FORM S-4/A

Registration of securities issued in business combination transactions [amend]

Filing Date: **1999-03-26**
SEC Accession No. 0000944209-99-000371

(HTML Version on secdatabase.com)

FILER

HOLLYWOOD PARK INC/NEW/

CIK:**356213**| IRS No.: **953667491** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235** | Film No.: **99574746**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

TURF PARADISE INC

CIK:**100217**| IRS No.: **860114029** | State of Incorp.:**AZ** | Fiscal Year End: **0630**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-01** | Film No.: **99574747**
SIC: **7948** Racing, including track operation

Mailing Address
1050 PRAIRIE AVE
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

HOLLYWOOD PARK OPERATING CO

CIK:**356212**| IRS No.: **953667220** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-02** | Film No.: **99574748**
SIC: **7948** Racing, including track operation

Mailing Address
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
1050 S PRAIRIE AVE
INGLEWOOD CA 90301
2134191500

MARDI GRAS CASINO CORP

CIK:**886464**| IRS No.: **640793787** | State of Incorp.:**MS** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-03** | Film No.: **99574749**

Mailing Address
1050 SOUTH PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

CASINO MAGIC CORP

CIK:**891105**| IRS No.: **640817483** | State of Incorp.:**MN** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-04** | Film No.: **99574750**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
BAINGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

BOOMTOWN INC

CIK:**891552**| IRS No.: **943044204** | State of Incorp.:**DE** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-05** | Film No.: **99574751**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O BOOMTOWN INC
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

CASINO MAGIC FINANCE CORP

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

CIK:**914291**| IRS No.: **640817483** | State of Incorp.:**MS** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-06** | Film No.: **99574752**
SIC: **7990** Miscellaneous amusement & recreation

BOOMTOWN HOTEL & CASINO INC

CIK:**918870**| IRS No.: **880101849** | State of Incorp.:**DE** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-07** | Film No.: **99574753**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O BOOMTOWN HOTEL & CASINO INC
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

LOUISIANA GAMING ENTERPRISES INC

CIK:**918881**| IRS No.: **721229201** | State of Incorp.:**LA** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-08** | Film No.: **99574754**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O LOUISIANA GAMING ENTERPRISES INC
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

MISSISSIPPI I GAMING L P

CIK:**918883**| IRS No.: **640828954** | State of Incorp.:**MS** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-09** | Film No.: **99574755**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
LOS ANGELES CA 90301

Business Address
C/O MISSISSIPPI I GAMING LLP
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

BAYVIEW YACHT CLUB INC

CIK:**918886**| State of Incorp.:**MS** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-10** | Film No.: **99574756**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O BAYVIEW YACHT CLUB INC
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

HP YAKAMA INC

CIK:**1044946**| IRS No.: **944636368** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-11** | Film No.: **99574757**

Mailing Address
1050 PRAIRIE AVE
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O HP YAKAMA INC
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

LOUISIANA I GAMING/LOUISIANA PARTNERSHIP IN COMMENDAM

CIK:**1044947**| IRS No.: **721238179** | State of Incorp.:**DE** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-12** | Film No.: **99574758**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O LOUISIANA I GAMING/LO PARTNERSHIP CO
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

CRYSTAL PARK HOTEL & CASINO DEVELOPMENT CO LLP

CIK:**1044948**| IRS No.: **954595453** | State of Incorp.:**DE** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-13** | Film No.: **99574759**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O CRYSTAL PARK HOTEL & CAS DEVELP CO L
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

HOLLYWOOD PARK FOOD SERVICES INC

CIK:**1044949**| IRS No.: **952844591** | State of Incorp.:**CA** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-14** | Film No.: **99574760**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O HOLLYWOOD PARK FOOD SERVIES INC
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

HP COMPTON INC

CIK:**1044950**| IRS No.: **954545471** | State of Incorp.:**CA** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-15** | Film No.: **99574761**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O HP COMPTON INC
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

HOLLYWOOD PARK FALL OPERATING CO

CIK:**1044951**| IRS No.: **954093972** | State of Incorp.:**CA** | Fiscal Year End: **0930**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-16** | Film No.: **99574762**
SIC: **7990** Miscellaneous amusement & recreation

Mailing Address
1050 PRAIRIE AVE
1050 PRAIRIE AVE
INGLEWOOD CA 90301

Business Address
C/O HOLLYWOOD PARK FALL OPERATING CO
1050 PRAIRIE AVE
INGLEWOOD CA 90301
3104191500

BAY ST LOUIS CASINO CORP

CIK:**1080854**| IRS No.: **640814409** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-17** | Film No.: **99574763**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

BILOXI CASINO CORP

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

CIK:**1080855**| IRS No.: **640814409** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-18** | Film No.: **99574764**
SIC: **7948** Racing, including track operation

3104191500

BOOMTOWN HOOSIER INC

CIK:**1080856**| IRS No.: **880355622** | State of Incorp.:**NV** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-19** | Film No.: **99574765**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

CASINO MAGIC AMERICAN CORP

CIK:**1080857**| IRS No.: **411779346** | State of Incorp.:**MN** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-20** | Film No.: **99574766**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

CASINO ONE CORP

CIK:**1080858**| IRS No.: **640814345** | State of Incorp.:**MS** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-21** | Film No.: **99574767**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

HP CASINO INC

CIK:**1080859**| IRS No.: **954548638** | State of Incorp.:**CA** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-22** | Film No.: **99574768**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

HP YAKAMA CONSULTING INC

CIK:**1080860**| IRS No.: **944651282** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-23** | Film No.: **99574769**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

INDIANA VENTURES LLC

CIK:**1080861**| IRS No.: **931199012** | State of Incorp.:**NV** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-24** | Film No.: **99574770**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

PINNACLE GAMING DEVELOPMENT CRP

CIK:**1080862**| IRS No.: **841242274** | State of Incorp.:**CO** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-25** | Film No.: **99574771**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

SWITZERLAND COUNTY DEVELOPMENT CORP

CIK:**1080863**| IRS No.: **954355039** | State of Incorp.:**NV** | Fiscal Year End: **1231**
Type: **S-4/A** | Act: **33** | File No.: **333-73235-26** | Film No.: **99574772**
SIC: **7948** Racing, including track operation

Mailing Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301

Business Address
1050 SOUTH PRAIRIE AVENUE
INGLEWOOD CA 90301
3104191500

As filed with the Securities and Exchange Commission on March 26, 1999.

Registration No. 333-73235

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1

to
FORM S-4
REGISTRATION STATEMENT
Under
The Securities Act of 1933

HOLLYWOOD PARK, INC.
and Other Registrants
(See Table of Other Registrants Below)
(Exact name of each Registrant as specified in its charter)

<TABLE>
<S> <C> <C>

Delaware	7999	95-3667491
(state or other jurisdiction of incorporation or organization)	(Primary standard industrial classification code number)	(I.R.S. Employer Identification No.)

</TABLE>

1050 South Prairie Avenue, Inglewood, California 90301
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

G. MICHAEL FINNIGAN
Chief Financial Officer
Hollywood Park, Inc.
1050 South Prairie Avenue
Inglewood, California 90301
(310) 419-1500
(Name, address, including zip code, and telephone number, including area code, of agent for service)

copy to:
ALVIN G. SEGEL, ESQ.
ASHOK W. MUKHEY, ESQ.
Irell & Manella LLP
1800 Avenue of the Stars
Los Angeles, California 90067
(310) 277-1010

Approximate date of commencement of proposed sale to the public: As soon as practicable after the Registration Statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. [_]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

CALCULATION OF REGISTRATION FEE

<TABLE>
<S> <C> <C> <C> <C>

	Amount	Proposed maximum	Proposed maximum aggregate	Amount of

Title of each class of securities to be registered	to be registered	offering price per unit(1)	offering price(1)	registration fee
9 1/4% Series B Senior Subordinated Notes due 2007.....	$350,000,000	100%	$350,000,000	$97,300(2)
Guaranties of 9 1/4% Series B Senior Subordinated Notes due 2007.....	$350,000,000	None(3)	None(3)	None(3)

(1) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457.

(2) Previously paid with March 2, 1999 filing.

(3) Pursuant to Rule 457(n) under the Securities Act of 1933, no separate fee is payable for the Guaranties.

The Registrants hereby amend the Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

OTHER REGISTRANTS

Exact Name of Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification Number
Hollywood Park Operating Company.....	Delaware	95-3667220
Hollywood Park Fall Operating Company.....	Delaware	95-4093972
HP Yakama Consulting, Inc.	Delaware	94-4651282
HP Yakama, Inc.	Delaware	95-4636368
Boomtown, Inc.	Delaware	94-3044204
Hollywood Park Food Services, Inc.	California	95-2844591
HP/Compton, Inc.	California	95-4545471
HP Casino, Inc.	California	95-4548638
Crystal Park Hotel and Casino Development Company, LLC.....	California	95-4595453
Louisiana Gaming Enterprises, Inc.	Louisiana	72-1229201
Louisiana-I Gaming, a Louisiana Partnership in Commendam.....	Louisiana	72-1238179
Casino Magic Corp.	Minnesota	64-0817483
Casino Magic American Corp.	Minnesota	41-1779346
Bayview Yacht Club, Inc.	Mississippi	64-0824102
Mississippi-I Gaming, L.P.	Mississippi	64-0828954
Biloxi Casino Corp.	Mississippi	64-0814408
Casino Magic Finance Corp.	Mississippi	64-0835473
Casino One Corporation.....	Mississippi	64-0814345
Bay St. Louis Casino Corp.	Mississippi	64-0814409
Mardi Gras Casino Corp.	Mississippi	64-0793787
Boomtown Hotel & Casino, Inc.	Nevada	88-0101849
Boomtown Hoosier, Inc.	Nevada	88-0355622
Indiana Ventures LLC.....	Nevada	93-1199012
Switzerland County Development Corp.	Nevada	95-4355039
Pinnacle Gaming Development Corp.	Colorado	84-1242274
Turf Paradise, Inc.	Arizona	86-0114029

PROSPECTUS

[LOGO OF HOLLYWOOD PARK, INC.]

HOLLYWOOD PARK, INC.

OFFER TO EXCHANGE 9 1/4% SERIES B SENIOR SUBORDINATED NOTES DUE 2007 FOR ANY AND ALL OUTSTANDING 9 1/4% SENIOR SUBORDINATED NOTES DUE 2007

TERMS OF EXCHANGE OFFER

. Expires 5:00 p.m., New York City time, May 3, 1999, unless extended

. Subject to certain customary conditions, which we may waive

. All outstanding notes that are validly tendered and not withdrawn will be exchanged

. Tenders of outstanding notes may be withdrawn any time prior to the expiration of the exchange offer

. The exchange of notes should not be a taxable exchange for U.S. Federal income tax purposes

. We will not receive any proceeds from the exchange offer

. The terms of the notes we will issue in the exchange offer are substantially identical to the outstanding notes, except that certain transfer restrictions and registration rights relating to the outstanding notes will not apply to the registered notes

. Each broker-dealer that receives registered notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such notes. See "Plan of Distribution".

For a discussion of certain factors that you should consider before participating in this exchange offer, see "Risk Factors" commencing on page 12.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of those notes to be issued in the exchange offer, nor have any of these organizations passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

Neither the California Attorney General's office, the Nevada Gaming Commission, the Nevada State Gaming Control Board, the Mississippi Gaming Commission, the Louisiana Gaming Control Board, the Indiana Gaming Commission nor any other regulatory agency of any other state has passed upon the adequacy or accuracy of this Prospectus or the investment merits of the securities offered hereby. Any representation to the contrary is unlawful.

The date of this prospectus is March 29, 1999.

TABLE OF CONTENTS

<TABLE>
<CAPTION>

</TABLE>

</TABLE>

WHERE YOU CAN FIND MORE INFORMATION

In connection with the exchange offer, we have filed with the Securities and Exchange Commission (the "SEC" or the "Commission") a Registration Statement on Form S-4 (together with all amendments, exhibits, schedules and supplements thereto, the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the 9 1/4% Series B Senior Subordinated Notes. As permitted by SEC rules, this prospectus does not contain all of the information set forth in the Registration Statement. For further information about us and the 9 1/4% Series B Senior Subordinated Notes, you should refer to the Registration Statement. This prospectus summarizes material provisions of contracts and other documents to which we refer you. Since this prospectus may not contain all of the information that you may find important, you should review the full text of these documents. We have included copies of these documents as exhibits to our Registration Statement.

We also file annual, quarterly and special reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). You may read and copy the Registration Statement and our other SEC filings can be inspected and copied at the Public Reference Section of the Commission located at Room 1024, Judiciary Plaza, 450 Fifth Street, NW, Washington D.C. 20549. You may also obtain copies of such materials, including copies of all or any portion of the Registration Statement, from the Public Reference Section of the Commission at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. Such materials are also available on the Commission's home page on the Internet (http://www.sec.gov). These documents are also available for viewing at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. These incorporated documents contain important business and financial information about us that is not included in or delivered with this prospectus. The information incorporated by reference is considered to be part of this prospectus, and earlier information incorporated by reference may be updated and superseded by information in the prospectus, and later information filed with the SEC will update and supersede the information in this prospectus. We incorporate by reference the following:

(1) pages F-55 through F-84 of Amendment No. 4 to our Registration Statement on Form S-4 filed February 6, 1998 (registration no. 333-34471);

(2) our Annual Report on Form 10-K for the fiscal year ended December 31, 1997;

(3) our Quarterly Report on Form 10-Q for the quarter ended March 31, 1998;

(4) our Quarterly Report on Form 10-Q for the quarter ended June 30, 1998;

(5) our Quarterly Report on Form 10-Q for the quarter ended September 30, 1998;

(6) our Current Report on Form 8-K filed October 30, 1998;

(7) the description of our common stock set forth in our Registration Statement on Form 8-A filed with the Commission on June 29, 1994; and

(8) all documents filed by us or our subsidiaries pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 subsequent to the date of this prospectus and prior to the expiration date of the exchange offer shall be deemed to be incorporated by reference into this prospectus from the date of filing of such documents.

THESE FILINGS ARE AVAILABLE WITHOUT CHARGE TO HOLDERS OF EXISTING NOTES. YOU MAY REQUEST A COPY OF THESE FILINGS BY WRITING OR TELEPHONING US AT HOLLYWOOD PARK, INC., ATTENTION: INVESTOR RELATIONS, 1050 SOUTH PRAIRIE AVENUE, INGLEWOOD, CALIFORNIA 90301 (TELEPHONE (310) 419-1610). TO OBTAIN TIMELY DELIVERY OF ANY COPIES OF FILINGS REQUESTED FROM US, PLEASE WRITE OR TELEPHONE US NO LATER THAN APRIL 26, 1999.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This document includes or incorporates by reference "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, among other things, our business strategy, our prospects and our financial position. Although we believe that the expectations reflected in such forward-looking statements are reasonable, they are inherently subject to risks, uncertainties and assumptions about us and our subsidiaries. Important factors that could cause actual results to differ materially from our expectations are disclosed or incorporated by reference in this document, and include, without limitation:

- the failure to complete or successfully operate planned expansion projects;
- the failure to obtain adequate financing to meet our strategic goals;
- difficulties in completing the integration of Hollywood Park and Casino Magic;
- the failure to obtain or retain licenses or regulatory approvals;
- and the other factors set forth under "Risk Factors."

All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements included in this document. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document might not occur.

PROSPECTUS SUMMARY

The following summary contains basic information about this exchange offer. It likely does not contain all the information that may be important to you. For a more complete understanding of this exchange offer, we encourage you to read this entire document and the documents we have referred you to, including the financial data and the information set forth under the heading "Risk Factors."

Unless the context may otherwise require, "we," "us," "our" and similar terms, as well as references to "Hollywood Park" and the "Company" refer to Hollywood Park, Inc. and its subsidiaries, except that all non-financial data (1) for periods prior to October 15, 1998 do not include Casino Magic Corp. ("Casino Magic") (which we acquired on that date) and (2) for periods prior to June 30, 1997 do not include Boomtown, Inc. (which we acquired on that date). Certain information in this document is given for Hollywood Park, Inc. and its "Restricted Subsidiaries" under the Indenture governing the 9 1/4% Senior Subordinated Notes, on a consolidated basis, excluding the "Unrestricted Subsidiaries" (the "Restricted Group").

The Company

General

We are a diversified gaming company that owns and/or operates eight casinos, two pari-mutuel horse racing facilities, and two card club casinos at twelve locations in Nevada, Mississippi, Louisiana, California, Arizona and Argentina. We have also been approved to receive the final license to conduct riverboat gaming on the Ohio River in Indiana and have begun development of a $150 million hotel/casino and golf resort at a site in Switzerland County, Indiana, 35 miles southwest of Cincinnati, Ohio. In addition to our operating properties, we have significant excess land available for future sale or development at four of our properties.

As part of our business strategy, we acquired Boomtown on June 30, 1997 and Casino Magic on October 15, 1998. These companies own strategically located properties in growing and established gaming markets and, at the time we acquired them, were for the most part underperforming and had limited access to capital for expansion. We recently hired four members of the senior management team of Horseshoe Gaming to actively participate in the overall execution of our business and operating strategies, including re-positioning the Boomtown and Casino Magic properties and overseeing the construction and operations of the Indiana Hotel and Casino Resort.

In light of the Boomtown and Casino Magic acquisitions, the following may be helpful to give you an idea of the current size of our company. If the acquisitions and related transactions had occurred on January 1, 1997 (which we

refer to as being on a "pro forma" basis), our total revenues would have been approximately $610.8 million for the year ended December 31, 1997 and approximately $495.2 million for the nine months ended September 30, 1998. On a pro forma basis, earnings before interest, taxes, depreciation and amortization (abbreviated as "EBITDA") would have totaled approximately $104.6 million for the year ended December 31, 1997 and approximately $93.2 million for the nine months ended September 30, 1998. On this basis, and giving effect to the issuance of the 9 1/4% Senior Subordinated Notes on a pro forma basis, net loss would have totaled $6.6 million for the year ended December 31, 1997 and net income of approximately $4.0 million for the nine months ended September 30, 1998. In addition, on a pro forma basis, as of September 30, 1998, we would have had total assets of approximately $966.4 million. On a pro forma basis, after giving effect to the issuance of the 9 1/4% Senior Subordinated Notes, including our use of proceeds from the sale of the 9 1/4% Series A Senior Subordinated Notes, we would have had total indebtedness of approximately $623.2 million as of September 30, 1998.

Here is an overview of our gaming properties:

<TABLE>
<CAPTION>

Location/Property	Type of Gaming Facility	Gaming Square Footage	Slot Machines	Table Games	Hotel Rooms	Excess Developable Land (acres)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Bossier City, Louisiana						
Casino Magic Bossier(1).....	Dockside Riverboat	30,000	980	44	188	--
Harvey, Louisiana						
Boomtown New Orleans..	Cruising Riverboat	30,000	1,089	49	--	--
Bay St. Louis, Mississippi						
Casino Magic Bay St. Louis.....	Dockside	39,500	1,132	42	201	50
Biloxi, Mississippi						
Boomtown Biloxi.....	Dockside	33,632	1,308	35	--	--
Casino Magic Biloxi...	Dockside	47,700	1,174	41	378	--
Verdi, Nevada						
Boomtown Reno.....	Land-based	40,000	1,320	44	322	250
Los Angeles, California						
Hollywood Park Race Track.....	Horse Racing	--	--	--	--	160
Hollywood Park-Casino.....	Card Club	30,000	--	145	--	--
Crystal Park(2).....	Card Club	30,000	--	60	226	--
Phoenix, Arizona						
Turf Paradise.....	Horse Racing	--	--	--	--	100
Neuquen Province, Argentina(3)						
Casino Magic Neuquen..	Land-based	27,000	398	40	--	--
Casino Magic San Martin de los Andes..	Land-based	2,500	75	16	--	--
SUBTOTAL		310,332	7,476	516	1,315	560
Development Project						
Switzerland County, Indiana						
Indiana Hotel/Casino Resort (4).....	Cruising Riverboat	38,000	1,300	55	309	--
TOTAL		348,332	8,776	571	1,624	560

</TABLE>

(1) Casino Magic Bossier is owned by our wholly-owned subsidiary, Casino Magic of Louisiana, Corp., which is an unrestricted subsidiary under the Indenture governing the 9 1/4% Senior Subordinated Notes and does not guarantee the 9 1/4% Senior Subordinated Notes.

(2) We own Crystal Park and lease it to an unaffiliated operator.

(3) We own 51% of Casino Magic's Neuquen Province casinos.

(4) We own 97% of the Indiana Hotel/Casino Resort, which we expect to complete within 18 to 24 months.

Business Strategy

Our strategic plan is to develop a broad base of regionally diversified casino entertainment facilities by making selected acquisitions in the non-Las Vegas, non-Atlantic City gaming markets and achieving economies of scale. In the realization of this strategy, we acquired Boomtown on June 30, 1997, and Casino Magic on October 15, 1998. Our management seeks to develop its casinos and maximize profitability by:

- refinancing expensive debt;
- fostering customer loyalty by offering a value oriented, quality customer service gaming experience;
- providing gaming and entertainment facilities uniquely designed for each property and target customer base; and
- using focused direct marketing incentives.

Specific growth initiatives vary by property type:

- Boomtown Casinos. Since the acquisition, we refinanced Boomtown's expensive debt and undertook various capital expenditure programs to enlarge and enhance the facilities. The three Boomtown casinos are now fully developed facilities that serve their local markets in a relaxed and customer-friendly environment. The goal for our new management team with respect to the Boomtown casinos is to maximize profitability through cost control and increase market share through improved marketing.
- Casino Magic Properties. We believe the Casino Magic properties offer significant growth potential through improved management and re-positioning of the brand to a more upscale and exciting image. The properties are well-located and have ample room for limited and focused capital spending to make them more attractive and customer-friendly via parking and room additions, casino expansion and renovation, and additional entertainment amenities. We have already refinanced some high cost debt at Casino Magic and completed a hotel development at Casino Magic Bossier.
- Indiana Hotel/Casino Resort. On September 14, 1998, the Indiana Gaming Commission approved us to receive the final riverboat gaming license on the Ohio River in Indiana. We own 97% of the project, which is located on a 197-acre site only 35 miles southwest of Cincinnati, Ohio and will be the most accessible gaming facility from Lexington and other parts of northern Kentucky. The project is expected to cost approximately $150 million (including land and pre-opening expenses but excluding capitalized interest) and will include a cruising riverboat with 38,000 square feet of gaming space, a land-based facility with a 309-room hotel, restaurants, convention space, an 18-hole championship golf course and related amenities. The Indiana Hotel/Casino Resort is currently scheduled to open in 18 to 24 months; however, there can be no assurance that construction, regulatory or other issues will not delay the opening.
- Excess Land. There is significant excess land surrounding the Hollywood Park and Turf Paradise properties. The land at these sites, totaling approximately 653 acres, has a book value of $13.1 million. Management believes the fair market value of the land is approximately $230 million. Of the total acreage, approximately 260 acres are available for sale or development. We also have excess land at our Reno and Bay St. Louis properties. While this land offers extensive expansion opportunity at each of these properties, we will aggressively pursue realization of value through sale and/or development (including joint venture arrangements).
- Additional Acquisitions. We continually evaluate opportunities to expand and diversify our operations through acquisitions of gaming entities operating in markets outside Las Vegas and Atlantic City, including entities that are unable to maximize their potential due to capital constraints or operating inefficiencies. We believe that our financial and management resources can significantly improve the operations of acquired entities. We have applied this strategy in both our recent acquisition of Casino Magic and our earlier acquisition of Boomtown. In both cases, we have streamlined operations, implemented expansion projects and refinanced expensive debt.

