if the riverboat is located in Cook County, or \$12,500 per position if outside of Cook County. Positions include slots and seats at table games based on a formula.

Land-Based Development

Upon approval of the IGB, riverboat casinos will be permitted to convert to land-based operations. Currently, gaming must occur on a navigable boat/barge, although other operations such as restaurants and hotels may currently be land-based.

Privilege Tax Changes

Illinois currently levies a privilege tax on casino gaming at rates that vary with annual GGR volume. It has changed over time, with a peak rate regime in 2003-05. One of the impacts of the high marginal rate has been limited incentive to invest in facilities to create more entertainment-oriented gaming destinations. The Bill proposes to first levy a different rate on table games (which have much higher costs of operations than EGMs) while also lowering the slot tax regime relative to current standards. Through 2015, the Bill contains a \$2M offset credit against the taxes for renovation or construction.

GGR	1991-1997	1998-2002	2002-2003	2003-2005	Current	Proposed Slot	Proposed Table ¹
Up to \$25M	20%	15%	15%	15%	15%	10%	10%
\$25M to \$37.5M		20%	22.5%	27.5%	22.5%	17.5%	17.5%
\$37.5M to \$50M				32.5%			
\$50M to \$75M		25%	27.5%	37.5%	27.5%	22.5%	22.5%
\$75M to \$100M		30%	32.5%	45%	32.5%	27.5%	16%
\$100M to \$150M		35%	37.5%	50%	37.5%	32.5%	
\$150M to \$200M			45%		45%	35%	
\$200M to \$250M			50%	50%	70%	50%	
\$250M to \$300M		30%					
\$300M to \$350M		20%					
Over \$350M							

1 - Table game category break is \$70M.

Video Gaming

The recently enacted laws for Video Gaming at local establishments are also amended to allow for provisional licensing procedures. For the purposes of this report, Video Gaming is not analyzed.

Current Illinois Casino Market

Illinois' nine licensed and open facilities operate generally in the Chicago, St. Louis, Peoria, and Quad Cities areas and compete with facilities operating in Indiana, Missouri, Iowa, and Wisconsin. Gaming revenue peaked in 2007 at nearly \$2 billion, but has dropped to \$1.37 billion in 2010.

Illinois GGR

Year	GGR (millions)
1995	\$1,178
1996	\$1,131
1997	\$1,054
1998	\$1,106
1999	\$1,362
2000	\$1,658
2001	\$1,783
2002	\$1,831
2003	\$1,709
2004	\$1,717
2005	\$1,798
2006	\$1,923
2007	\$1,983
2008	\$1,568
2009	\$1,428
2010	\$1,373

Source: IGB



Given the large available resident market and limited supply, the Chicago area riverboat casinos have achieved significantly high performance statistics, with Win-Per-Day averages generally above \$400. Smaller markets and Indiana facilities that do not have the gaming position restrictions are generally in the range of \$200 to \$300 in Win-Per-Day.

Illinois Riverboat Casino Statistics

2010

Casino	Slot GGR (millions)	Slots	WPD	Table GGR (millions)	Tables	WPD	Admission	WPA	Employees	Eff Tax Rate
Argosy Alton	\$79.4	1,098	\$198	\$4.8	18	\$731	1,158	\$73	528	26.0%
Par-A-Dice	\$102.6	1,148	\$245	\$12.4	27	\$1,258	1,335	\$86	828	29.5%
Jumer's	\$64.0	1,122	\$156	\$6.4	30	\$584	1,382	\$51	522	25.8%
Hollywood - Joliet	\$107.8	996	\$297	\$12.2	19	\$1,759	1,116	\$108	835	31.0%
Harrah's Metropolis	\$100.9	1,126	\$246	\$16.7	25	\$1,830	1,074	\$109	682	28.6%
Harrah's Joliet	\$248.7	1,148	\$594	\$30.0	26	\$3,161	2,517	\$111	974	38.8%
Hollywood Aurora	\$180.3	1,169	\$423	\$22.0	28	\$2,153	1,599	\$127	740	34.0%
Casino Queen	\$128.6	1,150	\$306	\$18.9	29	\$1,786	2,242	\$66	744	32.2%
Elgin	\$241.6	1,122	\$590	\$51.4	36	\$3,912	2,117	\$138	973	40.3%
Rivers Casino	(Under construction)									

