

REPRESENTATIVE GAMING ENGAGEMENTS

Shelsky & Froelich's gaming practice was formed in 1990 and today includes ten attorneys who work full or part-time on gaming matters throughout the United States and several foreign countries. **Shelsky & Froelich was ranked #1 in Illinois in Gaming Law** by *U.S. News* and *The Best Lawyers in America* for 2009 and 2010.



U.S. Gaming Experience

MICHIGAN

In 1996, following a competitive selection process, our Firm was chosen as gaming counsel to represent the City of Detroit in connection with an over \$2 billion development of three land-based casino projects. Our Firm had responsibility for all aspects of this development program, including drafting the Michigan enabling legislation authorizing gaming and drafting the rules and regulations promulgated thereunder; assisting in drafting the various City ordinances, including the initial competitive selection ordinance establishing the framework for selecting proposals to develop and operate casinos in the City, as well as various regulatory ordinances covering the operating of the casinos; designing and preparing a two-phase RFP/Q distributed on a national basis to select the gaming operators; primary responsibility for evaluating and analyzing each of the responses to the RFP/Q submitted by initially forty and, subsequently, eleven gaming operators and presenting recommendations on the qualifications of the gaming operators to the City administration and City Council; drafting and negotiating development agreements between the City, MGM Mirage, Mandalay Bay Resort Group (formerly Circus Circus) and a group of local developers (including the first Indian tribe voluntarily submitting to the jurisdiction of the state for gaming purposes); reviewing and evaluating all financial aspects of the three gaming operators; providing strategic advice to the City administration; responsibility for coordinating the land acquisition process; representing the City as project counsel in connection with a large bond offering relating to the acquisition and improvement of a casino site; and responsibility for implementing the development agreement through completion of the gaming developments.

In addition, on behalf of the City, our Firm worked closely with the executive director of the Michigan Gaming Control Board to initially assist in evaluating the three casino license applicants and establishing the review process itself.

NEW JERSEY

We represent Morgan Stanley in connection with the largest casino development project in Atlantic City. In addition to acting as general counsel for the project, we were retained to create the "voteco/opco" organizational structure to attempt to enable Morgan Stanley to satisfy the stringent New Jersey gaming regulatory requirements.

ILLINOIS

Members of our Firm have been actively involved in various aspects of Illinois gaming since riverboat gaming was enacted in the state. Our Firm served as corporate and regulatory counsel during the acquisition of four casinos in Illinois and we continue to represent these casinos today. We have also been involved in various aspects of the 10th riverboat license in Illinois, including representing three bidders in their separate attempts to acquire this license. In addition, we represent several national suppliers of gaming equipment in the Illinois market. Most recently, we have been retained by the City of Chicago to draft legislation for a Chicago land-based casino and by various clients in connection with drafting regulations for the recently authorized Video Gaming Act.



U.S. Gaming Experience (cont.)

OHIO

We represent the state of Ohio on legislative matters in connection with the planned four new casinos recently approved by an amendment to the Ohio Constitution.

MISSOURI

One of our attorneys has served as special counsel for gaming matters to former Governor Mel Carnahan, as well as Executive Director of the Missouri Gaming Commission. As special counsel, he wrote the Missouri Riverboat Gaming Law, drafted a constitutional amendment to allow gaming in Missouri and organized the Missouri Gaming Commission. As acting Executive Director he was responsible for developing the rules, regulations and applications currently in use in Missouri. We were retained by a Chicago bank to represent it in connection with a loan to a group of investors acquiring a Missouri casino. In addition to documenting the loan, our engagement included advising the bank on the regulatory aspects of Missouri gaming.

COLORADO

Shefsky & Froelich Ltd.'s involvement with Colorado casino gaming began in 1991 when the Colorado legislature enacted legislation to implement a constitutional referendum legalizing casino gaming in the commercial districts of Blackhawk, Central City and Cripple Creek. We assisted in the drafting of such legislation. During the explosion of transactions that immediately followed such legislation, we were engaged by a leading resort developer who has been credited with creating the concept of the "destination resort" in the State of Hawaii. This developer was successful in acquiring three choice locations on which it developed two of the largest casinos in the State of Colorado, plus a third, smaller casino. In connection with such transactions, we acted as general counsel, providing gaming regulatory representation as well as traditional corporate, tax and real estate services, and arranging \$140 million of financing.

LOUISIANA

In 1991, our Firm was engaged to assist in drafting legislation authorizing gaming in the State of Louisiana. Subsequently, we were engaged to prepare the client's response to an RFP/Q for the sole land-based casino in the State of Louisiana. Our

engagement in this project quickly expanded to include drafting and advising on gaming regulations, assisting on suitability applications, preparing a general development agreement with the governmental authority owning the land, arranging and negotiating capital markets financing, advising on the governmental process and negotiating and drafting a management agreement with the casino operator, as well as negotiating and drafting all other significant documents with the various governmental authorities involved in the project. We also acted as securities counsel to the casino owners in connection with a \$300 million equity placement and a \$800 million institutional debt financing for the project. We performed similar services for a joint venture between two riverboat licensees who developed a \$250 million project. Although the land based casino was initially unsuccessful, we worked with the gaming company to restructure the casino in bankruptcy.