Recent Developments

Acquisition of Casino Magic

On October 15, 1998, we acquired Casino Magic for approximately $80.9 million in cash. In addition, Casino Magic had approximately $268.4 million of indebtedness. For the nine months ended September 30, 1998, on a pro forma basis Casino Magic had EBITDA of approximately $45.1 million. In keeping with our business strategy, following the acquisition, we (1) eliminated redundant management positions to streamline operations; (2) accelerated completion of the 188-room hotel under construction at Casino Magic Bossier; and (3) reduced interest expense by redeeming $135 million aggregate principal amount of Casino Magic's 11 1/2% First Mortgage Notes at a redemption price of 103.833% of principal amount plus accrued interest.

Bank Credit Facility

In connection with the Casino Magic acquisition, we executed an Amended and Restated Reducing Revolving Loan Agreement ("Bank Credit Facility") with a group of banks led by Bank of America National Trust and Savings Association ("Bank of America NT&SA") as Administrative Agent. This facility provides for a reducing revolving line of credit of up to $300 million, with an option to increase the facility by an additional $75 million, and expires on December 31, 2003. The facility is secured by liens on substantially all of our assets and those of our material subsidiaries, except for Casino Magic of Louisiana, Corp. and our Argentina subsidiaries. At December 31, 1998, the weighted average interest rate under the Bank Credit Facility was 7.3%.

Consent Solicitation

We solicited consents to amend the indenture governing the 9 1/2% Senior Subordinated Notes due 2007 (which we refer to as the "9 1/2% Notes") to create more flexibility in certain of the covenants and to conform certain of the covenants in the 9 1/2% Notes indenture to the covenants then proposed for the indenture governing the 9 1/4% Senior Subordinated Notes. We received such consents from the holders of a majority of the principal amount of the 9 1/2% Notes and on February 5, 1999, we executed a supplemental indenture which, among other things, lowers the required minimum consolidated coverage ratio to 2.00:1.00 and increases the size of our allowed borrowings under our Bank Credit Facility from $100 million to $350 million. We paid holders of the 9 1/2% Notes $50.00 for each $1,000 principal amount of the 9 1/2% Notes for which consents were obtained.

Our principal executive offices are located at 1050 South Prairie Avenue, Inglewood, California, 90301. Our telephone number is (310) 419-1500.

Summary of the Exchange Offer

The Exchange Offer.....	We are offering to exchange up to $350,000,000 aggregate principal amount of our new 9 1/4% Series B Senior Subordinated Notes due 2007 which have been registered under the Securities Act (the "Exchange Notes") for a like amount of our outstanding 9 1/4% Series A Senior Subordinated Notes due 2007 which were issued in February 1999 in a private offering (the "Old Notes" and together with the Exchange Notes, the "Notes"). The Exchange Notes are substantially identical to the Old Notes, except that the Exchange Notes are freely transferable by their holders (other than as provided herein), and are not subject to any covenant regarding registration under the Securities Act.
Interest Payments.....	The Exchange Notes will bear interest from their date of issuance. Interest will accrue on the Old Notes that are tendered in exchange for the Exchange Notes through the issue date of the Exchange Notes. Holders of Old Notes that are accepted for exchange will not receive interest on the Old Notes that is accrued but unpaid at the time of exchange, but such interest will be payable, together with interest on the Exchange Notes, on the first interest payment date after the expiration date.

Minimum Condition.....	We are not conditioning the exchange offer on any minimum aggregate principal amount of Old Notes being tendered for exchange.
Expiration Date.....	The exchange offer will expire at 5:00 p.m., New York City time, on May 3, 1999, unless we decide to extend the exchange offer, in which case the term "expiration date" shall mean the latest date and time to which the exchange offer is extended.
Withdrawal Rights.....	You may withdraw your tender at any time prior to 5:00 p.m., New York City time, on the expiration date.
Exchange Date.....	The date of acceptance for exchange of the Old Notes will be as soon as practicable after the expiration date.
Conditions to the Exchange Offer.....	The exchange offer is subject to certain customary conditions, which we may waive. In addition, the issuance of the Exchange Notes in the exchange offer requires the approval of the Indiana Gaming Commission. We currently expect that each of the conditions will be satisfied and that no waivers will be necessary. See "The Exchange Offer--Certain Conditions to the Exchange Offer". We reserve the right to terminate or amend the exchange offer at any time before the expiration date if any such condition occurs.
Procedures for Tendering Old Notes.....	If you are a holder of Old Notes who wishes to accept the exchange offer, you must complete, sign and date the accompanying Letter of Transmittal, or a facsimile thereof, or arrange for The Depository Trust Company ("DTC") to transmit certain required information to the exchange agent in connection with a book-entry transfer or

mail or otherwise deliver such documentation, together with your Old Notes, to the exchange agent at the address set forth under "The Exchange Offer--Exchange Agent".

By tendering your Old Notes in this manner, you will be representing among other things, that:

- the Exchange Notes you acquire pursuant to the exchange offer are being acquired in the ordinary course of your business;
- you are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the Exchange Notes issued to you in the exchange offer; and
- you are not an "affiliate" of ours.

Use of Proceeds.....	We will not receive any proceeds from the issuance of Exchange Notes pursuant to the exchange offer. We will pay all our expenses incident to the exchange offer.
Certain United States Federal Income Tax Consequences.....	The exchange of notes pursuant to the exchange offer should not be a taxable event for federal income tax purposes. See "Certain United States Federal Income Tax Consequences".
Special Procedures for Beneficial Owners.....	If you beneficially own Old Notes registered in the name of a broker, dealer, commercial bank,

	trust company or other nominee and you wish to tender your Old Notes in the exchange offer, you should contact such registered holder promptly and instruct it to tender on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the Letter of Transmittal and delivering your Old Notes, either arrange to have your Notes registered in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.
Guaranteed Delivery Procedures.....	If you wish to tender your Old Notes and time will not permit your required documents to reach the exchange agent by the expiration date, or the procedure for book-entry transfer cannot be completed on time, you may tender your Old Notes according to the guaranteed delivery procedures set forth in "The Exchange Offer--Procedures for Tendering Old Notes".
Acceptance of Old Notes and Delivery of Exchange Notes.....	We will accept for exchange all Old Notes which are properly tendered in the exchange offer prior to 5:00 p.m., New York City time, on the expiration date. The Exchange Notes issued pursuant to the exchange offer will be delivered promptly following the expiration date. See "The Exchange Offer--Acceptance of Old Notes for Exchange; Delivery of Exchange Notes".
Effect on Holders of Old Notes.....	As a result of this exchange offer, we will have fulfilled a covenant contained in the Registration Rights Agreement (the "Registration Rights Agreement") dated as of February 18, 1999 among

	Hollywood Park, Inc., each of the subsidiary guarantors named therein and Lehman Brothers Inc., CIBC Oppenheimer Corp., Morgan Stanley & Co. Incorporated, NationsBanc Montgomery Securities LLC, SG Cowen Securities Corporation and Wasserstein Perella Securities, Inc. (the "Initial Purchasers") and, accordingly, there will be no liquidated damages paid on the Old Notes. If you do not tender your Old Notes in the exchange offer, you will continue to hold such Old Notes and will be entitled to all the rights and limitations applicable thereto under the Indenture dated as of February 18, 1999 among Hollywood Park, Inc., the subsidiary guarantors named therein and The Bank of New York as trustee (the "Trustee") relating to the Old Notes and the Exchange Notes (the "Indenture"), except for any rights under the Registration Rights Agreement that terminate as a result of the acceptance for exchange of validly tendered Old Notes pursuant to the exchange offer. If you do not tender your Old Notes, you will not have any further registration or exchange rights and your Old Notes will continue to be subject to certain restrictions on transfer. Accordingly, the trading market for untendered Old Notes could be adversely affected.
Exchange Agent.....	The Bank of New York is serving as exchange agent in connection with the exchange offer.

Summary of Terms of the Exchange Notes

Capitalized terms used under this heading "Summary of Terms of the Exchange Notes" have been defined under the heading "Description of Notes--Certain Definitions." The Exchange Notes will evidence the same debt as the Old Notes

and will be entitled to the benefits of the Indenture. The following summary of terms applies equally to the Exchange Notes and the Old Notes.

Issuer.....	Hollywood Park, Inc.
Securities Offered.....	$350,000,000 in principal amount of 9 1/4% Senior Subordinated Notes due 2007.
Maturity.....	February 15, 2007.
Interest.....	Annual Rate -- 9 1/4%. Payment frequency -- every six months on February 15 and August 15. First payment -- August 15, 1999.
Subsidiary Guarantors.....	Each guarantor is our subsidiary. However, not all of our subsidiaries are guarantors of these Notes. In particular, the following subsidiaries are not guarantors: Casino Magic of Louisiana, Corp., which owns our casino in Bossier City; its immediate parent entity, Jefferson Casino Corporation; Casino Magic Management Services Corp., which provides management services at Casino Magic Bossier; and Casino Magic Neuquen, the company that owns our casinos in Argentina, and its subsidiary. If we cannot make payments on the Notes when they are due, the guarantor subsidiaries must make them instead.
Optional Redemption.....	On or after February 15, 2003, we may redeem some or all of the Notes at any time at the redemption prices listed in the section "Description of Notes" under the heading "Optional Redemption." Before February 15, 2002, we may redeem up to 25% of the Notes initially issued with the proceeds of certain offerings of equity in our Company at 109.25% of principal amount, plus accrued and unpaid interest. See "Optional Redemption" in "Description of Notes."
Change of Control Offer and Asset Sale Offer.....	If we experience specific kinds of changes of control, we must offer to repurchase the Notes at 101% of their principal amount, plus accrued and unpaid interest through, but not including, the date of purchase. If we sell certain assets, under certain circumstances we must offer to repurchase the Notes at 100% of their principal amount, plus accrued and unpaid interest through, but not including, the date of purchase. See "Repurchase at the Option of Holders-- Change of Control" and "--Asset Sales" in the section "Description of Notes."
Ranking.....	These Notes and the subsidiary guarantees are senior subordinated debts.

They rank behind all of our and our guarantor subsidiaries' current and future senior debt, which includes all borrowings under our Bank Credit Facility and all other indebtedness, other than our $125 million of 9 1/2% Notes, our trade payables and any indebtedness that expressly provides that it is not senior to these Notes and the subsidiary guarantees.

Assuming we had completed this offering on September 30, 1998 and applied the proceeds as intended, these Notes and the subsidiary guarantees:

. would have been subordinated to approximately $31.1 million of senior debt;

. would have been effectively junior to

approximately $140.5 million of liabilities of our unrestricted subsidiaries; and

. would have ranked equally with the $125 million aggregate principal amount of 9 1/2% Notes.

Basic Covenants of Indenture..... The Indenture restricts our ability and the ability of our restricted subsidiaries to, among other things:

. borrow money;

. pay dividends on or purchase our stock or our restricted subsidiaries' stock;

. make investments;

. use assets as security in other transactions;

. sell certain assets or merge with or into other companies; and

. enter into transactions with affiliates.

Certain of our subsidiaries are not subject to the covenants in the Indenture. For more details, see the section "Description of Notes" under the heading "Certain Covenants."

For a discussion of certain factors that should be considered in connection with an investment in the Notes, see "Risk Factors."

Unaudited Summary Pro Forma Financial Data

The following unaudited summary pro forma combined consolidated statement of operations for the year ended December 31, 1997 was prepared by combining Hollywood Park's results with the following and reflects: (1) Boomtown's results prior to Hollywood Park's June 30, 1997 acquisition of Boomtown (exclusive of approximately a $1.9 million net loss, associated with Boomtown's Las Vegas property, which was sold on July 1, 1997), including the early retirement of $102.2 million principal amount of the Boomtown first mortgage notes, (2) Hollywood Park's issuance of the 9 1/2% Notes; (3) Casino Magic's results for the full year 1997 (Casino Magic was acquired on October 15, 1998), including the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes; (4) the issuance of the Notes; and (5) the consent fee paid to holders of the 9 1/2% Notes in the consent solicitation.

The following unaudited summary pro forma combined consolidated statement of operations for the nine months ended September 30, 1998, was prepared by combining Hollywood Park's results of operations with those of Casino Magic and reflects: (1) the acquisition of Casino Magic (acquired on October 15, 1998), including the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes; (2) the issuance of the Notes; and (3) the consent fee paid to holders of the 9 1/2% Notes in the consent solicitation.

The following unaudited pro forma combined consolidated balance sheet has been prepared by combining the unaudited balance sheets of Hollywood Park and Casino Magic, both as of September 30, 1998, and reflects: (1) acquisition of Casino Magic (acquired on October 15, 1998), including the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes; (2) the issuance of the Notes; and (3) the consent fee paid to holders of the 9 1/2% Notes in the consent solicitation.

The following financial information is based on, and should be read in conjunction with, the historical consolidated financial statements and related notes of Hollywood Park and Casino Magic and the unaudited pro forma combined consolidated financial statements included elsewhere in this prospectus. This pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the Casino Magic acquisition and the issuance of the Notes had occurred in an earlier period, nor is it necessarily indicative of the future operating results or financial position.

Under the Indenture governing the Notes, the following subsidiaries have been initially designated as "Unrestricted Subsidiaries": Casino Magic of Louisiana, Corp., Jefferson Casino Corporation (the parent company of Casino Magic of Louisiana, Corp.), Casino Magic Management Services Corp., and two Argentina subsidiaries, Casino Magic Neuquen SA and Casino Magic Support Services SA. Pro forma information under the heading "Total Company Pro Forma"

is provided for Hollywood Park and its subsidiaries, on a consolidated basis, including the Unrestricted Subsidiaries (and is sometimes referred to as the "Total Company"). Pro forma information under the heading "Restricted Group Pro Forma" excludes the Unrestricted Subsidiaries and is provided for Hollywood Park and its "Restricted Subsidiaries" under the Indenture, on a consolidated basis (and is sometimes referred to as the "Restricted Group"). Hollywood Park's Restricted Subsidiaries are all of its subsidiaries except for the Unrestricted Subsidiaries.

Summary Unaudited Pro Forma Financial Data

<TABLE>
<CAPTION>

	Total Company Pro Forma		Restricted Group Pro Forma	
	Year ended December 31, 1997	Nine months ended September 30, 1998	Year ended December 31, 1997	Nine months ended September 30, 1998
	(in thousands, except ratios)			
<S>	<C>	<C>	<C>	<C>
Income statement data:				
Revenues	$610,831	$495,175	$499,580	$395,060
Operating expenses	555,262	439,200	455,197	357,349
Operating income	55,569	55,975	44,383	37,711
Interest expense	61,154	46,749	44,227	34,118
Income (loss) before extraordinary item	(6,582)	3,999	675	997
Dividends on convertible preferred stock(a)	1,520	0	1,520	0
Income (loss) before extraordinary item allocated to common shareholders	(8,102)	3,999	(845)	997
Other data:				
Operating income	$ 55,569	$ 55,975	$ 44,383	$ 37,711
Depreciation and amortization	49,002	37,210	41,830	31,315
EBITDA(b)	104,571	93,185	86,213	69,026
Non-recurring expenses:				
REIT restructuring	2,483	0	2,483	0
Hollywood Park/Boomtown merger costs	1,487	0	1,487	0
Hollywood Park/Casino Magic merger costs	0	4,838	0	3,084
Adjusted EBITDA	$108,541	$ 98,023	$ 90,183	$ 72,110
Ratio of Adjusted EBITDA to interest expense	1.77x	2.10x	2.04x	2.11x
Ratio of earnings to fixed charges(c)	0.85x	1.06x	0.91x	0.97x
Balance sheet data:				
Cash and cash equivalents	--	$104,837	--	$ 97,356
Total assets	--	966,418	--	815,662
Total debt (current and long term)	--	623,228	--	506,088
Net debt(d)	--	514,932	--	406,872
Stockholders' equity	--	225,624	--	218,907

</TABLE>

(a) As of August 28, 1997 Hollywood Park had caused conversion of all convertible preferred stock, into 2,291,492 shares of Hollywood Park common stock, and eliminated the future quarterly dividends.

(b) EBITDA is not a measure of financial performance under GAAP, but is used by some investors to determine a company's ability to service or incur indebtedness. EBITDA and Adjusted EBITDA are not calculated in the same manner by all entities and accordingly, may not be appropriate measures for performance. Neither EBITDA nor Adjusted EBITDA should be considered in isolation from, or as a substitute for, net income (loss), cash flows from

operations or cash flow data prepared in accordance with GAAP.

(c) In computing the ratio of earnings to fixed charges: (1) earnings were calculated from income from continuing operations, before income taxes and fixed charges, and excluding capitalized interest and; (2) fixed charges were computed from interest expense, amortization of debt issuance costs, capitalized interest, and the estimated interest included in rental expense. Hollywood Park's total company pro forma earnings for the year ended December 31, 1997, were not sufficient to cover its pro forma fixed charge requirement by $9.9 million. Hollywood Park's restricted group pro forma earnings for the year ended December 31, 1997, and for the nine months ended September 30, 1998, were not sufficient to cover its pro forma fixed charge requirements by $4.1 million and $1.1 million, respectively.

(d) Net debt is total debt (current and long term) less cash and cash equivalents and short term investments.

RISK FACTORS

In addition to the other matters described in this prospectus, you should carefully consider the following factors in connection with your decision to accept the exchange offer. Many of the risk factors set forth below are equally applicable to the Old Notes.

Old Notes Outstanding After the Exchange Offer Will Not Have Registration Rights and We Expect the Market for such Old Notes to be Illiquid

If you do not exchange your Old Notes for Exchange Notes pursuant to the exchange offer, you will continue to be subject to the restrictions on transfer of such Old Notes. In general, you may not offer or sell Old Notes unless they are registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. We do not currently intend to register the Old Notes under the Securities Act. Based on interpretations by the staff of the Commission, we believe that Exchange Notes issued pursuant to the exchange offer may be offered for resale, resold or otherwise transferred by their holders (unless such holder is an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, so long as the Old Notes were acquired in the ordinary course of the holders' business and such holders have no arrangement with any person to participate in the distribution of such Exchange Notes. Each broker-dealer that receives Exchange Notes for its own account in exchange for Old Notes, where such Old Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. See "Plan of Distribution." To the extent that Old Notes are tendered and accepted in the exchange offer, the trading market for untendered and tendered but unacceptable Old Notes will be adversely affected.

You Cannot Be Sure that an Active Trading Market Will Develop for the Exchange Notes

We are offering the Exchange Notes to the holders of the Old Notes. The Old Notes were offered and sold in February 1999 to institutional investors and are eligible for trading in the Private Offerings, Resale and Trading through Automatic Linkages (PORTAL) Market.

We do not intend to apply for a listing of the Exchange Notes on a securities exchange or on any automated dealer quotation system. There is currently no established market for the Exchange Notes and we cannot assure you as to the liquidity of markets that may develop for the Exchange Notes, your ability to sell the Exchange Notes or the price at which you would be able to sell the Exchange Notes. If such markets were to exist, the Exchange Notes could trade at prices that may be lower than their principal amount or purchase price depending on many factors, including prevailing interest rates and the markets for similar securities. We expect that the Exchange Notes will be designated for trading in the PORTAL market. The Initial Purchasers have advised us that they currently intend to make a market with respect to the Exchange Notes. However, the Initial Purchasers are not obligated to do so, and any market making with respect to the Exchange Notes may be discontinued at any time without notice. In addition, such market making activity will be subject to the limits imposed under the Exchange Act. Moreover, you cannot be sure that the Exchange Notes will trade as one class with the Old Notes.

The liquidity of, and trading market for, the Exchange Notes also may be adversely affected by general declines in the market for similar securities. Such a decline may adversely affect such liquidity and trading markets independent of our financial performance and prospects.

We Have a Significant Amount of Debt

We have a significant amount of debt. The following chart shows certain important credit statistics and is presented assuming we had completed the Old Notes offering as of the dates or at the beginning of the periods specified below and applied the proceeds as intended:

<TABLE>
<CAPTION>

	Total Company Pro Forma as of September 30, 1998
	(in thousands, unaudited)
<S>	<C>
Total debt	$623,228
Stockholders' equity	$225,624
Debt to equity ratio	2.76x

</TABLE>

<TABLE>
<CAPTION>

	Total Company Pro Forma	
	For the Year Ended December 31, 1997	For the Nine Months Ended September 30, 1998
<S>	<C>	<C>
Ratio of earnings to fixed charges	0.85x	1.06x

</TABLE>

Based upon our current level of operations and anticipated improvements, we believe that our cash flow from operations, together with proceeds from this offering and amounts we are able to borrow under our Bank Credit Facility, will be adequate to meet our anticipated requirements for working capital, capital expenditures, planned expansion costs and project development and acquisition efforts, interest payments and scheduled principal payments for the foreseeable future, and in any event for at least the next twelve months. Our ability to make scheduled payments of principal and interest on and to refinance our debt, including these Notes, and to fund planned expansion costs and project development and acquisition efforts will depend on our ability to generate cash in the future. We do not have complete control over our future performance because it is subject to economic, financial, competitive, regulatory and other factors affecting the gaming industry. It is possible that in the future our business may not generate sufficient cash flow from operations to allow us to service our debt and make necessary capital expenditures. If this situation occurs, we may have to sell assets, restructure debt or obtain additional equity capital. We cannot be sure that we would be able to do so or do so without additional expense. See "Management's Discussion and Analysis of Results of Operations and Financial Condition."

Our level of debt may have important consequences on your investment in the Notes. These consequences include:

- requiring a substantial portion of our cash flow from operations to be used to pay interest and principal on our debt and therefore be unavailable for other purposes including capital expenditures, project expansion, development and acquisition efforts;

- limiting our ability to obtain additional financing;

- incurring higher interest expense in the event of increases in interest rates on our borrowings which have variable interest rates;

- heightening our vulnerability to downturns in our business or in the general economy and restricting us from making improvements or acquisitions, or exploiting business opportunities; and

- limiting our ability to dispose of assets or pay cash dividends.

Failure to comply with these limitations could result in an event of default under our debt agreements which, if not cured or waived, could result in a significant portion of our debt becoming due and payable. We are not certain that in such event we would have, or be able to obtain, sufficient funds to make such accelerated payments, including payments on the Notes.

We May Still Be Able to Incur Substantially More Debt

We and our subsidiaries may be able to incur substantial additional debt in the future. The terms of the Indenture do not fully prohibit us or our subsidiaries from doing so. Subject to satisfying the conditions for borrowing under our Bank Credit Facility, the full amount remains fully available to us even after completion of the Old Notes offering and all borrowings under our Bank Credit Facility would be senior to the Notes and the subsidiary guarantees. If new debt is added to our and our subsidiaries' current debt levels, the related risks that we and they now face could intensify.

See "Capitalization," "Selected Financial Data," "Description of Notes--Repurchase at Option of Holder--Change of Control" and "Description of Certain Indebtedness--The Bank Credit Facility."