Note: WPD - Win-Per-Day per unit. WPA - Win-Per-Admission. Source: IGB

Indiana (Chicago Area) Casino Statistics

2010

Casino	Slot GGR (millions)	Slots	WPD	Table GGR (millions)	Tables	WPD	Admission	WPA	Employees	Eff Tax Rate
Ameristar - EC	\$215.7	1,906	\$310	\$31.1	49	\$1,739	3,028	\$82	1,293	33.6%
Blue Chip	\$160.0	1,960	\$224	\$17.9	51	\$962	2,566	\$69	1,209	23.3%
Majestic Star I&II	\$182.0	2,123	\$235	\$35.3	92	\$1,051	3,022	\$72	1,349	25.8%
Horseshoe	\$405.4	3,213	\$346	\$123.4	142	\$2,381	5,535	\$96	2,429	36.4%

Note: WPD - Win-Per-Day per unit. WPA - Win-Per-Admission. Source: Indiana Gaming Commission

Impacts of Changes

The expansion of Illinois gaming as outlined in SB744 will have a dramatic impact on the regional gaming market, primarily in the Chicago area where the new facilities are set to be located. We have undertaken an analysis of the future market based on SB744 to highlight the potential magnitude of impacts from the changes in the law. These include:

- ▶ **GGR** - Potential GGR at the new gaming facilities as well as impacts on existing facilities
- ▶ **Taxes** - Impacts of changes in the Privilege Tax regime on the state and individual facilities
- ▶ **Economic Impacts** - Potential changes to the economic framework of the market such as jobs and ancillary development

Gaming Revenue

Market Saturation

Given the natural demand of gaming and legislatively restricted supply, a market such as Chicago would be expected to have significant latent demand. The GGR potential will illustrate whether the market is near saturation, with only expected substitution between casinos, or if the market can grow with the addition of new casinos.

The Gross Market Potential may be illustrated by using benchmarks of comparable markets with adequate supply options. In 2010, the average per capita gaming revenue in these selected market ranges from \$190 in Chicago to \$615 in Las Vegas (locals market only). As a percentage of aggregate regional income, gaming revenues range from 0.9 percent to more than 3 percent.

Regional Market Gaming Revenue Ratios

2010

MSA	Population	Casino GGR (billions)	GGR Per Capita	Geography
Chicago	9,461,105	\$1.8	\$189	No downtown, north suburb
Detroit	4,296,250	\$1.4	\$321	All downtown
Kansas City	1,810,075	\$0.8	\$425	Moderately clustered, water-based
St. Louis	2,397,785	\$1.0	\$427	Moderately clustered, water-based
Albuquerque	887,077	\$0.4	\$419	North, south, and west, small MSA
Las Vegas	1,951,269	\$1.2	\$615	Ubiquitous gaming

Source: US Census 2010, State Gaming Commissions

Of the major urban markets, Chicago has one of the lowest per capita GGR levels. This is attributable to the uneven distribution of casinos in the market and the restrictions on gaming positions in Illinois. In addition, the unfavorable Illinois gaming tax regime, smoking ban and general economic conditions have caused a decline of Per Capita GGR from over \$280 to the 2010 level of \$190.

Of the other major markets, the Las Vegas locals market has nearly ubiquitous gaming and Per Capita GGR of over \$600. Markets such as Kansas City, St. Louis and Albuquerque have broad distribution of facilities and are generally sized at market levels. Per Capita GGR for these markets is at the \$400 level.