MARYLAND

We represent a major investor in the group building a casino in Baltimore that will house 3,750 slot machines. Through this engagement, we have had extensive discussions with the Maryland gaming regulators and its third-party agents.

PENNSYLVANIA

We represented Morgan Stanley in connection with its attempt to win a license in Pennsylvania, including creating the "voteco/opco" organizational structure for regulatory purposes. This project has been abandoned by our client.

INDIANA

We have been involved in numerous gaming projects in Indiana. Representative engagements include assisting in preparing clients' responses to RFP/Q's, advising on regulatory matters and advising on the local referendum for a riverboat project in Michigan City; representing a joint venture partner in the Argosy riverboat project in Lawrenceville; representing a joint venture partner in the Hyatt riverboat project in Rising Sun and real estate, land use work and litigation matters for the Trump/Barden riverboat project in Gary.



U.S. Gaming Experience (cont.)

NEW MEXICO

We represented a significant prospective investor in the “racino” currently being constructed in Raton. Our client ultimately decided to pursue other gaming opportunities, so we negotiated his withdrawal from the licensing process in New Mexico and divestiture from the entity owning the racino.

FLORIDA

In 1994, our Firm was engaged to represent clients who were interested in enacting legislation to allow riverboat gaming in Florida. The referendum was unsuccessful and the project was abandoned. The Firm has also represented clients in the so-called “cruise to nowhere” industry in Florida.

VIRGINIA

In Virginia we were engaged to assist in preparing a client’s response to an RFP/Q for a project planned for Newport News. The enabling legislation which we reviewed and commented on was never enacted and the project was postponed.

CALIFORNIA

We were engaged to represent a venture holding the rights to develop a card club in Bell City. Such representation included

negotiating and drafting a joint venture agreement and casino management agreement as well as advising on local casino regulations.

SOVEREIGN WEALTH FUND

We represent Dubai World, a sovereign entity of the Government of Dubai, with respect to its significant investment in MGM MIRAGE. Through this representation, we have gained an understanding of the regulatory, financial, cultural and overall business implications of a new type of investor that likely will become more common in the gaming industry.

LENDERS

Our Firm has represented a variety of financing sources to the gaming industry. Many of these lenders have been extremely well capitalized entities that are “qualified institutional buyers” as defined by Rule 144A of the Securities Act of 1933, as amended. We have also represented many “non-QIB” lenders in gaming transactions, which has provided us with experience in dealing with the more challenging regulatory issues applicable to these types of entities. We are uniquely qualified to effectuate all aspects of a financing transaction in the gaming industry. Additionally we have represented several groups of lenders in connection with regulatory matters when such lenders have “foreclosed” on casino-related collateral.



International Experience

AUSTRALIA

We acted as special counsel for casino gaming management matters for the largest casino in Australia.

CANADA

Our Firm acted as regulatory counsel to the purchasers of multiple casinos in British Columbia and Alberta.

GREECE

Our Firm was retained by several clients interested in pursuing gaming opportunities in Greece. None were pursued to completion.

MEXICO

Our Firm was engaged to represent the gaming development partner in a jai alai fronton and legal bookmaking venture in Acapulco. In addition, we have advised public officials of the prior Fox Administration in legislative and regulatory aspects of casino gaming.



Indian Gaming Experience

ILLINOIS

A recognized Native American tribe has retained us as Illinois gaming/finance counsel in connection with their efforts to develop a casino resort on reservation land located in the western part of the state.

CALIFORNIA

We represent a group of investors who purchased an interest in the company developing a Native American casino in Hesperia, California. The tribe had options to purchase land which the tribe expected would be taken into trust upon receiving approval of the Bureau of Indian Affairs. This project was recently abandoned by our clients due to issues with the tribe.

OKLAHOMA

We represent a group of investors who have purchased an interest in a diversified gaming company that owns, among other assets, contracts to manage Native American casinos in several cities in Oklahoma.

CLASS II EQUIPMENT MANUFACTURER/DISTRIBUTOR

Our Firm was retained to acquire a leading manufacturer/distributor of Class II gaming machines. In connection with such engagement we diligenced all of the company's vendor agreements with numerous tribes as well as reviewed all relevant tribal gaming laws and regulations.



Other Experience

Many of our engagements have included the crafting of local economic development programs, including training, employment and diversity programs. Because our engagements have required us to act both as inside counsel as well as outside counsel, we have an in-depth understanding of the political, regulatory and operational side of the casino gaming business, which many other outside counsel have not had the opportunity to develop.

For example, one of our Firm's attorneys served, at the request of several large institutional investors, for two years on the board of directors of a major, publicly-held gaming company. This experience has provided our Firm with a unique understanding of how gaming companies effect the operation of their casinos, as well as the issues gaming entities encounter such as acquiring and disposing of assets, sourcing new development opportunities and financing new and existing projects.