These Notes are Subordinated to Senior Debt and Effectively Subordinated to Debt of Our Non-Guarantor Subsidiaries

These Notes and the subsidiary guarantees rank behind all of our and the subsidiary guarantors' existing debt (other than our 9 1/2% Notes and trade payables) and all of our and their future borrowings (other than trade payables), except any future debt that expressly provides that it ranks equal with, or subordinated in right of payment to, the Notes and the guarantees. As a result, upon any distribution to our creditors or the creditors of the guarantors in a bankruptcy, liquidation or reorganization or similar proceeding relating to us or the guarantors or our or their property, the holders of senior debt of Hollywood Park and the guarantors will be entitled to be paid in full before any payment may be made with respect to these Notes or the subsidiary guarantees. Further, our Bank Credit Facility is secured by substantially all of our assets and those of our material subsidiaries, except for Jefferson Casino Corporation, Casino Magic of Louisiana, Corp. and our Argentina subsidiaries, Casino Magic Neuquen SA and Casino Magic Support Services SA.

In addition, all payments on the Notes and the guarantees will be blocked in the event of a payment default on senior debt and may be blocked for up to 179 of 360 consecutive days in the event of certain non-payment defaults on senior debt.

In the event of a bankruptcy, liquidation or reorganization or similar proceeding relating to us or the guarantors, holders of the Notes will participate with the holders of the 9 1/2% Notes, trade creditors and all other holders of our subordinated debt and that of the guarantors in the assets remaining after we and the subsidiary guarantors have paid all of the senior debt. However, because the Indenture requires that amounts otherwise payable to holders of the Notes in a bankruptcy or similar proceeding be paid to holders of senior debt instead, holders of the Notes may receive less, ratably, than holders of trade payables in any such proceeding. In any of these cases, we and the subsidiary guarantors may not have sufficient funds to pay all of our creditors. In addition, any amounts that holders of the Notes would become entitled to in a bankruptcy or a similar proceeding would have to be shared with the holders of the 9 1/2% Notes.

Assuming we had completed the Old Notes offering on September 30, 1998, these Notes and the subsidiary guarantees would have been subordinated to $31.1 million of senior debt. We are permitted to borrow substantial additional debt, including senior debt, in the future under the terms of the Indenture.

Moreover, some but not all of our subsidiaries guarantee the Notes. For example, Casino Magic of Louisiana, Corp., which owns Casino Magic Bossier, and Casino Magic Neuquen, the entity that operates the casinos in Argentina, are not guarantors. In the event of a bankruptcy, liquidation or reorganization of any of the non-guarantor subsidiaries, holders of their debt and their trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to us. Assuming we had completed the Old Notes offering on September 30, 1998, these Notes would have been effectively junior to approximately $140.5 million of debt and other liabilities (including trade payables) of these non-guarantor subsidiaries. On a pro forma basis, the non-guarantor subsidiaries generated 20.2% of our consolidated revenues in the nine-month period ended September 30, 1998 and held 15.6% of our consolidated assets as of September 30, 1998.

We Face Significant Competition From Other Gaming Operations

We face significant competition in each of the jurisdictions in which we have gaming operations. We expect this competition to intensify as new gaming operators enter our markets and existing competitors expand their operations. Our properties compete directly with other gaming properties in Louisiana,

Mississippi, Nevada, California and Arizona. To a lesser extent, we also compete for customers with other casino operators in North American markets, including casinos located on Indian reservations, and other forms of gaming such as lotteries. Several of our competitors have substantially greater name recognition and marketing resources as well as access to lower-cost sources of financing.

Competition in the Gulf Coast Markets. Our casinos in the Gulf Coast area have experienced intense competition. In Mississippi, competing casino operations have expanded and, as a result, a number of casinos in the Gulf Coast market have failed. Further, Mississippi law does not limit the number of gaming licenses that may be granted. Mirage Resorts is constructing a $650 million, 1,800-room hotel and casino in Biloxi and, in Bay St. Louis, Circus Circus has announced plans to construct a $225 million, 1,500-room hotel and casino at a location on Interstate 10 that would compete with our Bay St. Louis property. Additionally, Park Place Entertainment has acquired and expects to further develop Grand Casino's Biloxi property, and expects to complete Grand Casino's construction of a 600-room expansion to its Gulfport facility, located near Bay St. Louis, in June 1999.

In the Bossier City/Shreveport market, our 188-room, 30,000 gaming square foot Casino Magic hotel/casino competes with three other properties. Two of these properties are substantially similar to ours in size. The third, Horseshoe Casino, recently completed construction of a 606-room luxury hotel and 62,400 square foot, four-deck riverboat with approximately 30,000 square feet of gaming space, making it the largest in the Bossier City/Shreveport market. Additionally, Isle of Capri Casinos is currently constructing a 305-room suite hotel, which is expected to open in the second quarter of 1999. A consortium led by Hollywood Casino (which is not affiliated with Hollywood Park, Inc.) recently received approval for a $185 million riverboat casino and hotel in Shreveport. Finally, Harrah's announced a 500-room hotel at its existing property in Shreveport.

In the New Orleans market, Harrah's is currently constructing a land-based casino entertainment facility. The casino, which is scheduled to open in the third quarter of 1999, will be the only land-based casino entertainment facility in New Orleans.

While we believe we have been able to effectively compete in these markets to date, increasing competition may adversely affect our gaming operations in the future. We believe that increased legalized gaming in other states, particularly in areas close to some of our existing gaming properties, such as in Texas and Alabama, could adversely affect our operations.

Proposition 5; Competition in our California and Reno Markets. Indian tribes have operated casinos in California for approximately ten years. There are about 40 gambling halls currently operated by Indian tribes in California, but most are significantly smaller than typical casinos in Las Vegas. In November 1998, California voters passed Proposition 5, a ballot initiative that, upon becoming effective, would allow Indian tribes to conduct various gaming activities including horse race wagering, gaming devices (including slot machines), banked card games (i.e., where the casino has a stake in the amount wagered or the outcome of the game), and lotteries. On December 2, 1998, the California Supreme Court issued a stay on Proposition 5 based on the State of California's position that the initiative violates the state constitution. We are not certain if or when Proposition 5 will become effective or how it will affect us; however, if Proposition 5 is implemented, increased competition from Indian gaming could adversely affect our gaming operations in California and Reno.

The Hollywood Park-Casino and Crystal Park also face competition from other card club casinos in neighboring cities.

We May Experience Difficulty Integrating Operations of Our Acquired Companies and Managing Our Overall Growth

We may not be able to manage the combined operations of Hollywood Park and Casino Magic effectively or realize any of the anticipated benefits of the acquisition of this company, including streamlining operations or gaining efficiencies from the elimination of duplicative functions. We acquired Casino Magic in October 1998 and are continuing to integrate its operations with ours. This integration will require continued dedication of management resources and may temporarily detract from attention to our day-to-day business.

In addition, because we plan to continue pursuing expansion opportunities aggressively, we face significant challenges not only in managing and integrating Casino Magic's operations, but also in managing our expansion projects and any other gaming operations we may acquire in the future. Management of these new projects will require increased managerial resources,

and we intend to continue our efforts to enhance our gaming management team. However, there can be no assurance that we will succeed in doing so. Failure to manage our growth effectively could materially adversely affect our operating results.

We Depend on the Mississippi and Louisiana Markets

Our operating strategy emphasizes attracting and retaining customers from the local and repeat visitor market. All of our casinos in Mississippi and Louisiana are dependent upon attracting customers within their respective geographic markets. Moreover, with our acquisitions of Boomtown and Casino Magic, we have three casinos in Mississippi, two in Biloxi and one in nearby Bay St. Louis. We also have two casinos in Louisiana, one in Bossier City and one in Harvey near New Orleans (though our Louisiana properties are located 320 miles apart). We cannot be sure that we will be able to continue to attract a sufficient number of guests, gaming customers and other visitors in Mississippi and Louisiana to make our operations profitable. In addition, adverse regulatory changes or changes in the gaming environment in the Gulf Coast states could have a material adverse effect on our operations.

We May Not be Able to Complete Expansion Projects on Time, on Budget or as Planned

Our strategic plan involves significant future expansion, including the development of the Indiana Hotel/Casino Resort in Switzerland County and possible expansion of our other gaming properties. We also plan to sell or develop certain unimproved acreage, principally at our racing facilities in California and Arizona. We may not be successful in completing any currently contemplated or future expansion projects and, even if they are completed, the projects may not be successful. Numerous factors, including regulatory or financial constraints, could intervene and cause us to alter, delay or abandon our expansion plans.

Construction and Land Use Risks. If we proceed with a proposed expansion project, we will face numerous risks which could require substantial changes to proposed plans or otherwise alter the time frames or budgets initially contemplated. Such risks include the ability to secure all required permits and resolution of potential land use issues, as well as risks typically associated with any construction project, including possible shortages of materials or skilled labor, unforeseen engineering or environmental or geological problems, work stoppages, weather interference and unanticipated cost overruns.

Risks in Expanding Operations to Additional Sites. Our ability to expand our operations to additional gaming jurisdictions will depend upon a number of factors, including our success in (1) identifying available suitable locations and negotiating acceptable purchase or lease terms; (2) securing required state and local licenses, permits and approvals, which in some jurisdictions may be limited in number, and in certain cases may require legislative relief from existing laws; and (3) obtaining necessary financing for the projects. Political factors, such as the proposed referenda in Mississippi that were declared invalid by a lower court which would have banned gaming in the state, or other referenda or proposed legislation seeking to restrict or prohibit gaming, may also inhibit our expansion. In addition, there can be no assurance that gaming will remain a growth industry with opportunities for expansion. We may incur significant costs, which it is our policy to expense as incurred, with respect to proposed ventures that do not materialize.

Weather and Other Conditions Could Seriously Disrupt Our Operations

Riverboat and Dockside Gaming Operations. Our riverboat and dockside facilities in Mississippi and Louisiana, as well as any additional riverboats that might be developed or acquired in the future such as the riverboat for the Indiana Hotel/Casino Resort, are subject to risks in addition to those associated with land-based casinos, including loss of service due to casualty, mechanical failure, extended or extraordinary maintenance, flood, hurricane or other severe weather conditions. For riverboats that cruise there are additional risks associated with the movement of vessels on inland waterways, including risks of casualty due to river turbulence and severe weather conditions.

For example, in September 1998, Hurricane Georges struck the Gulf Coast region and caused Boomtown Biloxi, Casino Magic Biloxi, Casino Magic Bay St. Louis and Boomtown New Orleans to shut down for approximately one week, though none of our properties sustained significant damage. The loss of a riverboat casino or a dockside casino from service for any period of time could adversely affect our results of operations.

Boomtown Reno. Boomtown Reno's primary customer base is drawn from the traffic flow on Interstate 80. If traffic on Interstate 80 is significantly

reduced for an extended period, as a result of inclement weather or otherwise, or the off-ramps providing access to Boomtown Reno are impaired for an extended period due to poor weather conditions, road modifications and repairs or other factors, Boomtown Reno's results of operations will be adversely affected. In the Winters of 1994/1995 and 1996/1997, severe storms, together with road repairs to Interstate 80 on the corridor between California and Reno, resulted in road closures or substantially reduced traffic flow on Interstate 80 for extended periods. Such road closures and repairs had an adverse effect on the related quarters' and years' results of operations for Boomtown Reno.

We Experience Significant Quarterly and Annual Fluctuations in Operating Results

We experience significant fluctuations in our quarterly and annual operating results, due to seasonality and other factors. Historically, our subsidiaries have generated a substantial majority of the income from operations before non-recurring items in the quarters ending June 30 and September 30, with the summer months being the strongest period. Conversely, the winter months, which primarily cover the quarter ending March 31, are our slowest periods and have historically resulted, and may in the future result, in losses in this quarter. The gaming industry historically has experienced a general slowdown in the fourth quarter of the calendar year with revenues typically declining during this period. In addition, our Argentina operations experience seasonal variation due to reliance on tourism.

We Face Extensive Regulation from Gaming Authorities

Licensing Requirements. The ownership and operation of gaming facilities are subject to extensive state and local regulation. The states and localities in which we and our subsidiaries conduct gaming operations require us to hold various licenses, findings of suitability, registrations, permits and approvals. The various regulatory authorities, including the Nevada State Gaming Control Board, the Nevada Gaming Commission, the Mississippi Gaming Commission, the Louisiana Gaming Control Board and the Indiana Gaming Commission may, among other things, limit, condition, suspend or revoke a license or approval to own the securities of any of our gaming subsidiaries for any cause deemed reasonable by such licensing authorities. Substantial fines or forfeiture of assets for violations of gaming laws or regulations may be levied against us, our subsidiaries and the persons involved. The suspension or revocation of any of our licenses or the levy on us of substantial fines or forfeiture of assets would have a material adverse effect on our business.

To date, we have obtained all governmental licenses, findings of suitability, registrations, permits and approvals necessary for the operation of our gaming facilities. However, there can be no assurance that we can obtain any new licenses, findings of suitability, registrations, permits and approvals that may be required in the future or that existing ones will not be suspended or revoked. Any expansion of our gaming operations in Nevada, Mississippi, Louisiana, California or Arizona or into new jurisdictions will require various additional

licenses, findings of suitability, registrations, permits and approvals of the gaming authorities. The approval process can be time consuming and costly and has no assurance of success.

The Hollywood Park-Casino and Crystal Park have been and are currently operating under provisional licenses in accordance with California law. In each case, permanent licenses will not be granted until the newly formed California Gambling Control Commission is fully constituted and commences operations. No assurance can be given that permanent licenses will be obtained.

Gaming authorities have the authority generally to require that any beneficial owner of our securities, including the Old Notes, the Exchange Notes and the 9 1/2% Notes, file an application and be investigated for a finding of suitability. If a record or beneficial owner of an Old Note, an Exchange Note or a 9 1/2% Note is required by any gaming authority to be found suitable, such owner will be required to apply for a finding of suitability within 30 days after request of such gaming authority or within such earlier time prescribed by such gaming authority. The applicant for a finding of suitability must pay all costs of the investigation for such finding of suitability. If a record or beneficial owner is required to be found suitable and is not found suitable, it may be required pursuant to the terms of the Notes or law to dispose of the Notes. See "Regulation and Licensing" and "Description of Notes--Optional Redemption."

Other Regulatory Restrictions. Restrictions on transfers of, agreements not to encumber or pledges of equity securities issued by a corporation which is registered as an intermediary company by, or holds a gaming license issued by the Nevada Gaming Commission, the Mississippi Gaming Commission, or the Indiana

Gaming Commission, or which is registered by the Nevada Gaming Commission or the Mississippi Gaming Commission as an intermediary company, are ineffective unless approved in advance by the Nevada Gaming Commission, the Mississippi Gaming Commission or the Indiana Gaming Commission, as applicable.

Potential Changes in Regulatory Requirements. The regulatory environment in any particular jurisdiction may change in the future and any such change may have a material adverse effect on the combined company's results of operations. For example, in 1996, the State of Louisiana adopted a statute pursuant to which voter referenda on the continuation of gaming were held locally where gaming operations are conducted and which, had the continuation of gaming been rejected by the voters, might have resulted in the termination of Boomtown New Orleans' and Casino Magic Bossier's operations at the end of their current license terms. The parishes in which Boomtown New Orleans and Casino Magic Bossier operate voted to continue gaming, but there can be no assurance that similar referenda might not produce unfavorable results in the future. Moreover, in Mississippi, two referenda were proposed in 1998 that would have, if passed, banned gaming in Mississippi and required all currently legal gaming entities to cease operations within two years of the ban. The referenda were challenged in court and declared improper on constitutional and procedural grounds. A third referendum similar to the prior proposals was recently filed with the Mississippi Secretary of State. These referenda are discussed in more detail below. In addition, unless and until California enacts legislation permitting the operation generally of card club casinos by public companies, our involvement in other card club casino projects (such as Crystal Park) will be similarly limited to leasing the facility to an unaffiliated operator. The returns from such arrangements could be substantially less than if we operated such facilities directly.

National Gambling Impact Study Commission. The United States Congress has established a National Gambling Impact Study Commission to conduct a comprehensive study of the social and economic impact of gaming in the United States. The National Commission is required to issue a report containing its findings and conclusions, together with recommendations for legislation and administrative actions, within two years after its first meeting, which occurred on June 20, 1997. Any recommendations which may be made by the National Commission could result in the enactment of new laws and/or the adoption of new regulations which could adversely impact the gaming industry in general. We are unable at this time to determine what recommendations, if any, the National Commission will make, or the ultimate disposition of any such recommendations.

From time to time, certain legislators have proposed the imposition of a federal tax on gross gaming revenues. Any such tax could have a material adverse effect on our business, financial condition or results of operations.

Uncertain Status of Mississippi Anti-Gaming Initiatives

During 1998, two referenda were proposed which, if approved, would have amended the Mississippi Constitution to ban gaming in Mississippi and would have required all currently legal gaming operations to cease two years thereafter. A Mississippi State Circuit Court judge ruled that the first of the proposed referenda was invalid because, among other reasons, it failed to include required information regarding its anticipated effect on government revenues. The Mississippi Supreme Court affirmed the Circuit Court ruling on procedural and other grounds. The second referendum proposal included the same language on government revenues as the first referendum and was struck down by another Mississippi State Circuit Court judge on the same grounds as the first. On March 22, 1999, another such referendum was filed with the Mississippi Secretary of State. The language of this most recent proposal also fails to include information regarding its anticipated effect on government revenues and may be subject to legal challenge on the same bases that the earlier proposals were challenged successfully. Any such referendum must be approved by the Mississippi Secretary of State and signatures of approximately 98,000 registered voters must be gathered and certified in order for such a proposal to be included on a statewide ballot for consideration by the voters. The next election for which the proponents could attempt successfully to place such a proposal on the ballot would be in November 2000. It is likely at some point that a revised initiative will be filed which will adequately address the issues regarding the effect on government revenues of a prohibition of gaming in Mississippi. However, it is too early in the process for us to make any predictions with respect to whether the most recent proposal or another such referendum will appear on a ballot or the likelihood of such a referendum being approved by the voters. If such a referendum were passed and gaming were prohibited in Mississippi, it would have a material adverse effect on us.

The Indenture Permits Substantial Disposition of Undeveloped Real Estate

We have significant excess developable land at four of our properties. The terms of the Indenture permit us to sell or dispose of this land under certain exceptions from the general Indenture restrictions on the disposition of assets and restricted payments. In general, proceeds from the sale of undeveloped land will not require us to make an offer to repurchase Notes no matter how the proceeds are used as long as 60% of the consideration received for the sale is in cash. In addition, the covenant entitled "Restricted Payments" permits substantial conveyances of undeveloped real estate to unrestricted subsidiaries and joint ventures. See "Description of Notes" under the heading "Repurchase at the Option of Holders--Asset Sales" and related definitions, and "Certain Covenants--Restricted Payments."

This Prospectus Contains Forward Looking Statements

Certain of the matters discussed concerning our operations, economic performance and financial condition, including in particular the likelihood of our success in developing and expanding our business, include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" and similar expressions are forward-looking statements. Although we believe that these statements are based upon reasonable assumptions, we can give no assurance that their goals will be achieved.

Guaranties Could be Voided and Payments from Guarantors Could be Returned Under Fraudulent Conveyance Laws

Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, an obligation such as a guarantee could be voided, or claims in respect of an obligation such as a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the debt evidenced by its guarantee:

- received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee; or
- was insolvent or rendered insolvent by reason of such incurrence; or

- was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, any payment by that guarantor pursuant to its guarantee could be required to be returned to the guarantor, or to a fund for the benefit of the creditors of the guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, were greater than the fair saleable value of all of its assets; or
- if the present fair saleable value of its assets were less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

On the basis of historical financial information, recent operating history, estimated values of assets and liabilities of each guarantor and other factors, we believe that each guarantor, after giving effect to its guarantee of these Notes, will not be insolvent, will not have unreasonably small capital for the business in which it is engaged and will not have incurred debts beyond its ability to pay such debts as they mature. There can be no assurance, however, as to what standard a court would apply in making such determinations or that a court would agree with our conclusions in this regard.

Our Year 2000 Compliance Efforts May Require Substantial Resources and Failure by Us or Certain Third Parties to Be Year 2000 Compliant Poses Certain Risks

The inability of business processes to continue to function correctly after the beginning of the Year 2000 could have serious adverse effects on companies and entities throughout the world. Our business operations are also dependent

on the Year 2000 readiness of our customers and infrastructure suppliers in areas such as utilities, communications, transportation and other services.

We have assembled a committee composed of individuals from each business unit and each corporate function to identify and mitigate Year 2000 issues in our information systems, products, facilities, suppliers and customers. We believe we have identified all of the internal hardware and software applications that will need to be upgraded or replaced. We are currently in the process of procuring and installing hardware and software to make the necessary repairs to all affected internal systems. As to external systems, we have been assured by the lessors of our pari-mutuel racing services that those systems will be Year 2000 compatible by March 1999.

We estimate that the total cost of addressing our Year 2000 issues will be approximately $2 million. This cost estimate is based on numerous assumptions, including the assumptions that we have already identified our most significant Year 2000 issues and that our third party suppliers will timely complete their Year 2000 programs without cost to us. However, there can be no guarantee that these assumptions are accurate, and actual results could differ materially from those anticipated.

We cannot assure you that our Year 2000 program will be effective, that our estimates about the timing and cost of completing our program will be accurate, or that our third party suppliers will timely resolve any or all Year 2000 problems with their systems. We have no alternative software system to handle pari-mutuel wagering if the third party provided services fail. Any failure of the third party suppliers to timely resolve their Year 2000 issues could result in material disruption to our business. Such disruption could have a material adverse effect on our business, financial condition and results of operations.

Inability to Repurchase Notes Upon Change of Control Offer

Upon the occurrence of certain specific kinds of change of control events, we will be required to offer to repurchase all outstanding Notes. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of Notes or that restrictions in our Bank Credit Facility will not allow such repurchases or that the change of control may result in a default under our Bank Credit Facility, which in turn could delay or prevent repurchase of the Notes. In addition, certain important corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, would not constitute a "Change of Control" under the Indenture. See "Description of Notes--Repurchase at the Option of Holders."

We Face Environmental Regulation of Our Real Estate

Our business is subject to a variety of federal, state and local governmental regulations relating to the use, storage, discharge, emission and disposal of hazardous materials. We believe that we are presently in material compliance with applicable environmental laws. However, failure to comply with such laws could result in the imposition of severe penalties or restrictions on our operations by government agencies or courts of law. We currently do not have environmental impairment liability insurance, and a material fine or penalty or a severe restriction would adversely affect our business.

USE OF PROCEEDS

We will receive no proceeds from the exchange of Notes pursuant to the exchange offer.

The net proceeds to us from the Old Notes offering, approximately $339.9 million after deducting the Initial Purchasers' discounts and commissions and other estimated offering expenses which aggregated $10.1 million, were used to repay outstanding borrowings under the Bank Credit Facility of approximately $287 million. Remaining proceeds have been, and will continue to be, used for general corporate purposes, primarily for 1999 capital expenditures.

The maturity date of borrowings under the Bank Credit Facility repaid with the proceeds of the Old Notes offering was December 31, 2003 and, at December 31, 1998, the weighted average interest rate under the Bank Credit Facility was 7.3%. Of the $287 million of outstanding borrowings under the Bank Credit Facility repaid with the proceeds of the Old Notes offering, we had borrowed $222.6 million on October 15, 1998 to fund the purchase price of the acquisition of Casino Magic and to redeem Casino Magic's 11 1/2% First Mortgage Notes. The repayment of amounts outstanding under our Bank Credit Facility with proceeds from the Old Notes offering did not reduce the size of the banks' commitment to lend and, if we meet the relevant conditions for borrowing, we

could borrow the full amount available under the facility in the future, including the amounts we repaid with the proceeds of the Old Notes offering.