The greater Chicagoland market (defined as the Chicago Metropolitan Statistical Area - MSA³) has been analyzed with respect to current and saturation level Gross Gaming Revenue. Current casino revenues for the market are estimated at \$1.8 billion, which includes the northwest Indiana casinos. By applying saturation level market ratios, GGR saturation potential for the Chicago MSA is between \$3.8 and \$5.7 billion.

While this analysis is a gross comparison and does not consider GGR from outside the primary market, the implication of this analysis is that there is significant additional, latent gaming potential in the local market.

Chicago MSA Theoretical Regional Market Gaming Potential

	2010	Potential GGR based on Reasonable Saturation (e.g., St. Louis)	Potential GGR based on Full Saturation (e.g., Las Vegas)
Chicago MSA Population	9,461,105	9,461,105	9,461,105
GGR Per Capita	\$190	\$400	\$600
Actual GGR (billions)¹	\$1.8		
Potential GGR by Per Capita Ratio		\$3.8	\$5.7

Source: US Census 2010, State Gaming Commissions and Pro Forma Advisors

Site Market Potential

Pro Forma Advisors uses an advanced Market Demand Gravity Model to project GGR potential. This approach offers significant advantage over traditional gravity models in that it can incorporate increased demand from new properties, improved properties and incomplete substitution. Whereas traditional gravity models estimate “probabilities” of capture, they are applied to a static overall demand. This is acceptable in a market that is saturated, but does not allow for increased demand due to new or improved product in the market. It also assumes that one property’s gain is another property’s loss. In empirical studies of the market, casino gaming does not exhibit “perfect” substitution.

The Pro Forma Advisors’ Market Demand Gravity Model first models demand potential, based on distance and “attraction,” then adjusts for substitution and competitive market share, thereby allowing for true demand growth. Additional details of the Model may be found at www.ProFormaAdvisors.com.

As the model is specific to geography, certain assumptions on the new locations have been made to model the market. In addition, the Attraction (Gravity) of a facility is a combination of the scale (e.g., number of gaming positions), overall quality and amenities. In addition, integrated accommodations may increase GGR by focusing on overnight guests, which is typically additive to the resident market GGR.

³ The Chicago MSA includes Cook, DeKalb, DuPage, Grundy, Kane, Kendall, McHenry and Will County.



Key Model Assumptions

- ▶ The Des Plaines casino is assumed to be operating.
- ▶ Locations have been selected near the designated areas identified in SB744.
- ▶ Racetracks are assumed to be at their current locations.
- ▶ Facilities are assumed to expand to the allowed additional gaming positions.
- ▶ The projections have been made as if incorporated in the current market (2010) with no inflation or projections of population growth.
- ▶ For simplicity, projections for EGMs at O’Hare and Midway have not been included in the model.

Using the assumptions above, Pro Forma Advisors has used the Market Demand Gravity Model to illustrate the market potential of the new facilities. In the modeled scenario, the new facilities are projected to generate approximately \$1.9 billion in additional GGR - a win-per-day average of \$272 for the new positions.

Modeled Scenario Projections

(in 2010 dollars)

Casino	Total GGR	Slots	Tables	WPD	Admission	WPA
Chicago	\$435	3,200	160	\$286	4,460	\$98
Park City	\$285	1,800	40	\$383	2,936	\$97
Rockford	\$230	1,800	40	\$309	2,926	\$79
South Chicago	\$230	1,800	40	\$309	2,945	\$78
Danville	\$130	1,800	40	\$175	1,802	\$72
Arlington Park	\$170	1,200	0	\$388	1,725	\$99
Maywood Park	\$110	1,200	0	\$251	1,418	\$78
Hawthorne Race	\$135	1,200	0	\$308	1,738	\$78
Balmoral Park	\$50	900	0	\$152	560	\$89
Fairmount Park	\$60	900	0	\$183	1,000	\$60
Quad City Downs	\$35	900	0	\$107	600	\$58
Illinois State Fairground	\$70	900	0	\$213	1,200	\$58
Total	\$1,940	17,600	320	\$272	23,310	\$83

Note: Split of slots and tables is assumed. Source: Pro Forma Advisors

Impacts on Existing Casinos

With the geographic concentration of new licenses near Chicago, the Chicagoland market is the most impacted by the new and expanded gaming facilities. To best represent the impacts of SB744, we have used the model to project the market including the current plan for the Rivers Casino in Des Plaines.