CAPITALIZATION

The following table sets forth our unaudited actual and pro forma cash and cash equivalents, debt and capitalization as of September 30, 1998, for the Total Company on an actual and pro forma basis, and for the Restricted Group on a pro forma basis, and includes the effect of the sale of the Old Notes and the application of the associated proceeds. This table should be read in conjunction with the Unaudited Pro Forma Combined Consolidated Financial Statements, Management's Discussion and Analysis of Financial Condition and Results of Operations, and Hollywood Park's and Casino Magic's historical financial statements and associated notes.

<TABLE>
<CAPTION>

	As of September 30, 1998		
	Total Company		Restricted Group
	Actual	Pro Forma	Pro Forma
	(in thousands, unaudited)		
<S>	<C>	<C>	<C>
Cash and cash equivalents	$ 20,126	$104,837	$ 97,356
Current maturities of long term debt	$ 2,058	$ 10,079	$ 6,472
Long term debt:			
Secured notes payable, Bank Credit Facility	40,000	0	0
9 1/4% Senior Subordinated Notes due 2007	0	350,000	350,000
9 1/2% Senior Subordinated Notes due 2007	125,000	125,000	125,000
Casino Magic of Louisiana, Corp. 13% First Mortgage Notes due 2003	0	112,875	0
Other	3,574	25,274	24,616
Total long term debt, including current maturities	170,632	623,228	506,088
Total stockholders' equity	225,624	225,624	218,907
Total capitalization	$396,256	$848,852	$724,995
Senior debt calculated:			
Current maturities of long-term debt	$ 2,058	$ 10,079	$ 6,472
Secured notes payable, Bank Credit facility	40,000	0	0
Other long-term debt	3,574	25,274	24,616
	$ 45,632	$ 35,353	$ 31,088

</TABLE>

UNAUDITED PRO FORMA COMBINED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma combined consolidated statement of operations for the year ended December 31, 1997 was prepared by combining Hollywood Park's results with the following and reflects: (1) Boomtown's results prior to Hollywood Park's June 30, 1997 acquisition (exclusive of an approximately $1.9 million net loss, associated with Boomtown's Las Vegas property, which was sold on July 1, 1997) including the early retirement of $102.2 million principal amount of the Boomtown first mortgage notes, and the issuance of the 9 1/2% Notes; (2) Casino Magic's results for the full year 1997 (Casino Magic was acquired on October 15, 1998), including the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes; (3) the issuance of the Notes; and (4) the consent fee paid to holders of the 9 1/2% Notes in the consent solicitation.

The following unaudited pro forma combined consolidated statement of operations for the nine months ended September 30, 1998 was prepared by combining Hollywood Park's results of operations with those of Casino Magic and reflects: (1) the acquisition of Casino Magic (acquired on October 15, 1998), including the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes; (2) the issuance of the Notes; and (3) the consent fee paid to holders of the 9 1/2% Notes in the consent solicitation.

The following unaudited pro forma combined consolidated balance sheet has been prepared by combining the unaudited balance sheets of Hollywood Park and

Casino Magic, both as of September 30, 1998, and reflects: (1) the acquisition of Casino Magic (acquired on October 15, 1998), including the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes; (2) the issuance of the Notes; and (3) the consent fee paid to holders of the 9 1/2% Notes in the consent solicitation.

Under the Indenture, the following subsidiaries have been initially designated as "Unrestricted Subsidiaries": Casino Magic of Louisiana, Corp., Jefferson Casino Corporation (the parent company of Casino Magic of Louisiana, Corp.), Casino Magic Management Services Corp., and two Argentina subsidiaries, Casino Magic Neuquen SA and Casino Magic Support Services SA. Pro forma information under the heading "Pro Forma Combined Consolidated" is provided for Hollywood Park and its subsidiaries, on a consolidated basis, including the Unrestricted Subsidiaries. Pro forma information under the heading "Pro Forma Combined Consolidated Restricted Group" excludes the Unrestricted Subsidiaries and is provided for Hollywood Park and its "Restricted Subsidiaries" under the Indenture, on a consolidated basis. Hollywood Park's Restricted Subsidiaries are all of its subsidiaries except for the Unrestricted Subsidiaries.

Both the acquisitions of Boomtown and Casino Magic were accounted for under the purchase method of accounting for a business combination. The following unaudited pro forma combined consolidated financial statements should be read in conjunction with the accompanying notes.

This pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if Boomtown and Casino Magic had been acquired as of January 1, 1997, or if the issuance of the Notes or the 9 1/2% Notes had been completed in an earlier period, nor is it necessarily indicative of future operating results or financial position.

The pro forma financial statements are based on, and should be read in conjunction with, Hollywood Park's and Casino Magic's historical consolidated financial statements and the related notes.

The following is the calculation of the pro forma purchase price and pro forma preliminary purchase price allocation for the Casino Magic acquisition. The preliminary purchase price allocation is based on currently available information as of September 30, 1998 and is subject to change.

<TABLE>
<CAPTION>

	(in thousands)
<S>	<C>
Pro forma purchase price:	
Cost to purchase Casino Magic common stock at $2.27 per share.....	$ 80,904
Transaction costs.....	2,810
Assumption of Casino Magic debt.....	260,907
	$344,621
Pro forma preliminary purchase price allocation:	
Property, plant and equipment.....	$282,939
Other, net.....	9,351
Goodwill.....	52,331
	$344,621

</TABLE>

HOLLYWOOD PARK, INC.

UNAUDITED PRO FORMA COMBINED CONSOLIDATED STATEMENTS OF OPERATIONS

For the year ended December 31, 1997

<TABLE>
<CAPTION>

	Pro Forma	Pro Forma

	Hollywood Park, Inc.	Pro Forma Adjusted Boomtown, Inc.	Boomtown, Inc. Acquisition Pro Forma Adjustments	Hollywood Park, Inc. and Boomtown, Inc.	Casino Magic Corp.	Adjustments: Casino Magic Corp. Acquisition	Adjustments: Issuance of the Notes	Pro Forma Combined Consolidated	Elimination of Unrestricted Group
				(in thousands, except per share data)					
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues:									
Gaming.....	$137,659	$83,349	$ 0	$221,008	$246,320	$ 0	$ 0	$467,328	$105,781
Racing.....	68,844	0	0	68,844	0	0	0	68,844	0
Food and beverage.....	19,894	4,921	0	24,815	9,414	0	0	34,229	4,064
Hotel and recreational vehicle park....	937	795	0	1,732	1,724	0	0	3,456	0
Truck stop and service station.....	8,633	6,570	0	15,203	0	0	0	15,203	0
Other income....	12,161	5,321	0	17,482	4,289	0	0	21,771	1,406
	248,128	100,956	0	349,084	261,747	0	0	610,831	111,251
Expenses:									
Gaming.....	74,733	42,886	0	117,619	155,885	0	0	273,504	66,630
Racing.....	30,304	0	0	30,304	0	0	0	30,304	0
Food and beverage.....	25,745	6,583	0	32,328	10,757	0	0	43,085	4,633
Hotel and recreational vehicle park....	356	334	0	690	834	0	0	1,524	0
Truck stop and service station.....	7,969	6,046	0	14,015	0	0	0	14,015	0
Administration..	61,514	23,596	0	85,110	45,099	(1,183) (g)	0	128,896	21,630
	--	--	0	--	--	(130) (h)	--	--	--
Other.....	5,048	1,816	0	6,864	4,098	0	0	10,962	0
REIT restructuring...	2,483	0	0	2,483	0	0	0	2,483	0
Hollywood Park/Boomtown merger costs....	0	1,487	0	1,487	0	0	0	1,487	0
Depreciation and amortization....	18,157	8,522	264 (a)	26,943	20,751	1,308 (i)	0	49,002	7,172
	226,309	91,270	264	317,843	237,424	(5)	0	555,262	100,065
Operating income (loss).....	21,819	9,686	(264)	31,241	24,323	5	0	55,569	11,186
Loss (gain) on sale of assets..	0	357	0	357	(2,632)	1,440 (j)	0	(835)	(1,440)
Write off of available for sale securities.....	0	0	0	0	1,350	0	0	1,350	0
Interest expense.....	7,302	6,850	(108) (b)	14,406	31,385	(1,871) (k)	(16,764) (m)	61,154	16,927
	--	--	(5,922) (c)	--	--	(319) (l)	32,375 (n)	--	--
	--	--	5,938 (d)	--	--	--	1,264 (o)	--	--
	--	--	346 (e)	--	--	--	678 (p)	--	--
Income (loss) before minority interests and taxes.....	14,517	2,479	(518)	16,478	(5,780)	755	(17,533)	(6,100)	(4,301)
Minority interests.....	(3)	0	0	(3)	1,404	0	0	1,401	1,404
Income tax expense (benefit).....	5,850	1,464	(102) (f)	7,212	(1,935)	825 (f)	(7,021)	(919)	1,552
Income (loss) before extraordinary item.....	$ 8,670	$ 1,015	$ (416)	$ 9,269	$ (5,249)	$ (70)	$(10,532)	$ (6,582)	$ (7,257)
Dividend requirements on convertible preferred stock..								$ 1,520	
Loss before extraordinary									

item allocated to common shareholders.....	$ (8,102)
Per common share:	
Loss before extraordinary item--basic.....	$ (0.37)
Loss before extraordinary item--diluted...	$ (0.37)
Number of shares--basic...	22,010
Number of shares--diluted.....	22,340

<CAPTION>

	Pro Forma Combined Consolidated Restricted Group
<S>	<C>
Revenues:	
Gaming.....	$361,547
Racing.....	68,844
Food and beverage.....	30,165
Hotel and recreational vehicle park....	3,456
Truck stop and service station.....	15,203
Other income....	20,365
	499,580
Expenses:	
Gaming.....	206,874
Racing.....	30,304
Food and beverage.....	38,452
Hotel and recreational vehicle park....	1,524
Truck stop and service station.....	14,015
Administration..	107,266
	--
Other.....	10,962
REIT restructuring...	2,483
Hollywood Park/Boomtown merger costs....	1,487
Depreciation and amortization....	41,830
	455,197
Operating income (loss).....	44,383
Loss (gain) on sale of assets..	605
Write off of available for sale securities.....	1,350
Interest expense.....	44,227
	--
	--
	--
Income (loss) before minority interests and taxes.....	(1,799)
Minority interests.....	(3)

Income tax expense (benefit).....	(2,471)
Income (loss) before extraordinary item.....	$ 675
Dividend requirements on convertible preferred stock..	
Loss before extraordinary item allocated to common shareholders.....	
Per common share:	
Loss before extraordinary item--basic.....	
Loss before extraordinary item--diluted...	
Number of shares--basic...	
Number of shares--diluted.....	

</TABLE>

HOLLYWOOD PARK, INC.

UNAUDITED PRO FORMA COMBINED CONSOLIDATED STATEMENTS OF OPERATIONS

For the nine months ended September 30, 1998

<TABLE>
<CAPTION>

	Hollywood Park, Inc.	Casino Magic Corp.	Pro Forma Adjustments: Casino Magic Corp. Acquisition	Pro Forma Adjustments: Issuance of the Notes	Pro Forma Combined Consolidated	Elimination of Unrestricted Group	Pro Forma Combined Consolidated Restricted Group
			(in thousands, except per share data)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues:							
Gaming.....	$173,552	$210,889	$ 0	$ 0	$384,441	$96,096	$288,345
Racing.....	48,085	0	0	0	48,085	0	48,085
Food and beverage.....	21,245	7,739	0	0	28,984	2,805	26,179
Hotel and recreational vehicle park.....	1,362	3,196	0	0	4,558	0	4,558
Truck stop and service station.....	11,071	0	0	0	11,071	0	11,071
Other income.....	13,434	4,602	0	0	18,036	1,214	16,822
	268,749	226,426	0	0	495,175	100,115	395,060
Expenses:							
Gaming.....	93,920	124,133	0	0	218,053	54,635	163,418
Racing.....	21,244	0	0	0	21,244	0	21,244
Food and beverage.....	27,601	8,587	0	0	36,188	3,303	32,885
Hotel and recreational vehicle park.....	499	1,367	0	0	1,866	0	1,866
Truck stop and service station.....	10,164	0	0	0	10,164	0	10,164
Administration.....	62,678	40,291	(874)(g)	0	101,952	16,264	85,688
	--	--	(143)(h)	--	--	--	--
Other.....	5,586	2,099	0	0	7,685	0	7,685
Hollywood Park/Casino Magic merger.....	0	4,838	0	0	4,838	1,754	3,084
Depreciation and amortization.....	19,874	16,355	981 (i)	0	37,210	5,895	31,315
	241,566	197,670	(36)	0	439,200	81,851	357,349

Operating income.....	27,183	28,756	36	0	55,975	18,264	37,711
Loss on write off of assets.....	1,586	29	0	0	1,615	0	1,615
Interest expense.....	11,827	24,340	(1,403)(k)	(11,748)(m)	46,749	12,631	34,118
	--	--	(239)(l)	24,281 (n)	--	--	--
	--	--	--	948 (o)	--	--	--
	--	--	--	509 (p)	--	--	--
	--	--	--	(1,766)(q)	--	--	--
Income (loss) before minority interests and taxes....	13,770	4,387	1,678	(12,224)	7,611	5,633	1,978
Minority interests.....	0	1,082	0	0	1,082	1,082	0
Income tax expense (benefit).....	4,903	1,453	1,064 (f)	(4,890)	2,530	1,549	981
Income (loss) before extraordinary items....	$ 8,867	$ 1,852	$ 614	$ (7,334)	$ 3,999	$ 3,002	$ 997
Per common share:							
Income before extraordinary item--basic.....					$ 0.15		
Income before extraordinary item--diluted.....					$ 0.15		
Number of shares--basic.....					26,115		
Number of shares--diluted.....					26,277		

</TABLE>

HOLLYWOOD PARK, INC.

NOTES TO UNAUDITED PRO FORMA COMBINED CONSOLIDATED STATEMENTS OF OPERATIONS

Assumptions The unaudited pro forma combined consolidated statements of operations for the year ended December 31, 1997 and the nine months ended September 30, 1998, were prepared as if the following had taken place on January 1, 1997: (1) the acquisition of Boomtown, including Boomtown's sale of its Las Vegas property, the early retirement of the Boomtown first mortgage notes; (2) the issuance of the 9 1/2% Notes; (3) the acquisition of Casino Magic, including the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes; (4) the issuance of the Notes; and (5) the consent fee paid to holders of the 9 1/2% Notes in the consent solicitation.

Pro Forma Adjustments The following adjustments have been made to the unaudited pro forma combined consolidated statements of operations:

(a) To record six months of amortization of the approximately $20.5 million of Boomtown excess purchase price over net assets acquired. This goodwill is being amortized over 40 years.

(b) To eliminate the amortization of the discount associated with the Boomtown first mortgage notes that were redeemed just subsequent to the close of the June 30, 1997 acquisition.

(c) To eliminate the interest expense associated with the Boomtown first mortgage notes that were redeemed just subsequent to the June 30, 1997 acquisition.

(d) To record the interest expense associated with the 9 1/2% Notes.

(e) To amortize the approximately $4.0 million of up-front loan fees associated with the bank credit facility Hollywood Park executed in conjunction with the acquisition of Boomtown.

(f) To record the tax expense or benefit associated with the net of the pro forma adjustments, after adding back the amortization of goodwill (when appropriate), which is not deductible for income tax purposes.

(g) To eliminate the compensation expense associated with three Casino Magic corporate level executives who resigned and will not be replaced.

(h) To eliminate Casino Magic's directors fees and expenses. Casino Magic's board was dissolved at the close of the acquisition.

(i) To amortize the approximately $52.3 million of Casino Magic excess purchase price over net assets acquired. This goodwill will be amortized over 40 years.

(j) To eliminate the gain Casino Magic recorded upon selling a riverboat to Hollywood Park.

(k) To record the amortization of the premium associated with the purchase accounting write-up of the Casino Magic of Louisiana, Corp. $115 million principal amount of 13% First Mortgage Notes to their fair market value at the date of the Casino Magic acquisition. This premium will be amortized over the remaining 59 months that these 13% First Mortgage Notes are scheduled to be outstanding.

(l) To eliminate the interest expense associated with approximately $2.1 million principal amount of the Casino Magic of Louisiana, Corp. 13% First Mortgage Notes tendered upon the required change in control offer, leaving the Casino Magic of Louisiana, Corp. 13% First Mortgage Notes at a principal balance of $112.9 million.

(m) To eliminate the interest expense associated with the $135 million principal amount of Casino Magic 11 1/2% First Mortgage Notes that were called on October 15, 1998.

(n) To record the interest expense associated with the Notes.

(o) To amortize the assumed debt issuance costs associated with the Notes.

(p) To amortize the assumed costs associated with modifying the indenture governing the 9 1/2% Notes pursuant to the consent solicitation.

(q) To eliminate the interest expense associated with $40 million of borrowings under the Bank Credit Facility repaid from the proceeds of the offering of the Old Notes.

Reclassifications Certain reclassifications have been made to the Casino Magic historical consolidated statements of operations to conform to the pro forma combined consolidated statements of operations presentation.

Extraordinary Item The pro forma statement of operations for the year ended December 31, 1997, excludes the extraordinary loss of $14.2 million (or approximately $8.4 million, net of tax effect) related to the early retirement of the Boomtown first mortgage notes. The approximate cost for the tender and consent and the write off of debt issuance costs was $9.0 million and $5.2 million, respectively.

UNAUDITED PRO FORMA COMBINED CONSOLIDATED BALANCE SHEET

As of September 30, 1998

<TABLE>
<CAPTION>

			Pro Forma Adjustments				
	Hollywood Park, Inc.	Casino Magic Corp.	Casino Magic Corp. Acquisition	Issuance of the Notes	Pro Forma Combined Consolidated	Elimination of Unrestricted Group	Pro Forma Combined Consolidated Restricted Group
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS							
Current Assets:							
Cash and cash equivalents	$ 20,126	$ 26,809	$(12,480)(a)	$70,382(k)	$104,837	$ 7,481	$ 97,356
Restricted cash	798	85	0	0	883	0	883
Short term investments	3,459	0	0	0	3,459	1,599	1,860
Other receivables,							

net	7,061	2,792	609 (b)	0	10,462	640	9,822
Prepaid expenses and other assets	15,884	4,627	0	0	20,511	838	19,673
Deferred tax assets	10,250	0	6,974 (c)	0	17,224	0	17,224
Current portion of notes receivable	2,340	0	0	0	2,340	0	2,340
Total current assets	59,918	34,313	(4,897)	70,382	159,716	10,558	149,158
Notes receivable	18,250	0	0	0	18,250	0	18,250
Property, plant and equipment, net	301,125	290,070	(7,131) (d)	0	584,064	90,363	493,701
Land held for sale or development	0	6,146	0	0	6,146	0	6,146
Foreign casino concession agreement, net	0	7,828	0	0	7,828	7,828	0
Debt related costs, net	4,840	9,306	(1,617) (e)	16,894 (l)	29,423	4,106	25,317
Gaming license costs, net	0	36,847	0	0	36,847	36,847	0
Goodwill, net	50,341	0	52,331 (f)	0	102,672	0	102,672
Other assets	18,445	3,027	0	0	21,472	1,054	20,418
	$452,919	$387,537	$ 38,686	$87,276	$966,418	$150,756	$815,662
LIABILITIES AND STOCKHOLDERS' EQUITY							
Current Liabilities:							
Accounts payable	$ 8,848	$ 13,201	$ 0	$ 0	$ 22,049	$ 6,469	$ 15,580
Accrued compensation	7,620	9,605	0	0	17,225	3,420	13,805
Accrued liabilities	26,986	14,048	10,251 (g)	0	51,285	5,101	46,184
Accrued interest	2,642	9,468	(5,643) (h)	(109) (m)	6,358	3,540	2,818
Gaming liabilities	3,698	1,786	0	0	5,484	737	4,747
Racing liabilities	263	0	0	0	263	0	263
Current portion of notes payable	2,058	8,021	0	0	10,079	3,607	6,472
Total current liabilities	52,115	56,129	4,608	(109)	112,743	22,874	89,869
Notes payable	168,574	260,907	96,283 (i)	87,385 (n)	613,149	113,533	499,616
Deferred tax liabilities	6,606	1,065	0	0	7,671	4,050	3,621
Other liabilities	0	3,649	0	0	3,649	0	3,649
Total liabilities	227,295	321,750	100,891	82,276	737,212	140,457	596,755
Minority interests	0	3,582	0	0	3,582	3,582	0
Stockholders' Equity:							
Capital stock-- Preferred	0	0	0	0	0	0	0
Common	2,580	357	(357) (j)	0	2,580	1	2,579
Capital in excess of par value	218,023	67,123	(67,123) (j)	0	218,023	0	218,023
Retained earnings (accumulated deficit)	5,338	(5,275)	5,275 (j)	0	5,338	6,716	(1,378)
Accumulated other comprehensive income (loss)	(317)	0	0	0	(317)	0	(317)
Total stockholders' equity	225,624	62,205	(62,205)	0	225,624	6,717	218,907
	$452,919	$387,537	$ 38,686	$87,276	$966,418	$150,756	$815,662

</TABLE>

HOLLYWOOD PARK, INC.

NOTES TO UNAUDITED PRO FORMA COMBINED CONSOLIDATED BALANCE SHEET

Assumptions The acquisition of Casino Magic was accounted for under the purchase method of accounting for a business combination. The unaudited combined consolidated balance sheet is presented as if the following had taken place as of September 30, 1998: (1) the acquisition of Casino Magic, including the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes; (2) the issuance of the Notes; and (3) the consent fee paid to holders of the 9 1/2% Notes in the consent solicitation.

Pro Forma Adjustments The following pro forma adjustments have been made to the unaudited pro forma combined consolidated balance sheet:

(a) To record the net reduction in cash associated with the acquisition of Casino Magic, the redemption of $135 million principal amount of the Casino Magic 11 1/2% First Mortgage Notes, and the redemption of $2.1 million principal amount of Casino Magic of Louisiana, Corp. 13% First Mortgage Notes.

(b) To record the estimated interest receivable earned on the funds deposited to retire $135 million principal amount of the Casino Magic 11 1/2% First Mortgage Notes.

(c) To record the estimated 40% deferred tax asset associated with Casino Magic's purchase accounting adjustments of approximately $17.4 million.

(d) To record Casino Magic's purchase accounting adjustment to write down certain property and equipment to its fair market value.

(e) To eliminate the prepaid debt issuance costs associated with redemption of $135 million principal amount of the Casino Magic 11 1/2% First Mortgage Notes and $2.1 million principal amount of the Casino Magic of Louisiana, Corp. 13% First Mortgage Notes, and to record debt issuance costs on the Hollywood Park's bank borrowings incurred to acquire Casino Magic.

(f) To record the goodwill associated with the acquisition of Casino Magic.

(g) To record Casino Magic purchase accounting adjustments of $2.3 million, and to accrue for Casino Magic's transaction and other costs of $8.0 million.