In this baseline scenario, the new Rivers Casino facility is projected at \$330 million, increasing the Illinois taxable GGR by a net amount of \$311 million. The increase in Illinois GGR is expected to negatively impact Indiana facilities more than those in Illinois because of the current position restrictions in Illinois. The regional gaming market is projected to expand a net \$236 million in GGR.

The new facilities are projected to greatly increase GGR by providing ample capacity to satisfy latent market demand. In addition to the projected \$1.8 billion in GGR from new Chicago gaming facilities, the currently licensed Chicago facilities are projected to increase \$51 million, largely because of additional positions. Indiana facilities are projected to decrease \$274 million.

Impact on Existing Chicago Casinos

Casino	2010 GGR	2010 Pro Forma with Rivers	Δ from 2010	Pro Forma Expansion	Δ from Rivers Scenario
Hollywood Joliet	\$143	\$142		\$160	
Harrah's Joliet	\$246	\$242		\$277	
Hollywood Aurora	\$180	\$179		\$205	
Elgin	\$287	\$275		\$246	
Rivers Casino	-	\$330		\$332	
Illinois Subtotal	\$857	\$1,168	\$311	\$1,219	\$51
Ameristar - EC	\$247	\$234		\$145	
Blue Chip	\$178	\$173		\$132	
Horseshoe Hammond	\$529	\$487		\$430	
Majestic Star	\$217	\$202		\$114	
Indiana Subtotal	\$1,171	\$1,095	(\$75)	\$822	(\$274)
New Illinois Facilities				\$1,775	
Chicagoland Total	\$2,028	\$2,264	\$236	\$3,816	\$1,552

Source: Pro Forma Advisors

The overall Chicagoland market GGR is projected at \$3.8 billion -- an increase of \$1.5 billion from the scenario using the Rivers Casino. As illustrated in the Saturation Analysis, this would roughly equate to the per-capita saturation levels of St. Louis, Kansas City and other Midwest urban areas.

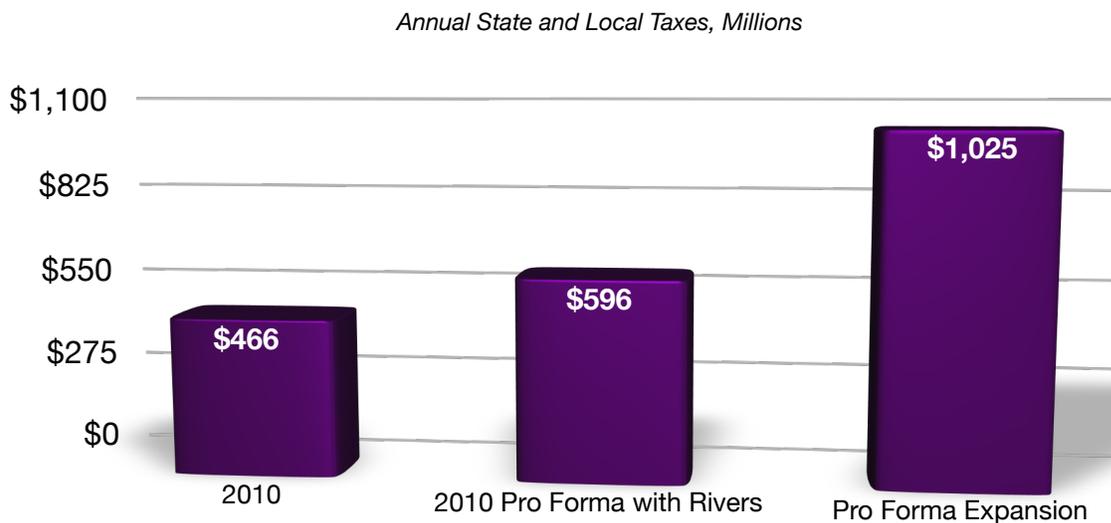
Taxes

While SB744 decreases the privilege tax, the overall increase in admissions and the GGR generated and recaptured is expected to increase revenues to the State and local governments. Using the illustrative scenario of increased GGR and admissions, Pro Forma Advisors estimates an increase of over \$1 billion in annual taxes and fees to the State & cities -- over \$500 million increase from 2010 and over \$400 million from a scenario using the Rivers Casino.

Estimated Tax Impact from SB744 on Currently Operating Casinos



Estimated Total Tax Impact from SB744



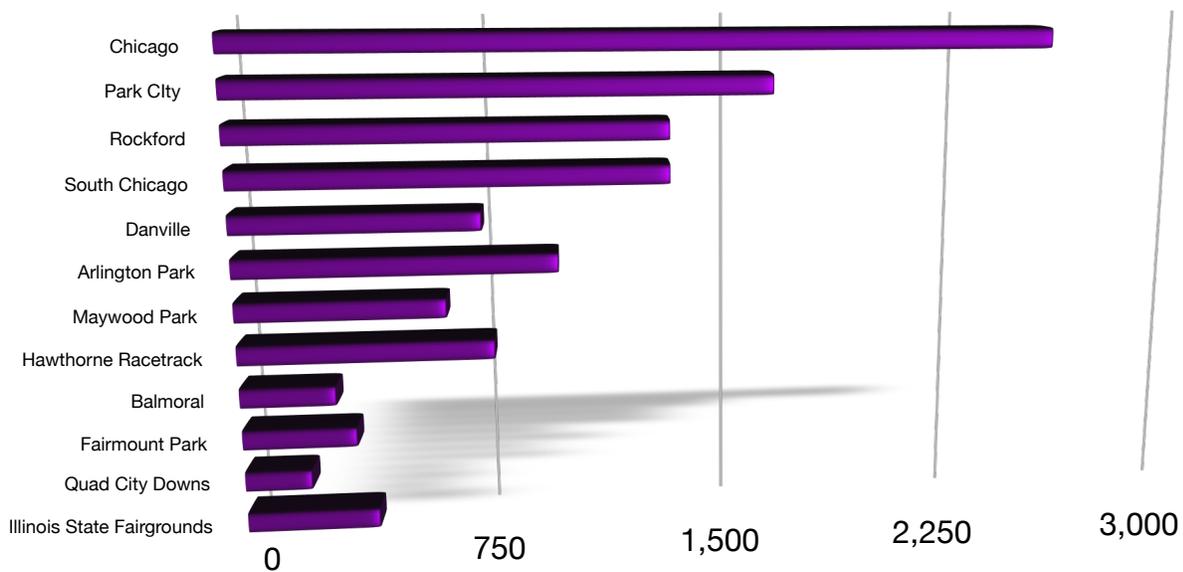
Additional Economic Impacts

The expansion of gaming will have an equally significant economic impact in the region, through construction, job creation and ongoing operations expenditures. While full economic, employment and fiscal impacts require detailed study, the direct order of magnitude of employment impact may be determined.

Jobs

The new casinos are expected to increase employment in Illinois. While determining full economic and employment impacts requires detailed studies that include substitution and multiplier effects, the gross job creation based on ratios of GGR to employees is over 11,000.

Total Estimated Employees at New Casino Facilities



Source: Pro Forma Advisors

Hotel Development

Casino hotels have become integral elements in casino strategies to increase gaming revenue and overall profitability. While typical hotels accommodate existing demand for overnight guests, casino hotels are a valued experience unto themselves and, along with marketing and player development programs, may be used to induce additional visitation to the casino.