(h) To record interest payable associated with the redemption of $135 million principal amount of Casino Magic's 11 1/2% First Mortgage Notes on October 15, 1998.

(i) To record the net increase in Hollywood Park's bank debt of $81.1 million incurred to acquire Casino Magic, $141.5 to redeem $135 million principal amount of the Casino Magic 11 1/2% First Mortgage Notes, and $2.1 million principal amount of the Casino Magic of Louisiana, Corp. 13% First Mortgage Notes tendered in the change of control offer. To record the purchase accounting adjustment of $9.2 million, to record the Casino Magic of Louisiana, Corp. 13% First Mortgage Notes at their fair market value, and to record the write off of the balance of the original issued discount of $1.6 million, associated with the $135 million principal amount of the Casino Magic 11 1/2% First Mortgage Notes.

(j) To eliminate Casino Magic's equity accounts.

(k) To record the net cash proceeds of the offering of the Notes.

(l) To record the assumed debt issuance costs associated with the offering of the Notes, and the costs associated with modifying the indenture governing the 9 1/2% Notes pursuant to the consent solicitation.

(m) To eliminate the accrued interest payable on the Hollywood Park bank debt repaid with the proceeds from the Old Notes offering.

(n) To record the net increase in debt in connection with the offering of the Old Notes.

Reclassifications Certain reclassifications have been made to both the Hollywood Park and the Casino Magic historical consolidated balance sheets to conform to the pro forma combined consolidated balance sheet presentation.

SELECTED HISTORICAL FINANCIAL AND OTHER DATA

The following selected historical financial information of Hollywood Park and Casino Magic has been derived from their respective historical financial statements and should be read in conjunction with such consolidated financial statements and the notes thereto included herein. The Hollywood Park and Casino Magic historical financial statement data as of and for the nine months ended September 30, 1998 and 1997 has been prepared on the same basis as the historical information derived from the audited financial statements and, in the opinion of management, contains all adjustments, consisting only of normal recurring accruals, necessary for the fair presentation of the results of operations for such periods and financial positions as of such dates.

The selected unaudited pro forma financial data is derived from the Unaudited Pro Forma Combined Consolidated Financial Statements, appearing

elsewhere in this prospectus, which give effect to the acquisition of Casino Magic as a purchase, shown also as adjusted to reflect the issuance of the Notes and the application of the proceeds therefrom, and should be read in conjunction with such pro forma statements and the notes thereto.

Certain amounts from the Hollywood Park and Casino Magic Historical Selected Financial Data have been reclassified to conform with the selected presentation hereto.

The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred had the acquisition of Casino Magic been consummated in an earlier period, nor is it necessarily indicative of future operating results or financial position.

HOLLYWOOD PARK, INC.

SELECTED HISTORICAL FINANCIAL DATA

<TABLE>
<CAPTION>

	Years ended December 31,					Nine months ended September 30,	
	1993	1994	1995	1996	1997(a)	1997	1998
						(unaudited)	
	(in thousands, except per share data and ratios)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Statement of operations data:							
Revenues:							
Gaming	$ 0	$ 11,745	$ 26,656	$ 50,717	$137,659	$ 83,990	$173,552
Racing	63,850	78,719	77,036	71,308	68,844	48,084	48,085
Food and beverage	10,908	20,540	19,783	13,947	19,894	13,016	21,245
Other	4,227	6,320	7,097	7,253	21,731	13,259	25,867
	78,985	117,324	130,572	143,225	248,128	158,349	268,749
Expenses:							
Gaming	0	0	5,291	27,249	74,733	45,117	93,920
Racing	20,860	23,393	30,960	30,167	30,304	21,615	21,244
Food and beverage	9,400	21,852	24,749	19,573	25,745	16,920	27,601
Administrative and other	32,538	51,151	48,647	43,962	74,887	46,544	78,458
Depreciation and amortization	6,402	9,563	11,384	10,695	18,157	11,939	19,874
Non-recurring expenses	850	2,964	6,088	11,412	2,483	609	469
	70,050	108,923	127,119	143,058	226,309	142,744	241,566
Operating income	8,935	8,401	3,453	167	21,819	15,605	27,183
Loss on write off of assets	0	0	0	0	0	0	1,586
Interest expense	1,517	3,061	3,922	942	7,302	3,782	11,827
Income (loss) before income taxes and minority interests	7,418	5,340	(469)	(775)	14,517	11,823	13,770
Minority interests	0	0	0	15	(3)	80	0
Income tax expense (benefit)	1,025	1,568	693	3,459	5,850	4,624	4,903
Net income (loss)	$ 6,393	$ 3,772	$ (1,162)	$ (4,249)	$ 8,670	$ 7,119	$ 8,867
Dividend requirements on convertible preferred stock	$ 1,718	$ 1,925	$ 1,925	$ 1,925	$ 1,520	$ 1,520	$ 0
Net income (loss) attributable to (allocated to) common shareholders	$ 4,675	$ 1,847	$ (3,087)	$ (6,174)	$ 7,150	$ 5,599	$ 8,867
Per common share:							
Net income (loss)--basic	$ 0.30	$ 0.10	$ (0.17)	$ (0.33)	$ 0.33	$ 0.27	$ 0.34
Net income (loss)--diluted	$ 0.30	$ 0.10	$ (0.17)	$ (0.33)	$ 0.32	$ 0.27	$ 0.34

Number of common shares--basic.....	15,418	18,224	18,399	18,505	22,010	20,596	26,115
Number of common shares--diluted.....	17,465	20,516	20,691	20,797	22,340	20,596	26,277
Other data:							
Cash flows provided by (used in):							
Operating activities...	$ 13,280	$ (7,287)	$ 20,291	$ 13,677	$ 18,454	$ 6,059	$ 14,790
Investing activities...	(32,677)	(7,331)	(32,922)	(19,893)	(16,236)	(5,884)	(49,140)
Financing activities...	74,391	(8,877)	(2,085)	(4,268)	9,609	9,910	30,727
Capital expenditures...	12,902	27,584	25,150	23,786	32,505	(23,059)	(34,981)
Ratio of earnings to fixed charges(b).....	5.89x	2.74x	--	--	2.74x	3.86x	2.00x
Balance sheet data:							
Total assets.....	$176,424	$246,573	$283,303	$205,886	$419,029	$413,379	$452,919
Other liabilities.....	21,876	36,518	101,928	47,444	65,573	61,741	58,721
Long term obligations..	348	42,800	15,629	282	132,102	132,163	168,574
Stockholders' equity...	154,200	167,255	165,746	158,160	221,354	219,475	225,624
Operating income (loss).....	$ 8,935	$ 8,401	$ 3,453	$ 167	$ 21,819	$ 15,605	$ 27,183
Add back depreciation and amortization.....	6,402	9,563	11,384	10,695	18,157	11,939	19,874
EBITDA.....	15,337	17,964	14,837	10,862	39,976	27,544	47,057
Add back:							
Casino pre-opening and training expenses.....	850	2,337	0	0	0	0	0
Turf Paradise acquisition costs.....	0	627	0	0	0	0	0
Lawsuit settlement.....	0	0	6,088	0	0	0	0
Write off of investment in a business.....	0	0	0	11,412	0	0	0
REIT restructuring.....	0	0	0	0	2,483	609	469
Adjusted EBITDA.....	$ 16,187	$ 20,928	$ 20,925	$ 22,274	$ 42,459	$ 28,153	$ 47,526

</TABLE>

Management believes that the following calculation of EBITDA and Adjusted EBITDA are relevant to the note holders:

EBITDA is not a measure of financial performance under GAAP, but is used by some investors to determine our ability to service or incur indebtedness. EBITDA and Adjusted EBITDA are not calculated by all entities in the same fashion and accordingly, may not be an appropriate measure of our performance. Neither EBITDA nor Adjusted EBITDA should be considered in isolation from, or as a substitute for, net income (loss), cash flows from operations, or cash flow data prepared in accordance with GAAP.

(a) Inclusive of Boomtown's financial results as of the June 30, 1997, acquisition forward.

(b) In computing the ratio of earnings to fixed charges: (1) earnings were calculated from income from continuing operations, before income taxes and fixed charges, and excluding capitalized interest; and (2) fixed charges were computed from interest expense, amortization of debt issuance costs, capitalized interest, and the estimated interest included in rental expense. For the years ended December 31, 1995 and 1996, earnings were insufficient to cover fixed charges by $1.1 million and $2.2 million, respectively.

CASINO MAGIC CORP.

SELECTED HISTORICAL FINANCIAL DATA

<TABLE>
<CAPTION>

	Years ended December 31,					Nine months ended September 30,	
	1993	1994	1995	1996	1997	1997	1998
						(unaudited)	
	(in thousands, except per share data and ratios)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Statement of operations data:							
Revenues:							
Casino.....	$195,899	$178,337	$165,998	$167,153	$246,320	$186,411	$210,889
Food, beverage and							

rooms	5,697	5,625	8,393	8,080	10,785	8,496	10,687
Royalty and management fees	0	0	2,224	3,100	0	0	0
Other	808	1,056	1,108	1,945	4,369	3,327	3,813
	202,404	185,018	177,723	180,278	261,474	198,234	225,389
Expenses:							
Casino	66,142	73,213	69,655	74,943	118,467	88,899	100,673
Food and beverage and rooms	7,309	6,610	8,020	8,391	11,396	8,874	10,389
Advertising and marketing	17,457	25,097	25,874	20,902	36,427	28,517	26,593
Administrative and other	35,096	42,474	38,206	40,448	49,820	38,124	38,083
Hollywood Park/Casino Magic merger costs	0	0	0	0	0	0	4,838
Development	2,521	10,244	2,228	1,850	562	512	431
Depreciation and amortization	6,357	10,669	15,769	18,346	20,247	15,259	16,058
Non-recurring expenses	2,114	5,479	13,201	6,555	0	0	0
	136,996	173,786	172,953	171,435	236,919	180,185	197,065
Operating income	65,408	11,232	4,770	8,843	24,555	18,049	28,324
Loss from unconsolidated subsidiary	0	408	112	26,502	505	405	349
Write off of capitalized costs	(3)	107	2,415	689	(1,555)	(2,823)	155
Interest expense	5,680	13,935	15,766	17,917	31,385	23,704	23,433
Income (loss) before income taxes and minority interests	59,731	(3,218)	(13,523)	(36,265)	(5,780)	(3,237)	4,387
Minority interests	0	0	0	0	1,404	917	1,453
Income tax expense (benefit)	21,225	(188)	(3,231)	(4,676)	(1,935)	(1,935)	1,082
Net income (loss)	$ 38,506	$ (3,030)	$(10,292)	$(31,589)	$ (5,249)	$ (2,219)	$ 1,852
Per common share:							
Net income (loss)--basic	$ 1.32	$ (0.10)	$ (0.31)	$ (0.89)	$ (0.15)	$ (0.06)	$ 0.05
Net income (loss)--diluted	$ 1.32	$ (0.11)	$ (0.31)	$ (0.89)	$ (0.15)	$ (0.06)	$ 0.05
Number of common shares--basic	29,079	28,934	33,261	35,448	35,663	35,643	35,722
Number of common shares--diluted	29,088	27,314	33,261	35,448	35,663	35,643	35,722
Other data:							
Cash flows provided by (used in):							
Operating activities	$ 54,077	$ 17,906	$ 15,348	$ 24,126	$ 23,781	$ 18,085	$ 23,192
Investing activities	(87,589)	(56,470)	(10,533)	(86,778)	(31,219)	(9,017)	(22,691)
Financing activities	67,643	16,445	5,454	66,442	(6,122)	(6,117)	3,807
Capital expenditures	(54,859)	(27,445)	(11,396)	(67,850)	(37,177)	(28,996)	(33,789)
Ratio of earnings to fixed charges(a)	8.23x	0.74x	0.20x	--x	0.74x	1.58x	1.02x
Balance sheet data:							
Total assets	$222,892	$252,623	$268,431	$369,800	$372,705	$368,118	$387,538
Other liabilities	24,050	37,404	36,412	47,914	59,780	52,995	64,426
Long term obligations	131,984	135,643	136,840	258,261	253,471	253,484	260,907
Stockholders' equity	66,858	79,576	95,179	63,625	59,454	61,639	62,205
Operating income (loss)	$ 65,408	$ 11,232	$ 4,770	$ 8,843	$ 24,555	$ 18,049	$ 28,324
Add back depreciation and amortization	6,357	10,669	15,769	18,346	20,247	15,259	16,058
EBITDA	71,765	21,901	20,539	27,189	44,802	33,308	44,382
Add back:							
Pre-opening costs	2,114	0	1,819	6,555	0	0	0
Abandoned project costs	0	5,479	11,382	0	0	0	0
Hollywood Park/Casino Magic merger	0	0	0	0	0	0	4,838
Adjusted EBITDA	$ 73,879	$ 27,380	$ 33,740	$ 33,744	$ 44,802	$ 33,308	$ 49,220

</TABLE>

Management believes that the following calculation of EBITDA and Adjusted

EBITDA are relevant to note holders:

EBITDA is not a measure of financial performance under GAAP, but is used by some investors to determine a company's ability to service or incur indebtedness. EBITDA and Adjusted EBITDA are not calculated by all entities in the same fashion and accordingly, may not be an appropriate measure of performance. Neither EBITDA nor Adjusted EBITDA should be considered in isolation from, or as a substitute for, net income (loss), cash flows from operations, or cash flow data prepared in accordance with GAAP.

(a) In computing the ratio of earnings to fixed charges: (1) earnings were calculated from income from continuing operations, before income taxes and fixed charges, and excluding capitalized interest; and (2) fixed charges were computed from interest expense, amortization of debt issuance costs, capitalized interest, and the estimated interest included in rental expense. Casino Magic's ratio of earnings to fixed charges were insufficient to cover fixed charges by $4.5 million in 1994, $14.4 million in 1995, $42.0 million in 1996, $9.1 million in 1997, and $5.3 million for the nine months ended September 30, 1997.

HOLLYWOOD PARK, INC.

SELECTED UNAUDITED PRO FORMA FINANCIAL DATA

<TABLE>
<CAPTION>

	Total Company Pro Forma		Restricted Group Pro Forma	
	Year ended December 31, 1997	Nine months ended September 30, 1998	Year ended December 31, 1997	Nine months ended September 30, 1998
	(in thousands, except per share data and ratios)			
<S>	<C>	<C>	<C>	<C>
Statement of operations data:				
Revenues:				
Gaming	$467,328	$384,441	$361,547	$288,345
Racing	68,844	48,085	68,844	48,085
Food and beverage	34,229	28,984	30,165	26,179
Other	40,430	33,665	39,024	32,451
	610,831	495,175	499,580	395,060
Expenses:				
Gaming	273,504	218,053	206,874	163,418
Racing	30,304	21,244	30,304	21,244
Food and beverage	43,085	36,188	38,452	32,885
Administrative and other	155,397	121,667	133,767	105,403
Depreciation and amortization	49,002	37,210	41,830	31,315
Non-recurring expenses	3,970	4,838	3,970	3,084
	555,262	439,200	455,197	357,349
Operating income	55,569	55,975	44,383	37,711
(Gain)loss on write off of assets	(835)	1,615	605	1,615
Write off of available for sale securities	1,350	0	1,350	0
Interest expense	61,154	46,749	44,227	34,118
Income (loss) before income taxes and minority interests	(6,100)	7,611	(1,799)	1,978
Minority interests	1,401	1,082	(3)	0
Income tax expense (benefit)	(919)	2,530	(2,471)	981
Net income (loss)	$ (6,582)	$ 3,999	$ 675	$ 997
Dividend requirements on convertible preferred stock	$ 1,520	$ 0	$ 1,520	$ 0
Net income (loss)				

attributable to (allocated to) common shareholders.....	$ (8,102)	$ 3,999	$ (845)	$ 997
Other data:				
Ratio of Adjusted EBITDA to interest expense.....	1.77x	2.10x	2.04x	2.11x
Ratio of earnings to fixed charges (a).....	0.85x	1.06x	0.91x	0.97x
Balance sheet data:				
Total assets.....	--	$966,418	--	$815,662
Other liabilities.....	--	127,645	--	97,139
Long term obligations..	--	613,149	--	499,616
Stockholders' equity...	--	225,624	--	218,907
Operating income (loss).....	$ 55,569	$ 55,975	$ 44,383	$ 37,711
Add back depreciation and amortization.....	49,002	37,210	41,830	31,315
EBITDA.....	104,571	93,185	86,213	69,026
Add back:				
REIT restructuring.....	2,483	0	2,483	0
Hollywood Park/Boomtown merger costs.....	1,487	0	1,487	0
Hollywood Park/Casino Magic merger costs....	0	4,838	0	3,084
Adjusted EBITDA.....	$108,541	$ 98,023	$ 90,183	$ 72,110

</TABLE>

Management believes that the following calculation of EBITDA and Adjusted EBITDA are relevant to the noteholders:

(a) Hollywood Park's total company pro forma earnings for the year ended December 31, 1997, were not sufficient to cover its pro forma fixed charge requirement by $9.9 million. Hollywood Park's restricted group pro forma earnings for the year ended December 31, 1997, and for the nine months ended September 30, 1998, were not sufficient to cover its pro forma fixed charge requirements by $4.1 million and $1.1 million, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion together with the financial statements, including the related notes, and the other financial information appearing elsewhere in this prospectus, as well as the risks described in the "Risk Factors" section. This discussion reflects the historical operations of Hollywood Park and Casino Magic which, prior to the Casino Magic acquisition, had operated separately. Results of operations of the acquired businesses, Casino Magic and Boomtown, are included in the consolidated financial statements for periods after the relevant acquisition date. As such, our results of operations for the year ended December 31, 1997 are not comparable to our results of operations for the year ended December 31, 1996, and our results for the nine months ended September 30, 1998 are not comparable to the nine months ended September 30, 1997.

History of Hollywood Park

Our predecessor, the Hollywood Park Turf Club, was organized in 1938 and incorporated in Delaware in 1981. Historically, our operations focused on thoroughbred racing facilities, principally at the Hollywood Park Race Track, located in the Los Angeles metropolitan area. The Hollywood Park Race Track remains one of the premier thoroughbred racing facilities in the United States.

Since 1991, we have expanded our gaming operations beyond the single thoroughbred racing operation to become a diversified gaming company with operations in many jurisdictions. We significantly expanded our casino operations with the June 30, 1997 acquisition of Boomtown and its three casinos, and the October 15, 1998 acquisition of Casino Magic and its five casinos. The following is an overview of our gaming properties:

<TABLE>
<CAPTION>

Location/Property	Type of Gaming Facility	Gaming Square Footage	Slot Machines	Table Games	Hotel Rooms	Excess Developable Land (acres)

<S>	<C>	<C>	<C>	<C>	<C>	<C>
Bossier City, Louisiana						
Casino Magic Bossier(1)..	Dockside Riverboat	30,000	980	44	188	--
Harvey, Louisiana						
Boomtown New Orleans.....	Cruising Riverboat	30,000	1,089	49	--	--
Bay St. Louis, Mississippi						
Casino Magic Bay St. Louis.....	Dockside	39,500	1,132	42	201	50
Biloxi, Mississippi						
Boomtown Biloxi.....	Dockside	33,632	1,308	35	--	--
Casino Magic Biloxi.....	Dockside	47,700	1,174	41	378	--
Verdi, Nevada						
Boomtown Reno.....	Land-based	40,000	1,320	44	322	250
Los Angeles, California						
Hollywood Park Race Track.....	Horse Racing	--	--	--	--	160
Hollywood Park-Casino....	Card Club	30,000	--	145	--	--
Crystal Park(2).....	Card Club	30,000	--	60	226	--
Phoenix, Arizona						
Turf Paradise.....	Horse Racing	--	--	--	--	100
Neuquen Province, Argentina(3) Casino Magic Neuquen.....	Land-based	27,000	398	40	--	--
Casino Magic San Martin de los Andes.....	Land-based	2,500	75	16	--	--
SUBTOTAL.....		310,332	7,476	516	1,315	560

<CAPTION>

Development Project						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Switzerland County, Indiana Indiana Hotel/Casino Resort(4).....	Cruising Riverboat	38,000	1,300	55	309	--
TOTAL.....		348,332	8,776	571	1,624	560

</TABLE>

---

(1) Casino Magic Bossier is owned by our wholly-owned subsidiary, Casino Magic of Louisiana, Corp., which is an unrestricted subsidiary under the Indenture governing the Notes and does not guarantee the Notes.

(2) We own Crystal Park and lease it to an unaffiliated operator.

(3) We own 51% of Casino Magic's Neuquen Province casinos.

(4) We own 97% of the Indiana Hotel/Casino Resort, which we expect to complete within 18 to 24 months.

Results of Operations

The following discussion relates to historical results of operations for Hollywood Park (excluding Casino Magic) and for Casino Magic separately.

Hollywood Park

For periods before June 30, 1997, Hollywood Park's financial results consisted primarily of gaming revenues from the Hollywood Park Race Track, Turf Paradise, Hollywood Park-Casino, and lease payments from the operator of Crystal Park. For periods after June 30, 1997, when Hollywood Park acquired Boomtown, Hollywood Park's financial results also included those of Boomtown. Hollywood Park's acquisition of Boomtown was accounted for under the purchase method of accounting for a business combination.

Nine Months Ended September 30, 1998 Compared to the Nine Months Ended September 30, 1997

Results of operations for the nine months ended September 30, 1998 included the results of operations of Boomtown, which was acquired by Hollywood Park on June 30, 1997, and accounted for under the purchase method of accounting for a business combination. As required under the rules of purchase accounting, Boomtown's results of operations, prior to the acquisition, were not combined with those of Hollywood Park, and therefore, the results of operations for the nine months ended September 30, 1997 did not include Boomtown's results of operations for the first two quarters of 1997, accounting for significant

differences when comparing the results of operations for the nine months ended September 30, 1998 to the nine months ended September 30, 1997.

Total revenues increased by approximately $110,400,000, or 69.7%, for the nine months ended September 30, 1998, as compared to the nine months ended September 30, 1997. Included in the revenues for the 1998 period was approximately $110,454,000 of revenues attributable to Boomtown through June 1998, for which there are no corresponding revenues in the 1997 period. Gaming revenues increased by approximately $89,562,000, or 106.6% for the nine-month period, with approximately $90,989,000 attributable to the inclusion of Boomtown results through June 1998 with no corresponding Boomtown revenues in the first six months of the 1997 period, netted against gaming revenue declines of approximately $3,364,000 at the Hollywood Park-Casino primarily a result of the ban on indoor smoking and recent economic problems in various Asian countries (a significant portion of Hollywood Park-Casino's patrons are Asian). Gaming revenues also declined by approximately $1,152,000 at the Crystal Park Casino, which in 1998 was leased to a new operator with lower rent to allow time to grow the business. The prior operator defaulted on the lease. As of July 1, 1998, rent payable to the Company on the Crystal Park facility was scheduled to increase to $350,000 per month, but the Company has agreed to accept rent of $150,000 per month through January 1999. In present market conditions, it is expected that the rent will remain between $100,000 and $150,000 rather than increase as scheduled in the lease.

Food and beverage revenues increased by approximately $8,229,000, or 63.2% for the nine-month period, due primarily to the inclusion of Boomtown revenues of $7,031,000 through June 1998 with no corresponding Boomtown revenues in the first six months of 1997, with the balance of the increase attributable to increased

sales at the three Boomtown properties due to the opening of new food service outlets. Hotel and recreational vehicle park revenues (all of which were attributable to Boomtown Reno) increased by $781,000, or 134.4%, due to there being just three months of revenues in the 1997 amounts compared to nine months of revenues in the 1998 results. Truck stop and service station revenues (all of which were attributable to Boomtown Reno) increased by $6,174,000 for the nine-month period, or 126.1%, due primarily to the inclusion of $6,546,000 of revenues through June 1998 with no corresponding revenues in the first six months of 1997, netted against a revenue decrease due to price competition in the Reno market. Other income increased by $5,653,000, or 72.7%, for the nine-month period, due to the inclusion of $5,163,000 of Boomtown revenues through June 1998 with no corresponding revenues in the first six months of 1997, and increased revenues associated with Boomtown New Orleans' Great Escape arcade, which opened in July 1998.

Total operating expenses increased by $98,822,000, or 69.2%, during the nine months ended September 30, 1998, as compared to the nine months ended September 30, 1997, due in part to the inclusion of approximately $96,966,000 of Boomtown operating expenses through June 1998 for which there are no corresponding amounts in the operating expenses for the first six months of 1997. Gaming expenses increased by $48,803,000, or 108.2%, for the nine-month period, primarily due to the inclusion of $49,855,000 of Boomtown expenses through June 1998 and no corresponding expenses in the 1997 period, netted against $1,461,000 of expense savings at the Hollywood Park-Casino, a corresponding result of the decrease in revenues.

Food and beverage expenses increased by $10,681,000, or 63.1%, for the nine-month period, due in part to the inclusion of $8,593,000 of Boomtown expenses through June 1998 with no corresponding expenses in the 1997 period, and cost increases at the Boomtown properties in relation to increased food and beverage sales, due to the opening of new food service outlets. Hotel and recreational vehicle park expenses (all of which were attributable to Boomtown Reno) increased by $300,000, or 150.8%, for the nine-month period, due to the inclusion of $287,000 of expenses through June 1998 for which there are no corresponding expenses in 1997. Truck stop and service station expenses (all of which were attributable to Boomtown Reno) increased by $5,703,000, or 127.8%, for the nine-month period, due primarily to the inclusion of $5,987,000 of expenses through June 1998 with no corresponding expenses in the 1997 period, netted against fuel cost decreases during 1998.

Administrative expenses increased by $23,587,000, or 61.1%, for the nine-month period, due primarily to the inclusion of $22,829,000 of Boomtown expenses through June 1998, with the balance of the increase primarily due to additional staffing at the Hollywood Park corporate level and other expansion related expense increases. Other expenses increased by $2,324,000, or 71.2%, for the nine-month period, and included Boomtown costs through June 1998 of $2,280,000 for which there are no corresponding costs in the 1997 results. Depreciation and amortization increased by $7,935,000, or 66.5%, for the nine-month period, with $7,165,000 of the increase attributable to the inclusion of

Boomtown expenses through June 1998 with no corresponding expenses in the 1997 period, with the balance of the increase due to Boomtown New Orleans' February 1998 placement of the new riverboat into service and the July 1998 opening of the land-based Great Escape arcade and restaurant. Loss on write off of assets related to the closing of the Hollywood Park Golf Center, and the associated $1,086,000 write off of the Hollywood Park Golf Center assets, and the write off of $500,000 related to an abandoned project in Kansas. Interest expense increased by $8,045,000, or 212.7%, due to interest on the 9 1/2% Notes, which were issued in August 1997, and interest on bank borrowings. Income tax expense increased by $279,000, or 6.0%, due to increased pre-tax income in 1998 and certain non-recurring tax benefits recorded in 1998.

Year Ended December 31, 1997 Compared to the Year Ended December 31, 1996

As mentioned above, Boomtown's results of operations are not consolidated with those of Hollywood Park's prior to June 30, 1997. As of April 1, 1996, the results of operations of Sunflower Racing, Inc., a former subsidiary of the Company, were no longer consolidated with Hollywood Park's results. Thus, the results of operations for the year ended December 31, 1997 are exclusive of Sunflower's results of operations, but the

financial results for the year ended December 31, 1996 included Sunflower's results of operations through March 31, 1996. Also included in the results of operations for the year ended December 31, 1996 was the $11,412,000 one time, non-cash write off of Hollywood Park's investment in Sunflower. See the discussion in the following section for information on Sunflower.

Total revenues for the year ended December 31, 1997, increased by $104,903,000 or 73.2%, as compared to the year ended December 31, 1996, primarily due to the inclusion of $105,781,000 of Boomtown revenues in 1997, with no corresponding revenues recorded in 1996. Gaming revenues increased by $86,942,000, or 171.4%, due primarily to Boomtown gaming revenues of $84,620,000, and Crystal Park rent revenues of $2,222,000, in 1997, with no corresponding Boomtown revenues in 1996. Crystal Park opened in late October 1996. As of December 19, 1997, Hollywood Park had leased Crystal Park to California Casino Management, Inc., an unaffiliated third party. Previously, Crystal Park was under lease to Compton Entertainment, Inc. On November 4, 1997, Hollywood Park obtained a judgment in an action for unlawful detainer against Compton Entertainment, due to Compton Entertainment's failure to pay a portion of the June 1997 rent and to make required additional rent payments. In October 1997, the California Attorney General revoked Compton Entertainment's conditional gaming registration, and the City of Compton revoked Compton Entertainment's city gaming license.

Gaming revenues from racing decreased by $2,464,000, or 3.5%, due primarily to one fewer live race day at the Hollywood Park Race Track, and the inclusion of $1,317,000 of revenues from racing attributable to Sunflower in 1996, with no corresponding Sunflower revenues in 1997.

Food and beverage revenues increased by $5,947,000, or 42.6%, due primarily to the inclusion of Boomtown food and beverage revenues in 1997, with no corresponding revenues in 1996. Hotel and recreational vehicle park and truck stop and service station revenues related to Boomtown Reno, and there are no corresponding revenues in 1996. Other income increased by $4,908,000, or 67.7%, due primarily to the inclusion of Boomtown revenues in 1997 with no corresponding revenues in 1996.

Total operating expenses (inclusive of approximately $93,072,000 of Boomtown expenses in 1997, with no corresponding expenses in 1996) increased by $83,251,000, or 58.2%, during the year ended December 31, 1997, as compared to the year ended December 31, 1996. Gaming expenses increased by $47,484,000, or 174.3%, primarily due to the inclusion of Boomtown expenses of $46,380,000, and increased tournament costs at the Hollywood Park-Casino.

Food and beverage expenses increased by $6,172,000, or 31.5%, due primarily to Boomtown food and beverage expenses of $7,510,000, netted against expense reductions at the Hollywood Park-Casino, that included labor savings due to the closing of some food service outlets. Hotel and recreational vehicle park expenses and truck stop and service station expenses related to Boomtown Reno, and there are no corresponding expenses in 1996.

Administrative expenses increased by $20,037,000, or 48.3%, which included $22,054,000 of Boomtown expenses, netted against Sunflower related administrative costs included in the 1996 financial results, for which there are no similar costs in the 1997 results. Other expenses increased by $2,563,000, or 103.1%, due primarily to the inclusion of Boomtown expenses in 1997 with no corresponding expenses in 1996. Depreciation and amortization increased by $7,462,000, or 69.8%, primarily due to the Boomtown and Crystal Park LLC depreciation expense in 1997, with no corresponding expenses in 1996.

REIT restructuring expenses consisted primarily of legal and tax consulting expenses incurred by Hollywood Park with respect to the preparation of reinstatement of Hollywood Park's paired share REIT status, which was not implemented. Interest expense increased by $6,360,000, due to interest on Hollywood Park's $125,000,000 in principal amount of 9 1/2% Senior Subordinated Notes that were issued in August 1997, short term bank borrowings (all of which had been repaid as of December 31, 1997), and bank commitment fees. Income tax expense increased by $2,391,000, or 69.1%, due to increased income before income taxes in 1997 as compared to 1996.

Year Ended December 31, 1996 Compared to the Year Ended December 31, 1995

The results of operations for the year ended December 31, 1996 included the results of Hollywood Park operating all aspects of the Hollywood Park-Casino, including the Casino gaming floors. Hollywood Park acquired the Hollywood Park-Casino gaming floor business from Pacific Casino Management on November 17, 1995; therefore, the results of operations for the year ended December 31, 1995 do not include the operating results of the Hollywood Park-Casino gaming floor business prior to November 17, 1995 but rather are reflective of the lease arrangement then in place. The results of operations for the year ended December 31, 1996 included Sunflower's results of operations for the three months ended March 31, 1996, only. As of March 31, 1996, Sunflower's results of operations were no longer consolidated with Hollywood Park's due to Sunflower's May 17, 1996 filing for reorganization under Chapter 11 of the Bankruptcy Code. Sunflower's results of operations are consolidated in the financial statements for the year ended December 31, 1995.

Total revenues increased by $12,653,000, or 9.7%, for the year ended December 31, 1996, as compared to the year ended December 31,1995, primarily due to Hollywood Park-Casino gaming revenues. Gaming revenues of $50,717,000 were generated from the Hollywood Park-Casino gaming activities, which Hollywood Park acquired from Pacific Casino Management on November 17, 1995. During the year ended December 31,1995, Hollywood Park recorded $20,624,000 of lease revenues, $6,032,000 of gaming revenues (covering the period November 17, 1995, through December 31,1995), and concession sales to Pacific Casino Management of approximately $2,773,000, or total 1995 Hollywood Park-Casino gaming and lease related revenues of $29,429,000. On October 25, 1996, Crystal Park opened under a triple net lease between Hollywood Park and Compton Entertainment (the operator of Crystal Park). Racing revenues decreased by $5,728,000, or 7.4%, primarily due to the exclusion of Sunflower's gaming revenues from racing for the nine months ended December 31, 1996. Food and beverage sales decreased by $5,836,000, or 29.5%, with approximately $2,773,000 of the difference attributable to the inclusion of sales to Pacific Casino Management in 1995 with no corresponding sales in 1996, approximately $2,414,000 of the difference due to the inclusion of a full year of food and beverage sales recorded for Sunflower in 1995 and just three months of Sunflower sales recorded in 1996, and the balance of the difference primarily due to lower on-track attendance at Hollywood Park.

Total operating expenses increased by $15,939,000, or 12.5%, for the year ended December 31, 1996, compared to the year ended December 31, 1995, primarily due to the inclusion of $27,249,000 of Hollywood Park-Casino gaming floor expenses (with corresponding gaming floor expenses of $5,291,000 in 1995) which more than offset a $7,476,000 reduction in expenses arising from the exclusion in 1996 of Sunflower's expenses. Food and beverage expenses decreased by $5,176,000, or 20.9%, with $2,089,000 of the savings attributable to the exclusion of Sunflower's expenses subsequent to the first quarter of 1996, and the balance of the savings primarily attributable to cost savings programs implemented at the Hollywood Park-Casino. Administrative expenses decreased by $3,970,000, or 8.7%, due to the inclusion of a full year of Sunflower expenses in 1995 and just three months of corresponding costs recorded in 1996.

Included in the 1996 results of operations was the $11,412,000 one time, non-cash write off of Hollywood Park's investment in Sunflower. On May 2, 1996, the Kansas Legislature adjourned without passing legislation that would have allowed additional gaming at Sunflower, thereby allowing Sunflower to compete with Missouri riverboat gaming. On May 17, 1996, Sunflower filed for reorganization under Chapter 11 of the Bankruptcy Code. Sunflower's case has been converted to a Chapter 7 liquidation under the Bankruptcy Code and final sale of the property occurred in December 1998.

Included in the 1995 results of operations was $6,088,000 of expenses (with no corresponding expenses in 1996) related to the settlement of certain claims in connection with a shareholder class action and related shareholder derivative suit, as more fully described in the Company's 1996 Annual Report on Form 10-K.

Depreciation and amortization expenses decreased by $689,000, or 6.1%,

primarily due to the exclusion of Sunflower's expenses for the nine months ended December 31, 1996, netted against the amortization of the

goodwill associated with the November 17, 1995, acquisition of Pacific Casino Management. Interest expense decreased by $2,980,000, or 76.0%, due to the exclusion of Sunflower's interest expense for the nine months ended December 31, 1996.

Income tax expense increased by $2,766,000, due primarily to the establishment of certain tax reserves.

Casino Magic

Casino Magic commenced operations on the Mississippi Gulf Coast in September 1992 at Casino Magic Bay St. Louis. In 1993, Casino Magic opened Casino Magic Biloxi. In 1995, Casino Magic opened two gaming facilities in the Province of Neuquen, Argentina and, in 1997, Casino Magic sold 49% of its Argentina subsidiary. In 1996, Casino Magic opened Casino Magic Bossier.

Nine Months Ended September 30, 1998 Compared to the Nine Months Ended September 30, 1997

Consolidated revenues increased $27.2 million, or 13.7%, to $225.4 million in the first nine months of 1998, compared to $198.2 million in the first nine months of 1997. The increase in consolidated revenues was attributable to increased revenues at all five casinos. The largest individual increase of $15.4 million, or 22.5%, between the comparable periods, occurred at Casino Magic Bossier. The increase at Casino Magic Bossier was attributable to improved marketing efforts drawing more patrons to the property. Revenues at Casino Magic Biloxi increased $9.0 million, or 18.6%, between the comparable periods. Casino Magic Argentina's revenues increased $2.4 million, or 17.8%, between the comparable periods. The increase resulted from the continuing improvements in slot machine revenues due to an increase in the number of slot machines.

Operating costs and expenses increased $16.9 million, or 9.4%, to $197.1 million in the first nine months of 1998 as compared to $180.2 million in the first nine months of 1997. Casino expenses increased by $11.8 million, or 13.2%, due to increases in gaming taxes related to increased gaming revenues, increased personnel costs related to the increased gaming volume and an increase in slot point redemption values. Advertising and marketing costs declined $1.9 million, to $26.6 million in the first nine months of 1998, compared to $28.5 million in the first nine months of 1997. During the first nine months of 1997 Casino Magic Bossier attempted to increase market share and revenue with expensive promotions which were significantly less successful than anticipated. In May 1997, the promotional programs of Casino Magic Bossier were significantly reduced. Operating expenses for the nine months ended September 30, 1998 include approximately $4.8 million of costs related to the merger with Hollywood Park. These costs primarily related to conforming accounting policies of Casino Magic with those of Hollywood Park.

Other (income) expense (non-operating income and expenses) increased to a net expense of $23.9 million in the first nine months of 1998 as compared to $21.3 million in the first nine months of 1997. In 1997 there was a non-recurring net $2.6 million gain on sale of assets which included a $1.4 million gain on the sale of a riverboat to Hollywood Park, and a $1.3 million gain on the sale of 49% of Casino Magic Argentina, netted against losses on the sale of miscellaneous gaming and other equipment.

Year Ended December 31, 1997 Compared to the Year Ended December 31, 1996

Consolidated revenues increased $81.2 million, or 45.0%, to $261.5 million in 1997 compared to $180.3 million in 1996. The increase in 1997 consolidated revenues is attributable to $93.2 million in revenues from Casino Magic's new facility, Casino Magic Bossier, which opened on October 4, 1996. Casino Magic Bossier revenues increased by $80.5 million in 1997 as compared to 1996. This increase in revenues is the result of the facility opening in late 1996 using a temporary facility and the completion of the permanent land based pavilion, including restaurants, a gift shop and entertainment areas, on December 31, 1996. Casino Magic Biloxi revenues declined $1.6 million, or 2.5%, from 1996 to 1997. This decline is primarily the result of competition from other casinos with greater amenities than Casino Magic Biloxi. While competitive pressures will likely continue to adversely affect Casino Magic Biloxi's revenues and operating

margins, management believes that the hotel completed in May 1998 at Casino

Magic Biloxi will help offset or reverse these declines in revenues. Additionally, Casino Magic Biloxi may experience reduced revenues in 1998 due to customer inconveniences, particularly those related to the construction of the hotel entrance areas. However, management has taken precautions to minimize the impact of the construction on the customer and will continue to do so. Other fluctuations in revenues when comparing the periods ended December 31, 1997 to December 31, 1996 include: the loss of $3.1 million in royalties and management fees from Greece in 1997 due to the termination of operations in Greece in December 1996; loss of $0.8 million in revenues as a result of the sale of Goldiggers in June 1996; revenues at Casino Magic Bay St. Louis increased $4.5 million as the result of increased direct mail efforts and improved amenities, which include a golf course and expanded buffet; and an increase in revenues at Casino Magic Argentina of $1.7 million attributable to the addition of seventy-five slot machines during the latter half of 1997 and the continued popularity of slot machines at Casino Magic Argentina.

Total operating expenses increased $65.5 million, or 38.2%, to $236.9 million in 1997 compared to $171.4 million in 1996. Of this increase, $67.4 million is related to Casino Magic Bossier, which opened in October 1996 and the closure of Goldiggers in June 1996, which decreased operating expenses, by $1.2 million. Excluding the effects of Casino Magic Bossier and Goldiggers, operating expenses in 1997 decreased by $0.7 million, or 0.5%, as compared to operating expenses in 1996. Although total operating expenses remained flat between the comparable periods for 1997 and 1996, there were significant fluctuations in various categories. Casino expenses increased by $4.0 million in 1997 as compared to 1996 as a result of increased expenses associated with increases in player's club slot point redemption values, the increased use of complimentaries in marketing efforts and increased gaming taxes due to increased revenues. Other operating costs and expenses increased by $1.0 million as a result of the opening of a golf course at Casino Magic Bay St. Louis in February 1997. Advertising and marketing expenses increased by $2.3 million due to increased motorcoach based marketing efforts at Casino Magic Biloxi and the associated commission and giveaways expenses. The increases in advertising and marketing expenses resulted from attempts to stabilize revenues in Biloxi and offset the effects of the disruption caused by the hotel construction. General and administrative expenses decreased by $2.7 million as a result of efforts to contain expenses and staff reductions. The majority of this decrease, $2.3 million, was at the corporate management level. Development expenses decreased by $1.2 million as a result of decreased efforts to pursue new gaming opportunities. Depreciation expenses decreased by $1.9 million due to the sale of various assets held by Casino Magic including a jet airplane and slot machines that were previously leased in Argentina. It is anticipated that depreciation expense will increase after the opening of the hotel in Biloxi.

Consolidated "Other (income) expense" (non-operating income and expenses) improved by $14.8 million, to a net expense of $30.3 million in 1997, compared to a net expense of $45.1 million in 1996. Approximately $27.0 million of the additional expenses in 1996 were attributable to management's decision to write off its 49% equity interest in a gaming facility in Porto Carras, Greece. Net interest expense increased by $13.5 million in 1997 compared to the same period in 1996. This was due to the increased debt from the issuance of the $115,000,000 principal amount of 13% Louisiana First Mortgage Notes by Casino Magic of Louisiana, Corp. (a wholly-owned subsidiary of Casino Magic) in late August 1996, and a reduction of $3.7 million in capitalized interest due to the completion of the Casino Magic Bossier facility and the golf course at Casino Magic Bay St. Louis. Other income increased by $2.3 million in 1997 compared to the same period in 1996 due to a gain on the sale of the Crescent City Riverboat and the gain on the sale of a 49% interest in Casino Magic Argentina. Casino Magic's effective tax rates for 1997 and 1996 of approximately (26.9%) and (12.9%), respectively, are the result of an allowance against deferred tax assets. This allowance reduces net deferred tax assets to approximately zero.

Year Ended December 31, 1996 Compared to the Year Ended December 31, 1995

Consolidated revenues increased $2.6 million, or 1.4%, to $180.3 million in 1996 compared to $177.7 million in 1995. The increase in 1996 consolidated revenues is attributable to $12.7 million in revenues

from Casino Magic Bossier, which opened using a temporary facility on October 4, 1996, and increased revenues from Casino Magic Argentina of $2.8 million, or 21.4%. The majority of the increase in revenues at Casino Magic Argentina resulted from the increase in slot machine revenues of $3.4 million. Slot machine revenues increased in 1996 compared to the same period in 1995 due to an increase in the number of slot machines at Casino Magic Argentina from 89 to 400 in May 1995. The rest of the increase resulted from increased customer counts and their influence on food and beverage revenues. These increases in revenues at Casino Magic Argentina were partially offset by lower revenues from table games. These increases in consolidated revenues were offset by lower revenues at Casino Magic Bay St. Louis, Casino Magic Biloxi, and the loss of

approximately six months of revenues from the sale of a gaming facility in Deadwood, South Dakota, which Casino Magic sold in June 1996. Casino Magic Biloxi revenues declined $8.9 million, or 12.2%, from 1995 to 1996. This decline was primarily the result of adjacent hotel/casino operations on both sides of Casino Magic Biloxi that offer significantly greater amenities than Casino Magic Biloxi. While competitive pressures will likely continue to adversely affect Casino Magic Biloxi's revenues and operating margins, management believes that the hotel completed in May 1998 at Casino Magic Biloxi will help offset or reverse these declines in revenues. The combination of construction disruption caused by the development of a new buffet and kitchen and increased overall competition in the Gulf Coast and New Orleans markets, both of which Casino Magic Bay St. Louis competes in, caused the $3.6 million, or 4.1%, decline in revenues at Casino Magic Bay St. Louis. The loss of $1.4 million in corporate and other revenues is due to the sale of a gaming facility located in Deadwood, South Dakota in June 1996. Although royalty and management fee revenues increased by $0.9 million, or 39.3%, to $3.1 million in 1996, Casino Magic has divested itself of all operations in Greece during 1996 where the majority of all royalties and management fee revenues were generated.

Total operating costs and expenses were down $1.5 million, or 1.0%, in 1996 compared to 1995. Casino expenses increased $5.3 million, or 7.6%, during the same period principally as a result of the opening of a new gaming facility in Bossier City, Louisiana, which had $7.1 million in casino expenses in 1996. This increase in casino expenses relating to Casino Magic Bossier was offset by reduced expenses at Casino Magic Biloxi as a result of reduced revenues, and the sale of Casino Magic's gaming facility at Deadwood, South Dakota in June 1996. Food and beverage costs increased $0.6 million, or 8.1%, as a result of increased customer traffic at Casino Magic Argentina. Casino Magic Argentina relies on its food and beverage facilities at the casino to promote casino operations. Other operating costs and expenses increased $1.5 million, or 110.5%, to $2.8 million in 1996 compared to 1995. This increase was the result of additions to amenities at Casino Magic Bay St. Louis, and the transfer of the gift shop operations at Casino Magic Bay St. Louis and Casino Magic Biloxi from a third party to Casino Magic. During 1996, Casino Magic Bay St. Louis added amenities relating to the Arnold Palmer-designed golf course, such as the pro shop, the Arnold Palmer Golf Academy and the groundskeeping department. In addition, Casino Magic Bay St. Louis began operating a child-care facility for casino patrons in 1996. Advertising and marketing expenses decreased by $5.0 million, or 19.2%, in 1996 as compared to 1995. This decrease was due to several factors: a reduction in the use of air charters to attract customers; the use of more cost efficient promotions concerning give-aways through the Magic Money Players Club Card; and an overall reduction in marketing and advertising costs during 1996. This decrease was offset by the opening of Casino Magic's new facility, Casino Magic Bossier, in October 1996.