The factor of hotel rooms to gaming positions has been identified as a key ratio in defining the maturity of a casino location as an overnight destination. In general, as a greater portion of gaming revenues come from overnight visitors, the ratio of rooms to gaming positions increases. Single property destinations have ratios of approximately 0.1 to 0.2.

Rooms per Position in Select US Markets

Property	Slots	Tables	Positions	Rooms	Ratio
St. Louis	13,029	317	14,931	1,552	0.10
Kansas City	8,309	211	9,575	834	0.09
Indiana	9,435	291	11,181	2,452	0.22
Michigan	20,409	476	23,265	2,762	0.12
Northeast Markets	24,529	942	30,181	4,957	0.16
Southern Markets	18,205	407	20,647	2,981	0.14
Southwest Markets	7,539	158	8,487	968	0.11

Source: Individual Properties and Pro Forma Advisors

Illinois has a relatively underdeveloped casino hotel market. The Illinois properties have an average ratio of 0.04 rooms for each gaming position. Indiana casinos near Chicago have a much higher ratio of 0.1. Casino hotels have not been critical in Illinois because gaming position restrictions and high marginal tax rates reduce the profitability of using a hotel amenity to increase GGR.

Rooms per Position in Chicagoland Casinos

Property	2010 Positions	SB744 Positions	Hotel Rooms	Ratio
Illinois				
Hollywood Joliet	1,200	2,000	100	0.05
Harrah's Joliet	1,200	2,000	204	0.10
Hollywood Aurora	1,200	2,000	0	0.00
Elgin	1,200	2,000	0	0.00
Total	4,800	8,000	304	0.04
Indiana				
Ameristar - EC	2,200	2,200	290	0.13
Blue Chip	2,266	2,266	486	0.21
Horseshoe Hammond	4,065	4,065	0	0.00
Majestic Star	2,675	2,675	300	0.11
Total	11,206	11,206	1,076	0.10

Source: Gaming commissions and Pro Forma Advisors

While each property will develop ancillary facilities based on demand, available land, etc., the new competition and reduced margin tax rate will create greater opportunities to support hotel development. With approximately 25,000 additional gaming positions authorized by SB744, casino hotel development could create construction impacts of approximately \$500 million and additional GGR from overnight guests in the range of \$200 million.

Illustrative Impacts of Casino Hotel Development

SB0744 Additional Gaming Positions	24,600
Hotel Ratio	0.1
Hotel Rooms Potential	2,460
Impacts of Hotel Rooms	
Average Development Cost Per Key	\$200,000
Construction Impact	\$492,000,000
GGR Per Room Night	\$250
Overnight Guest GGR (@80% Occupancy)	\$190,803,750

Disclaimer

The information contained in this document represents the current view of Pro Forma Advisors LLC on the issues discussed as of the date of publication. Because market conditions and assumptions may very well change after the publication of this report, there is no guaranty of the continued applicability of the opinions set forth.

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GAMING LAW

OVERVIEW

The gaming industry has grown to become a diverse and multifaceted worldwide industry with complex regulatory and legal requirements. The Vedder Price Gaming Law Group consists of an experienced team of multidisciplinary attorneys who understand the unique issues that arise within the gaming industry and are prepared to address any issues that may arise in the finance, development or operation of a gaming facility.

Vedder Price gaming law attorneys represent clients with business interests in the gaming industry throughout the world, including casino owners and operators, tribal and other governments, gaming equipment suppliers and manufacturers, investors, investment banks and other financial institutions, Internet and software development companies, racetrack operations and Internet gaming operators. We also routinely counsel businesses with interests in Native American gaming operations and provide representation before the National Indian Gaming Commission, Bureau of Indian Affairs, Department of the Interior and various Native American gaming commissions.

The Vedder Price Gaming Law Group provides a broad range of representation on a variety of gaming facilities, including Native American casinos, riverboat casinos, racinos, Internet and interactive gaming, pari-mutuel operations and racetracks, and Internet-based interstate horse racing and wagering operations. Our attorneys are also experienced in the rapidly expanding sweepstakes and contest industry.