General and administrative expenses decreased $4.3 million, or 15.0%, in 1996 as compared to the same period of 1995. The decline resulted from cost reduction measures implemented in early 1996, including the elimination of several corporate officer positions. Property operation, maintenance and energy costs increased by $3.4 million, or 83.2%, in 1996 as compared to 1995 as a result of the addition of Casino Magic Bossier, the continued aging of the facilities at Casino Magic Bay St. Louis and Casino Magic Biloxi which required more maintenance in 1996, and the addition of the golf facility at Casino Magic Bay St. Louis in 1996. Rents, property taxes and insurance costs increased by $1.7 million, or 38.9%, in 1996 as compared to 1995. The increase was in part a result of the addition of Casino Magic Bossier. Depreciation and amortization increased $2.6 million, or 16.3%, in 1996 as compared to the same period in 1995. This increase resulted from the

addition of tangible depreciable property, the amortization of the investment costs in excess of equity interest in the 49% owned Greek gaming facility which was amortized for 105 days in 1995 and for nine months in 1996, and a change in 1996 in the method used to amortize Casino Magic's land option deposits over the life of the option. During 1996, management wrote-off the excess of equity interest in the Greek gaming facility. Furthermore, the addition of Casino Magic Bossier increased depreciation expense, while the divesting of Casino Magic's gaming facility in Deadwood, South Dakota, decreased depreciation expense. Preopening costs increased by $4.7 million, or 260.0%, in 1996 from 1995. This was a result of the opening of Casino Magic Bossier in October 1996. In 1995, Casino Magic opened the Greek gaming facility in which it had a 49% ownership.

Consolidated other (income) expense (non-operating income and expenses) increased $26.8 million from a net expense of $18.3 million to a net expense of $45.1 million over the comparative periods. Of this increase, $26.1 million was due to Casino Magic's decision to write off its 49% equity interest in the Greek gaming facility. Management's decision was based on the results from Casino Magic's Greek gaming facilities after the opening of a competing casino by Hyatt Corporation. Although Casino Magic anticipated some revenue loss as a

result of this increased competition, the actual effects were greater than anticipated and resulted in a $2.0 million loss in operations at the Greek gaming facility for the month of September 1996. Net interest expense (interest expense less capitalized interest and interest income) increased $2.1 million from 1995 to 1996. The increase reflects the cost of funding the development of Casino Magic Bossier. In August 1996, the Company, through a wholly-owned subsidiary, issued $115 million in first mortgage notes to fund Casino Magic Bossier. In 1995, Casino Magic expensed capitalized costs relating to development joint ventures in the amount of $2.2 million. In 1996, no such expense was incurred. Casino Magic's effective tax rate for 1996 of approximately (13.0%) resulted from an allowance against deferred tax assets of approximately $8.2 million. This valuation allowance was recorded in recognition of the Company's recent operating results. The effective tax rate for 1995 of (24.0%) was due to significant permanent tax differences.

Year 2000 Issues

We are actively evaluating and resolving any potential impact of the Year 2000 problem on the processing of date-sensitive information by our information systems, and the information systems of vendors upon whom we are dependent. The Year 2000 problem exists because computer systems and applications were historically designed to use two digit fields (rather than four) to designate a year, and date sensitive systems may not properly recognize year 2000, which could result in miscalculations or system failures. We have established a Year 2000 project team to evaluate the impact of the problem on our computer systems and on enterprises with which we have significant business relationships. The team, which is comprised of individuals from each business unit and each corporate function, meets monthly to identify potential Year 2000 issues and to develop and implement plans to fix any non-compliant aspects of our system.

Internal Computer Systems. We believe that our various financial reporting software and associated hardware are Year 2000 compatible. We have become aware that point of sale cash register systems, personal computer networks, and gaming patron player tracking systems will need to be upgraded or replaced. We are currently in the process of procuring and installing hardware and software to make the necessary repairs to all affected internal systems.

External Computer Systems. We have sent Year 2000 compliance questionnaires to all of our significant external goods and service providers. To date, other than with respect to pari-mutuel wagering software and hardware, we are not aware of any potential Year 2000 problems that would have a material effect on us. We lease pari-mutuel wagering software and associated hardware. Our service providers of this software and hardware have given us written assurance that such software and hardware will be Year 2000 compatible by March 1999. We do not have alternative systems to handle our pari-mutuel wagering. If such service providers are unable to timely overcome any potential Year 2000 issues, it would have a materially adverse effect on our racing operations.

Estimated Cost of Year 2000 Compliance Efforts. We estimate that the total cost of addressing our Year 2000 issues will be approximately $2,000,000. This cost estimate is based on numerous assumptions, including the assumptions that we have already identified our most significant Year 2000 issues and that our third party suppliers will timely complete their Year 2000 programs without cost to us. However, there can be no guarantee that these assumptions are accurate, and actual results could differ materially from those anticipated.

Liquidity and Capital Resources

Hollywood Park's principal source of liquidity as of September 30, 1998, excluding Casino Magic, was cash and cash equivalents of $20,126,000. Cash and cash equivalents decreased by $3,623,000 during the nine months ended September 30, 1998. Net cash of $14,790,000 was provided by operating activities. Net cash of $49,140,000 was used in investing activities. Cash of $33,375,000 was used to purchase capital assets, including amounts spent for the Boomtown Reno and Boomtown New Orleans construction projects. Cash of $8,012,000 was lent in connection with the HP Yakama project. Cash of $3,232,000 was lent to Paul Alanis, the Company's new President and Chief Operating Officer, for which the Company holds a promissory note. Cash was used for short term investing (for the purchase of Casino Magic common stock), and the Company, through its wholly-owned subsidiary HP Casino, Inc., used cash of $1,946,000 to acquire the remaining minority interest in Crystal Park. Net cash provided by financing activities was $30,727,000, which included short term borrowings of $40,000,000 under the Company's Bank Credit Facility.

On October 14, 1998, the Company executed the Bank Credit Facility with a group of banks with Bank of America NT&SA as Administrative Agent for up to $300,000,000, with an option to increase this amount to $375,000,000. The Bank Credit Facility also provides for sub-facilities for letters of credit of up to $30,000,000, and swing line loans of up to $10,000,000. Prior to the execution

of the Bank Credit Facility, the Company was operating with a bank credit facility (the "Old Bank Credit Facility") which was initially for $225,000,000, and was reduced to $100,000,000 with the August 1997 issuance of the 9 1/2% Notes. The Bank Credit Facility extended the maturity of the Old Bank Credit Facility to December 31, 2003, reduced interest and commitment fee rates, and amended certain covenants, as compared to the previous Old Bank Credit Facility.

As of September 30, 1998, the Company had outstanding borrowings under the Old Bank Credit Facility of $40,000,000 at a weighted average interest rate of 7.79%. On October 13, 1998, the Company borrowed an additional $5,000,000 under the Old Bank Credit Facility. On October 15, 1998, the Company borrowed $225,000,000 under the Bank Credit Facility with respect to the acquisition of Casino Magic. The funds were utilized as follows: approximately $80,900,000 to purchase Casino Magic's outstanding common stock; $141,515,000 to redeem Casino Magic's 11 1/2% First Mortgage Notes due October 15, 2001 (the "Casino Magic Notes"); and $2,125,000 to purchase the 13% First Mortgage Notes due 2003 issued by Casino Magic of Louisiana, Corp. tendered in the change of control offer made in connection with the acquisition of Casino Magic. The Company borrowed $5,000,000 on January 7, 1999, $5,000,000 on January 28, 1999 and $7,000,000 on February 8, 1999 under the Bank Credit Facility for general corporate purposes.

Under the Bank Credit Facility, the Company is not required to make any principal payments prior to March 31, 2001, but must make monthly interest payments. Starting March 31, 2001, and on the last day of each subsequent calendar quarter, through December 31, 2002, the amount available under the Bank Credit Facility will decrease by $15,000,000, and on the last day of each calendar quarter for the period March 31, 2003, through September 30, 2003, it will decrease by $25,000,000, with the balance of any principal outstanding due on December 31, 2003. If the Bank Credit Facility has been increased, then the amount of the reduction will increase proportionately. If the Company has borrowings in excess of the reduced availability of the Bank Credit Facility, these amounts are due on the same day as the scheduled reductions.

The annual interest rate under the Bank Credit Facility is determined, at the Company's election, by reference to the "Eurodollar Rate" (for Eurodollar loans) (for interest periods of one, two, three or six months) or the "Alternate Base Rate" (for Base Rate loans), as these terms are defined in the Bank Credit Facility, plus

margins that vary depending on the Company's ratio of funded debt to earnings before interest, taxes, depreciation and amortization ("EBITDA"). With a funded debt to EBITDA ratio of less than 2.00 to 1.00, the margin for Eurodollar loans is 1.00% and nothing for Base Rate loans. The margin for each type of loan will increase by 25 basis points (except the initial increase in the margin for Base Rate loans, which increases by 12.5 basis points) for each 50 basis point increase in the funded debt to EBITDA ratio. The maximum margin for Eurodollar loans is 2.25%, and for Base Rate loans is 1.125%. The margin for the period October 15, 1998, through November 30, 1998, for Eurodollar loans was 2.00% and 0.875% for Base Rate loans. Effective December 1, 1998 through February 28, 1999, the margins are 2.25% and 1.125% for Eurodollar and Base Rate loans, respectively. After giving effect to this offering, the margins would continue to be 2.25% and 1.125% for Eurodollar and Base Rate loans, respectively.

The Bank Credit Facility requires the payment of a quarterly commitment fee, based on the Company's ratio of funded debt to EBITDA, applied to the average amount of the unused portion of the Bank Credit Facility. The commitment fee starts at 25 basis points when the ratio of funded debt to EBITDA is less than 2.00 to 1.00, and increases by 6.25 basis points for the first two increases in the ratio of 50 basis points, then remains unchanged for the next 50 basis point increase in the ratio, and thereafter increases by 6.25 basis points for each 50 basis points increase in the ratio, up to a maximum of 50 basis points. The commitment fee for the period October 15, 1998 through November 30, 1998 was 43.75 basis points, and for the period December 1, 1998 through February 28, 1999 is 50 basis points. After giving effect to this offering, the commitment fee would continue to be 50 basis points.

The Bank Credit Facility allows for interest rate swap agreements, or other interest rate protection agreements, up to a maximum notional amount of $300,000,000. Presently, the Company does not use such financial instruments.

The net proceeds of the Old Notes offering were first used to repay borrowings under the Bank Credit Facility. We have used, and will continue to use, the remaining proceeds for general corporate purposes, primarily for 1999 capital expenditures.

The Company has entered into an agreement to sell 12 acres of land at its Phoenix, Arizona based Turf Paradise racing facility, for approximately

$4,574,000. The purchaser, a national retailer, intends to construct a major retail outlet at the site. The sale is expected to be completed in the first quarter of 1999.

On August 6, 1997, Hollywood Park and Hollywood Park Operating Company co-issued $125,000,000 aggregate principal amount of 9 1/2% Notes. The Company paid liquidated damages at an annual rate of 0.5% of the principal amount of the 9 1/2% Notes for the period January 27, 1998 to March 20, 1998 (the date of consummation of a registered exchange offer for the 9 1/2% Notes).

Hollywood Park, through its wholly-owned subsidiary HP Yakama, loaned approximately $9,618,000 to the Yakama Tribal Corporation to construct the Legends Casino. The Tribal Corporation gave HP Yakama a promissory note for the $9,618,000, payable in 84 equal installments at a 10% rate of interest.

As of September 30, 1998, the Company had invested approximately $3,845,000 (net of an unrealized loss of approximately $386,000) in equity securities (including Casino Magic common stock), which were being held as available-for-sale. Effective upon the completion of the Casino Magic acquisition, those shares of Casino Magic common stock held by Hollywood Park were cancelled.

In October 1993, a wholly-owned subsidiary of Casino Magic issued and sold, and Casino Magic guaranteed, $135,000,000 aggregate principal amount of the Casino Magic Notes. On October 15, 1998, concurrent with the completion of the Casino Magic acquisition, Casino Magic elected to redeem the Casino Magic Notes at the optional redemption price of 103.833% and therefore deposited approximately $141,515,000 with the trustee of the Casino Magic Notes. Effective with the deposit, Casino Magic and the issuer were discharged from further obligations for the Casino Magic Notes. The deposit was from proceeds from borrowings under the Bank Credit Facility.

In August 1996, Casino Magic of Louisiana, Corp., a wholly-owned subsidiary of Casino Magic and the owner of Casino Magic Bossier, issued and sold $115,000,000 aggregate principal amount of 13% First Mortgage Notes due August 15, 2003 (the "Louisiana Notes"). The Louisiana Notes provide for interest at 13% per year and for contingent interest in the amount of 5% of Casino Magic of Louisiana's adjusted consolidated cash flow under certain circumstances. The Louisiana Notes are secured by a first priority lien and security interest in substantially all of the assets of Casino Magic of Louisiana, including the Bossier Riverboat. Jefferson Casino Corporation, the immediate parent of Casino Magic of Louisiana, guarantees the Louisiana Notes and the guarantee is secured by all of the assets of Jefferson Casino Corporation, including all of the capital stock of Casino Magic of Louisiana, Corp.

On November 13, 1998, due to the acquisition of Casino Magic by Hollywood Park, Casino Magic of Louisiana, Corp. initiated a change in control purchase offer at a price of $1,010 for each $1,000 principal amount of Louisiana Notes outstanding. The change in control purchase offer expired December 23, 1998 and $2,125,000 in principal amount of the Louisiana Notes were tendered.

As of September 30, 1998, Casino Magic and its subsidiaries (excluding Casino Magic of Louisiana, Corp.) had other secured and unsecured debt obligations as follows: (a) six secured notes aggregating approximately $6,932,000, secured by certain furniture and fixtures at Casino Magic Biloxi, with interest ranging from 9.5% to 10.3%, and maturity dates ranging from May 2002 to November 2002; (b) a note payable for approximately $2,727,000, secured by land, bearing interest at prime, due March 2003; (c) an unsecured term note payable for approximately $1,600,000, bearing interest at 8.25%, due September 1999; (d) an unsecured note payable for approximately $1,214,000, bearing interest at prime rate plus 1% (9.5% as of September 30, 1998), due February 2000; (e) five other secured notes totaling approximately $1,236,000, with interest rates ranging from 8.0% to 11.0%, and maturity dates ranging from April 1999 to June 2004; and (f) various capital lease obligations, secured by certain equipment, totaling approximately $630,000.

As of September 30, 1998, Casino Magic of Louisiana, Corp. had other secured and unsecured debt obligations as follows: (a) a note payable for approximately $1,540,000, secured by certain gaming equipment, bearing interest at 8.75%, due September 1999; (b) a note payable for approximately $746,000, secured by certain gaming equipment, bearing interest at 10.5%, due October 1999; (c) two capital leases for slot machines aggregating $1,769,000; and (d) various other capital lease obligations, totaling approximately $198,000.

Capital Commitments

As previously discussed, the Company was approved to receive a gaming license to own and operate a riverboat casino in Indiana. As a result, the Company has capital commitments of approximately $3,700,000 for the purchase of the common stock of Pinnacle Gaming Development Corporation (the entity that

initially applied for the Indiana gaming license). The Indiana riverboat project is expected to cost approximately $150,000,000 (including land and pre-opening expenses but excluding capitalized interest), to be spent over the next 18 to 24 months. The Company believes that the Bank Credit Facility and available future cash flow will be sufficient to fund the construction of the Indiana Hotel/Casino Resort; however, there can be no assurance that additional funds will not be required.

The Company anticipates spending approximately $26,000,000 in 1999 in maintenance capital expenditures.

Expansion Costs

In addition to the current capital commitments discussed, Hollywood Park has other capital needs with respect to Boomtown Reno and Casino Magic Bossier. As of September 30, 1998, the Company had spent approximately $14,000,000 of the estimated $25,000,000 on the expansion and renovation of Boomtown Reno, including additional hotel rooms, expanded gaming space and other amenities. The hotel opened in late December 1998. As of September 30, 1998, Casino Magic had spent approximately $14,500,000 of the

estimated $21,000,000 on the construction of a 188-room hotel and full service restaurants which opened in December 1998 at Casino Magic Bossier.

General

Hollywood Park is continually evaluating future growth opportunities in the gaming business. Hollywood Park expects that funding for the Indiana Hotel/Casino Resort, payment of interest on the Notes and the 9 1/2% Notes, payment of notes payable, and normal and necessary capital expenditure needs will come from existing cash balances generated from operating activities and borrowings from the Bank Credit Facility. In the opinion of management, these resources will be sufficient to meet Hollywood Park's anticipated cash requirements for the foreseeable future and in any event for at least the next twelve months.

BUSINESS

Hollywood Park

We are a diversified gaming company that owns and/or operates eight casinos, two pari-mutuel horse racing facilities, and two card club casinos at twelve locations in Nevada, Mississippi, Louisiana, California, Arizona and Argentina. We have also been approved to receive the final license to conduct riverboat gaming on the Ohio River in Indiana and have begun development of a $150 million hotel/casino and golf resort at a site in Switzerland County, Indiana, 35 miles southwest of Cincinnati, Ohio. In addition to our operating properties, we have significant excess land available for future sale or development at four of our properties.

In October 1998, we acquired Casino Magic and now own and operate Casino Magic Bay St. Louis and Casino Magic Biloxi in Mississippi, Casino Magic Bossier in Louisiana, and two Casino Magic casinos in Argentina. In 1997, we acquired Boomtown and now own and operate Boomtown Reno in Verdi, Nevada, Boomtown Biloxi in Biloxi, Mississippi, and Boomtown New Orleans in Harvey, Louisiana. These companies own strategically located properties in growing and established gaming markets and, at the time we acquired them, were for the most part underperforming and had limited access to capital for expansion. In both acquisitions, we have been able to use our financial and management resources to streamline operations, implement expansion projects and enable the acquired companies to refinance expensive debt.

Our two card club casinos in the Los Angeles metropolitan area, the Hollywood Park-Casino and Crystal Park, offer a variety of card games, including Poker, Pai Gow and California Blackjack, but by law may not participate in the wagers made or the outcome of any card games, or offer other games that are permitted in Nevada and other traditional jurisdictions. We own and operate the Hollywood Park-Casino, and own and lease Crystal Park to an unaffiliated third party operator.

Finally, we own and operate two pari-mutuel gaming facilities: Hollywood Park Race Track, a premier thoroughbred racing facility located on a 378-acre parcel within three miles of the Los Angeles International Airport, and Turf Paradise Race Track in Phoenix, Arizona. Hollywood Park Race Track has been the site of the prestigious Breeders' Cup on three occasions, the most recent in 1997.

In January 1999, we strengthened our gaming management team by hiring Paul Alanis as our President and Chief Operating Officer and J. Michael Allen as Senior Vice President-Gaming Operations. Both Mr. Alanis and Mr. Allen held similar positions with Horseshoe Gaming Inc. Mr. Alanis and Mr. Allen were hired to actively participate in the overall execution of our business and operating strategies, including re-positioning the Boomtown and Casino Magic properties and overseeing the construction and operations of the Indiana Hotel and Casino Resort.

In light of the Boomtown and Casino Magic acquisitions, the following may be helpful to give you an idea of the current size of our company. If the acquisitions and related transactions had occurred on January 1, 1997 (which we refer to as being on a "pro forma" basis), our revenues would have totaled approximately $610.8 million for the year ended December 31, 1997 and approximately $495.2 million for the nine months ended September 30, 1998. On a pro forma basis, earnings before interest, taxes, depreciation and amortization (abbreviated as "EBITDA") would have totaled approximately $104.6 million for the year ended December 31, 1997 and approximately $93.2 million for the nine months ended September 30, 1998. On this basis, and giving effect to the Old Notes offering on a pro forma basis, net loss would have totaled $6.6 million for the year ended December 31, 1997 and net income of approximately $4.0 million for the nine months ended September 30, 1998. In addition, on a pro forma basis, as of September 30, 1998, we would have had total assets of approximately $966.4 million. On a pro forma basis, giving effect to the Old Notes offering, including our use of proceeds from that offering, we would have had total indebtedness of approximately $623.2 million as of September 30, 1998.

Corporate Structure

The following chart illustrates the organizational structure of our principal operations. It is designed to depict how our various operations relate to one another and our ownership interest in them. It does not contain all of our subsidiaries and, in some cases for presentation purposes, we have combined separate entities to indicate operational relationships. We have also indicated the principal subsidiaries that initially are "Unrestricted Subsidiaries" under the Indenture, i.e., the subsidiaries that are not guarantors and are not subject to the Indenture covenants.

[CORPORATE ORGANIZATIONAL CHART APPEARS HERE]

Business Strategy

Our strategic plan is to develop a broad base of regionally diversified casino entertainment facilities by making selected acquisitions in the non-Las Vegas, non-Atlantic City gaming markets and achieving economies of scale. In the realization of this strategy, we acquired Boomtown on June 30, 1997, and Casino Magic on October 15, 1998. Our management seeks to develop its casinos and maximize profitability by:

- refinancing expensive debt;
- fostering customer loyalty by offering a value oriented, quality customer service gaming experience;
- providing gaming and entertainment facilities uniquely designed for each property and target customer base; and
- using focused direct marketing incentives.

Specific growth initiatives vary by property type:

Boomtown Casinos. Since the acquisition, we refinanced Boomtown's expensive debt and undertook various capital expenditure programs to enlarge and enhance the facilities. The three Boomtown casinos are now fully developed facilities that serve their local markets in a relaxed and customer-friendly environment. The goal for our new management team with respect to the Boomtown casinos is to maximize profitability through cost control and increase market share through improved marketing. We seek to enhance customer loyalty through direct customer marketing and by providing customers a high value gaming experience. Property enhancements and financial restructuring already undertaken at Boomtown include the following:

Property Enhancements	.Boomtown New Orleans: Replacement of existing riverboat with the Boomtown Belle II, a

	$16.4 million riverboat (including installation and renovation) which is bigger and has a more elegant decor (opened February 1998)
	.Boomtown New Orleans: $10 million expansion of land-based premier, adult-oriented dining and entertainment complex called "The Great Escape" (opened July 1998)
	.Boomtown Reno: $25 million expansion and renovation, including 200 additional hotel rooms, a complete renovation of existing gaming floors, addition of 13,000 square feet of gaming space (including 200 slot machines) and 10,000 square feet of meeting space, additional parking, a new buffet restaurant, and other amenities (hotel opened December 1998; other aspects of the project expected to be completed in the first quarter of 1999)
Financial Restructuring	.Repurchase of $103.5 million principal amount of Boomtown 11 1/2% First Mortgage Notes
	.Repurchase of minority interests in Boomtown New Orleans for $5.7 million and in Boomtown Biloxi for $400,000
	.Restructure high-cost operating leases
	.Prepayment of $2 million note bearing 13% interest and secured by the existing Boomtown New Orleans riverboat
	.Purchase of dockside barge at Boomtown Biloxi for $5.3 million

Casino Magic Properties. We believe the Casino Magic properties offer significant growth potential through improved management and re-positioning of the brand to a more upscale and exciting image. The

properties are well-located and have ample room for limited and focused capital spending to make them more attractive and customer-friendly via parking and room additions, casino expansion and renovation, and additional entertainment amenities. Property enhancements and financial restructuring already undertaken at Casino Magic include the following:

Property Enhancements	.Casino Magic Bossier: Accelerated the $21 million construction of an 188-room hotel with four master suites, 88 junior suites and additional full service restaurants (opened December 1998)
Financial Restructuring	.Redemption of $135 million principal amount of Casino Magic 11 1/2% First Mortgage Notes

We are also considering the following expansion projects at existing Casino Magic properties:

Possible Expansion Projects	.Casino Magic Biloxi: Renovation of the casino gaming area and its attendant amenities
	.Casino Magic Bay St. Louis: Construction of a 300-room hotel next to the casino
	.Casino Magic Bossier: Construction of a second hotel tower consisting of 200 rooms--Our decision to pursue this project will be made after we have evaluated the results from the initial 188-room addition completed in December 1998

Indiana Hotel/Casino Resort. On September 14, 1998, the Indiana Gaming Commission approved us to receive the last available license to conduct riverboat gaming operations on the Ohio River in Indiana. We expect to spend approximately $150 million (including land and pre-opening expenses but excluding capitalized interest) to develop a new gaming facility approximately

35 miles southwest of Cincinnati, Ohio in Switzerland County, Indiana. This site will be the most accessible gaming facility from Lexington and other parts of northern Kentucky. The project will include a cruising riverboat with 38,000 square feet of casino space, as well as a land-based facility with a 309-room hotel, an 18-hole golf course, convention space, restaurants, and other related amenities. We own 97% of the Indiana Hotel/Casino Resort; the remaining interest is held by a non-voting local partner. While we expect to complete the Indiana Hotel/Casino Resort in 18 to 24 months, construction matters or other issues may delay the facility's opening.