The Vedder Price Gaming Law Group is headed by James S. Montana Jr. and Terence M. Dunleavy.

Range of Services

- Licensing and Regulation
- Legislative and Regulatory Adoption
- Sweepstakes, Promotional and Contest Law
- Project Finance and Development
- Corporate Structuring and Operations
- Litigation
- Corporate Reorganization and Bankruptcy

Licensing and Regulation

The gaming industry is heavily regulated, and all segments of the industry require licensing, permitting and governmental approvals from a local, state and/or federal regulatory authority. Vedder Price gaming law attorneys represent and counsel clients, including those operating within the Internet gaming industry, in obtaining regulatory licensing and approvals. We also assist with obtaining necessary permits from other governmental bodies with jurisdiction over the development and operation of casinos.

Our attorneys have counseled clients on the preparation of casino operator and supplier license applications prior to filing and represent applicants throughout the licensing process. We have also counseled clients regarding licensing-related disciplinary matters and have obtained very favorable results.

Vedder Price gaming law attorneys represent and counsel gaming entities in their continuous effort to maintain compliance with constantly shifting regulations. We have represented clients before local, state, federal and international regulatory bodies and are regularly called upon by clients to write and review gaming compliance plans. We also provide counsel to clients on the proper implementation of these plans.

Legislative and Regulatory Adoption

Vedder Price gaming law attorneys have been actively involved in the legislative process leading to the development and adoption of laws that permit various forms of gaming worldwide. We have advised sovereign governments, regulatory agencies, tribal nations, casino operators and casino suppliers on the establishment of gaming industries and regulatory environments and work to ensure that all laws or regulations, as adopted, are consistent with our clients' expectations.

Sweepstakes, Promotional and Contest Law

Sweepstakes and other marketing and promotional contests are invaluable marketing tools for many of our clients. However, sweepstakes and contests, if not properly structured and operated, may violate any number of state or federal laws. Our attorneys review client sweepstakes, contests and other promotional and marketing campaigns for compliance with applicable laws. We also routinely review marketing campaigns and draft applicable rules to ensure compliance.

Project Finance and Development

The availability of capital and funding is essential in the development, operation and growth of a gaming enterprise. Vedder Price represents gaming entities in obtaining secured and unsecured loans, funding and private placement of debt securities. We also provide representation to financial service companies with interests in the gaming industry related to the provision of capital and funding to gaming industry participants.

Vedder Price gaming law attorneys represent U.S. and international clients regarding all legal aspects of the construction and development of gaming operations, including transactions, real estate, zoning, construction and federal and state environmental permitting. We have also advised clients with regard to multinational joint-venture projects.

Corporate Structuring and Operations

Vedder Price gaming industry clients rely upon our attorneys for advice regarding their initial structuring and subsequent corporate governance and strategic planning. Complemented by the firm's corporate practice, Vedder Price gaming law attorneys are capable of providing full service business representation to clients.

Litigation

The development of gaming enterprises frequently leads to disputes that may involve litigation. The attorneys in the Vedder Price Gaming Law Group are experienced trial and appellate litigators. Our in-depth understanding of the gaming industry allows us to represent clients efficiently and effectively, no matter the issue.

Corporate Reorganization and Bankruptcy

The recent worldwide financial crisis has negatively impacted the gaming industry, resulting in a substantial number of bankruptcies. Vedder Price attorneys provide representation to lenders and creditors impacted by these bankruptcy filings. We have also represented a number of clients interested in acquiring the assets of these entities. Our corporate reorganization experience includes significant representation of secured creditors, unsecured creditors, lessors, tenants and purchasers in out-of-court workouts, insolvency proceedings and Chapter 11 cases involving corporate debtors.

For more information regarding Vedder Price's Gaming Law Practice Group, please contact:

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