Excess Land. We are exploring the development of our 378-acre Hollywood Park Race Track property and our 275-acre Turf Paradise Race Track property. This land has a combined book value of $13.1 million. Management believes the fair market value of the land is approximately $230 million. The Hollywood Park Race Track property has approximately 160 undeveloped acres and Turf Paradise has approximately 100 undeveloped acres on which we seek to develop multi-use retail, entertainment and/or sports venues. We have entered an agreement to sell 12 acres of land at Turf Paradise on which the purchaser intends to construct a major retail outlet.

We also have excess land at our Reno and Bay St. Louis properties. While the excess land offers extensive expansion opportunity at each of these properties, we will aggressively pursue realization of value through sale and/or development (including joint venture arrangements).

Additional Acquisitions. We continually evaluate opportunities to expand and diversify our operations through gaming acquisitions in markets outside Las Vegas and Atlantic City, including entities which are unable to maximize their potential due to operating inefficiencies or capital constraints. We believe that by matching our financial and management resources with the opportunities of the acquired entities, we can significantly improve their operations. We have applied this strategy in our recent acquisition of Casino Magic and our earlier acquisition of Boomtown. In both cases, since making the acquisitions, we have used our resources to streamline operations, implement expansion projects and refinance expensive debt.

Louisiana Properties

Louisiana legalized riverboat and dockside gaming in 1991 and gaming operations began in Louisiana in September 1993.

Casino Magic Bossier

Casino Magic Bossier opened in October 1996, with gaming operations conducted from a dockside riverboat. The property includes 23 acres of land in the Shreveport/Bossier City metropolitan area, approximately 180 miles east of the Dallas-Fort Worth area. The site is highly visible with convenient access from Interstate Highway 20, the major east-west artery connecting Dallas-Fort Worth and Bossier City. Most of the customers at Casino Magic Bossier come from eastern Texas.

The Casino Magic Bossier riverboat contains approximately 30,000 square feet of gaming space, and offers 980 slot machines and 44 table games. The Casino Magic Bossier facility includes a 55,000 square foot entertainment pavilion with a 350-seat buffet, a gift shop, and live entertainment theater. We recently completed a 188-room luxury hotel with four master suites, 88 junior suites and a full service restaurant.

Casino Magic Bossier is owned and operated by Casino Magic of Louisiana, Corp., an indirect wholly-owned subsidiary which will be an Unrestricted Subsidiary under the Indenture governing the Notes.

Boomtown New Orleans

Boomtown New Orleans began operations in August 1994 on a 50-acre site in Harvey, Louisiana, approximately ten miles from the French Quarter of New Orleans. Three riverboats, including our Boomtown New Orleans casino, currently operate in the New Orleans area. Boomtown New Orleans is located on the "West Bank" in Jefferson Parish. The West Bank has approximately 300,000 local residents who comprise a large majority of the Boomtown New Orleans customers.

In mid-February 1998, Boomtown New Orleans began conducting gaming operations on the Boomtown Belle II, a 380-foot riverboat containing 30,000 square feet of gaming space. The new casino offers 1,089 slot machines and 49 table games. The Boomtown Belle II replaced a smaller riverboat that offered 911 slot machines and 55 table games. Boomtown New Orleans also includes a land-based facility adjacent to the riverboat dock. The first floor of the building offers patrons a buffet and a western saloon/dancehall. On July 1, 1998, we opened "The Great Escape," a $10 million expansion project located on

the second floor of the land-based facility. The Great Escape, a premier dining and entertainment complex, features a 160-seat casual dining restaurant, 500-person capacity banquet facilities and a state-of-the-art adult-oriented arcade style amusement center offering numerous attractions, including a 3-D giant screen thrill ride, virtual reality rides, golf simulators, and a billiard center.

Mississippi Properties

Mississippi legalized dockside gaming in June 1990 and gaming operations began in Mississippi in August 1992. We operate three of the eleven casinos in the Mississippi Gulf Coast market. The Mississippi Gulf Coast is a traditional vacation destination. The region draws an estimated 6.5 million visitors annually, primarily from Louisiana, Mississippi, Alabama, Florida and Georgia.

Casino Magic Bay St. Louis

Casino Magic Bay St. Louis began operations in September 1992 as the first dockside casino in Mississippi to utilize a fixed barge rather than a traditional riverboat, which allowed for larger contiguous gaming areas and a more spacious casino environment. Casino Magic Bay St. Louis is approximately 46 miles east of New Orleans, Louisiana. While Casino Magic Bay St. Louis primarily serves the 4.1 million adults residing within 150 miles of Bay St. Louis, approximately 50% of these customers come from the greater New Orleans area.

Casino Magic Bay St. Louis conducts gaming operations on a permanently moored barge in a 17-acre marina with the adjoining land based facilities situated on 591 acres. Casino Magic Bay St. Louis offers approximately 39,500 square feet of gaming space, with 1,132 slot machines and 42 table games. The three story land-based building houses a restaurant, buffet, snack bar, gift shop and live entertainment lounge. The property has a 201-room hotel, an 1,800 seat arena for concerts and sporting events, and an 18-hole golf course.

Casino Magic Biloxi

Casino Magic Biloxi, which opened in June 1993, is located on the Front Bay of Biloxi in a strip with two other casinos on the major highway running through the Mississippi Gulf Coast. Biloxi is approximately 50 miles west of Mobile, Alabama. The target market for Casino Magic Biloxi is the 2.2 million adults within a 200-mile radius of Biloxi and includes visitors from Alabama, Mississippi and Florida.

Casino Magic Biloxi conducts gaming from a permanently moored barge with approximately 47,700 square feet of gaming space with 1,174 slot machines and 41 gaming tables. The land-based facility, which is located adjacent to the barge on the approximately 16-acre site, is approximately 21,600 square feet and offers buffets and full service restaurants. On May 1, 1998, Casino Magic Biloxi opened its 378-room luxury hotel, which includes 16 master suites, 70 junior suites, 6,600 square feet of convention and meeting space, a full service restaurant and retail shops.

Boomtown Biloxi

Boomtown Biloxi began operations in July 1994. Boomtown Biloxi occupies nineteen acres on Biloxi's historic Back Bay. We lease the site under a 99-year lease that began in 1994. The casino is one-half mile from Interstate 110, which is the main highway connecting Interstate 10 and Biloxi.

Boomtown Biloxi offers a 33,632-square foot casino constructed on a permanently moored barge. The casino contains 1,308 slot machines and 35 table games. The dockside property includes a land-based facility with restaurants and other non-gaming activities. We purchased the barge and building shell for $5.3 million from the lessor of those assets, National Gaming Mississippi, Inc., of which a $2.5 million balance is due in two annual installments to be paid in 1999 and 2000.

Nevada Property

Boomtown Reno

Boomtown Reno began operations over 30 years ago on 569 acres in Verdi, Nevada, nine miles west of Reno and two miles from the California border. The facility is located on Interstate 80, the major highway connecting Northern California and Reno. We believe Boomtown Reno maintains a loyal customer base primarily drawn from Interstate 80 traffic.

Boomtown Reno offers a 40,000-square foot casino with 1,320 slot machines, 44 table games, and two Keno games. Boomtown Reno opened a new 200-room hotel

tower in December 1998 to augment its existing 122-room hotel. It also offers a 35,000-square foot family entertainment center, a 16-acre truck stop, a recreational vehicle park, and other related amenities.

California Properties

Hollywood Park Race Track

The Hollywood Park Race Track is located in the Los Angeles metropolitan area, which has a population base of approximately 14 million people. The race track sits on 378 acres, approximately 160 of which are undeveloped. Since 1938, the Hollywood Park Race Track has been among the country's most distinguished thoroughbred racing facilities. In 1997, it hosted the Breeders' Cup championship racing series for the third time.

Through our wholly-owned subsidiary, Hollywood Park Operating Company, we conduct two live on-track thoroughbred horse race meets per year. The meets provide a total of approximately 95 to 100 race days per year, usually with nine races a day. We also send the signal of our live races to hundreds of off-track sites, including fairgrounds, hotels, casinos, and other race tracks, and receive simulcast signals from live races conducted at other race tracks, including Southern and Northern California tracks.

Hollywood Park derives revenues primarily from a share of the pari-mutuel handle at rates fixed by the State of California. Pari-mutuel wagering means that patrons bet against each other in a pool rather than against the operator of the facility or with pre-set odds. Hollywood Park also receives revenue from admission fees and concession sales.

The Hollywood Park-Casino

The Hollywood Park-Casino opened in July 1994 on the premises of the Hollywood Park Race Track. We operate the casino under a California law that permits publicly-traded pari-mutuel racing associations to operate card club casinos on race track premises.

The Hollywood Park-Casino offers 145 table games in 30,000 square feet of gaming space. California card club casinos may not participate in the wagers made or in the outcome of any card games. The Hollywood Park-Casino offers only certain card games, including Poker, Pai Gow and California Blackjack, but no slot machines. Hollywood Park-Casino patrons pay a fee for seats at gaming tables or for each hand played. We also derive revenue from food and beverage sales, rental of facilities for bingo, gift shops and health club operations.

Crystal Park Hotel and Casino

Crystal Park opened in late 1996 as Southern California's first major combined hotel and casino property. The 226-room hotel operates under a Radisson Hotels International, Inc. flag. Crystal Park's casino, which has 60 table games, offers games similar to those offered at the Hollywood Park-Casino.

Since Crystal Park is not located on the same property as a race track, an unaffiliated operator who is licensed by the State of California and the City of Compton operates Crystal Park under a four year triple-net lease. Although the rent was due to increase to $350,000 per month as of July 1, 1998, we agreed to accept rent of $150,000 per month through January 1999. We expect that, under present market conditions, the monthly rent will not increase as scheduled in the lease, but rather will remain between $100,000 and $150,000.

Arizona Property

Turf Paradise

We acquired Turf Paradise in 1994. Turf Paradise was organized in 1954 and is located in the northwest region of Phoenix, Arizona on approximately 275 acres, approximately 100 of which are undeveloped. We have entered into an agreement to sell 12 acres of the undeveloped land for approximately $4.6 million. The purchaser, a national retailer, intends to construct a major retail outlet on the site. We expect to complete the sale in the first quarter of 1999.

Turf Paradise conducts one live thoroughbred meet per year, which runs from September to May. During live racing, Turf Paradise accepts simulcast races from numerous race tracks, and also sends its live race signals to a large number of off-track sites. Turf Paradise operates as a simulcast facility, accepting race signals during its off season covering June through August.

Argentina Properties

We operate two casinos in the cities of Neuquen and San Martin de los Andes in west central Argentina. Approximately 900,000 people live within a 150-mile radius of the two cities. The cities are located near

several Argentine tourist attractions, including national parks, ski resorts and a wide variety of outdoor activities.

Casino Magic Argentina

In December, 1994, Casino Magic Neuquen SA, a wholly-owned subsidiary of Casino Magic, entered into a twelve-year concession agreement with the provincial government of the Argentine Province of Neuquen to operate the casinos. Gaming operations began on January 1, 1995. On May 31, 1997, Casino Magic sold a 49% interest in Casino Magic Neuquen SA to Crown Casino Corp. for $7 million. We retain a controlling interest in Casino Magic Neuquen SA and manage the casinos in Argentina for a fee equal to approximately two percent of the casinos' gross revenues.

The larger casino, located in the city of Neuquen, contains approximately 27,000 square feet of gaming space and offers 398 slot machines, 40 table games, and a 384-seat bingo facility. The smaller casino operates in San Martin de los Andes, a resort town approximately 200 miles southwest of the city of Neuquen. The San Martin de los Andes casino offers 75 slot machines and 16 table games in approximately 2,500 square feet of gaming space.

Other Gaming Interests

Legends Casino

Through HP Yakama, Inc., our wholly-owned subsidiary, we made a seven-year loan of approximately $9.6 million, at 10% interest, to the Yakama Tribal Gaming Corporation to construct the Legends Casino, which opened in May 1998 in Toppenish, Washington. Legends Casino is approximately 160 miles from both Seattle, Washington and Portland, Oregon, and features a 600-seat bingo hall, electronic pull tabs, and table games, including Blackjack, Poker, Craps, Roulette, Mini-bac, and Caribbean Stud. Legends Casino does not have slot machines. The Yakama Tribal Gaming Corporation pays HP Yakama an amount equal to 28% of Net Revenues (as defined in the relevant agreement). The payment decreases to 22% over a seven-year period. HP Yakama pays 22% of payments received from the Yakama Tribal Gaming Corporation to North American Sports Management pursuant to a Profit Participation Agreement.

Employees

The following is a summary of Hollywood Park's employees by property:

<TABLE>
<CAPTION>

Property	Permanent Staff	Seasonal Staff	Total Staffing Range
<S>	<C>	<C>	<C>
Hollywood Park-Casino	1,415	--	1,415
Boomtown Reno	800	300	800-1,100
Boomtown New Orleans	1,100	--	1,100
Boomtown Biloxi	970	--	970
Casino Magic Bay St. Louis	1,250	50	1,250-1,300
Casino Magic Biloxi	1,160	--	1,160
Casino Magic Bossier	1,425	--	1,425
Casino Magic Argentina	255	--	255
Hollywood Park Race Track	390	1,020	390-1,410
Turf Paradise	85	425	85-510
Corporate	35	--	35
	8,885	1,795	8,885-10,680

</TABLE>

We do not employ the staff at the Crystal Park Casino.

Our staff is non-union, with the exception of the janitorial and food service employees at the Hollywood Park-Casino and the majority of the seasonal staff at the Hollywood Park Race Track. We believe that we have good

relationships with our employees. We are presently in or about to begin discussions with the union representing the food service staff. We believe that this contract will be renewed without incident, though there can be no assurance that labor problems will be avoided.

Properties

The following describes our principal real estate properties:

Casino Magic Bossier. We own the 23-acre site on the Red River in Bossier City, Louisiana on which Casino Magic Bossier is located. The property, which contains a dockside casino and land-based facilities, including a new hotel that opened in December 1998, secures the outstanding $112.9 million aggregate principal amount of Louisiana Notes. Casino Magic Bossier is owned and operated by Casino Magic of Louisiana, Corp., an indirect wholly-owned subsidiary which is an unrestricted subsidiary under the Indenture governing the Notes.

Boomtown New Orleans. We own the approximately 50 acres in Harvey, Louisiana on which Boomtown New Orleans is located. This property is approximately 10 miles from the French Quarter of New Orleans. We own all improvements to and facilities on this property, including the riverboat casino.

Casino Magic Bay St. Louis. We own approximately 591 acres in the city of Bay St. Louis, Mississippi, including the 17-acre marina where the gaming barge is moored. The property includes an 18-hole golf course, a hotel, and other land-based facilities, all of which we own.

Casino Magic Biloxi. Casino Magic Biloxi is located on an approximately 16-acre site, which includes land located on both the north and south sides of U.S. Highway 90. We own approximately 4.5 acres and lease approximately 11.5 acres, including approximately 6.4 acres of submerged tidelands adjacent to the land which is leased from the State of Mississippi under a ten-year lease with a five-year renewal option.

Boomtown Biloxi. We lease substantially all of the 19 acres on which Boomtown Biloxi sits under a 99 year lease that began in 1994. In addition, we lease property for parking under several lease agreements ranging from 10 to 25 years. We also lease approximately 5.1 acres of submerged tidelands at the casino site from the State of Mississippi under a ten-year lease with a five-year option to renew. We own the barge on which the casino is located and all of the land-based facilities.

Boomtown Reno. We own the 569 acres of land in Verdi, Nevada on which Boomtown Reno is located. We use approximately 61 acres for current operations. We also own all of the improvements and facilities on the land, including the casino, hotel, fun center, truck stop and recreational vehicle park. We also own the related water rights and operate our own sewage treatment facility at the site. Of the remaining acreage, we are considering developing approximately 250 acres.

Hollywood Park Race Track and Hollywood Park-Casino. We own approximately 378 acres in Inglewood, California. Management believes the fair market value of the land equals approximately $200 million. The property contains the 60,000 square foot Hollywood Park-Casino, the Hollywood Park Race Track and our executive offices. The Hollywood Park Race Track, Hollywood Park-Casino, and parking areas cover approximately 218 acres, leaving approximately 160 acres available for development.

Crystal Park Hotel and Casino. Crystal Park Hotel and Casino Development Company, LLC, our wholly-owned subsidiary, leases the hotel from the City of Compton under a 50-year lease, but owns the ground floor where the approximately 40,000 square foot casino is located. It also owns approximately six acres of land containing a parking structure used for the hotel and casino and leases an additional approximately 35 acres of unimproved land to be used for expansion or additional parking, if needed. An unaffiliated third party operates Crystal Park under a four-year triple-net lease.

Turf Paradise. We own approximately 275 acres in the northwest region of Phoenix, Arizona, on which our Turf Paradise race track is located. Management believes the land has a fair market value of approximately $30 million. The site includes approximately 100 acres of undeveloped land. We have entered into an agreement to sell 12 acres of the property to a national retailer, who plans to construct a major retail outlet on the purchased parcels.

Argentina Properties. We operate two casinos in Argentina under a twelve-year concession agreement with the provincial government of the Argentine Province of Neuquen. Pursuant to the agreement, we operate a casino in the city of Neuquen on an approximately 27,000 square foot site owned by the Province of Neuquen and provided to us as part of the concession. The second casino is in

San Martin de los Andes on an approximately 2,500 square foot site which we lease from a third party for a six-year term. We have the option to extend the term of the concession agreement for a minimum of an additional five years if we expend more than $5 million to construct a hotel in the Province of Neuquen.

Except for the Casino Magic Bossier and Argentina properties, substantially all of the properties described above are pledged to secure obligations under the Bank Credit Facility.

Regulation and Licensing

Louisiana. The ownership and operation of a riverboat gaming vessel is subject to the Louisiana Riverboat Economic Development and Gaming Control Act (the "Louisiana Act"). As of May 1, 1996, gaming activities are regulated by the Louisiana Gaming Control Board (the "Board"). The Board is responsible for issuing the gaming license and enforcing the laws, rules and regulations relative to riverboat gaming activities. The Board is empowered to issue up to 15 licenses to conduct gaming activities on a riverboat of new construction in accordance with applicable law. However, no more than six licenses may be granted to riverboats operating from any one parish.

The laws and regulations of Louisiana seek to (i) prevent unsavory or unsuitable persons from having any direct or indirect involvement with gaming at any time or in any capacity, (ii) establish and maintain responsible accounting practices and procedures; (iii) maintain effective control over the financial practices of licensees, including establishing procedures for reliable record keeping and making periodic reports to the Board; (iv) prevent cheating and fraudulent practices; (v) provide a source of state and local revenues through fees; and (vi) ensure that gaming licensees, to the extent practicable, employ and contract with Louisiana residents, women and minorities.

The Louisiana Act specifies certain restrictions and conditions relating to the operation of riverboat gaming, including but not limited to the following: (i) in parishes bordering the Red River, such as the Company's Casino Magic property in Bossier, gaming may be conducted dockside; however, in all other authorized locations such as Boomtown New Orleans, gaming is not permitted while a riverboat is docked, other than for forty-five minutes between excursions, unless dangerous weather or water conditions exist; (ii) each round trip riverboat cruise may not be less than three nor more than eight hours in duration, subject to specified exceptions; (iii) agents of the Board are permitted on board at any time during gaming operations; (iv) gaming devices, equipment and supplies may be purchased or leased from permitted suppliers; (v) gaming may only take place in the designated river or waterway; (vi) gaming equipment may not be possessed, maintained, or exhibited by any person on a riverboat except in the specifically designated gaming area, or a secure area used for inspection, repair, or storage of such equipment; (vii) wagers may be received only from a person present on a licensed riverboat; (viii) persons under 21 are not permitted in designated gaming areas; (ix) except for slot machine play, wagers may be made only with tokens, chips, or electronic cards purchased from the licensee aboard a riverboat, (x) licensees may only use docking facilities and routes for which they are licensed and may only board and discharge passengers at the riverboat's licensed berth; (xi) licensees must have adequate protection and indemnity insurance; (xii) licensees must have all necessary federal and state licenses, certificates and other regulatory approvals prior to operating a riverboat; and (xiii) gaming may only be conducted in accordance with the terms of the license and the rules and regulations adopted by the Board.

No person may receive any percentage of the profits from the Company's operations in Louisiana without first being found suitable. In March 1994, Boomtown New Orleans, its officers, key personnel, partners and persons holding a 5% or greater interest in the partnership were found suitable by the predecessor to the Board. In April 1996, the Board's predecessor confirmed that Casino Magic Bossier's officers, key personnel, partners and persons holding a 5% or greater interest in the corporation were suitable and authorized to acquire an existing licensee. A gaming license is deemed to be a privilege under Louisiana law and as such may be denied, revoked, suspended, conditioned or limited at any time by the Board. In issuing a license, the Board must find that the applicant is a person of good character, honesty and integrity and the applicant is a person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of the State of Louisiana or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods, and activities in the conduct of gaming or the carrying on of business and financial arrangements in connection therewith. The Board will not grant any licenses unless it finds that: (i) the applicant is capable of conducting gaming operations, which means that the applicant can demonstrate the capability, either through training, education, business experience, or a

combination of the above, to operate a gaming casino; (ii) the proposed financing of the riverboat and the gaming operations is adequate for the nature of the proposed operation and from a source suitable and acceptable to the Board; (iii) the applicant demonstrates a proven ability to operate a vessel of comparable size, capacity and complexity to a riverboat in its application for a license; (v) the applicant designates the docking facilities to be used by the riverboat; (vi) the applicant shows adequate financial ability to construct and maintain a riverboat; (vii) the applicant has a good faith plan to recruit, train and upgrade minorities in all employment classifications; and (viii) the applicant is of good moral character.

The Board may not award a license to any applicant who fails to provide information and documentation to reveal any fact material to qualifications or who supplies information which is untrue or misleading as to a material fact pertaining to the qualification criteria; who has been convicted of or pled nolo contendere to an offense punishable by imprisonment of more than one year; who is currently being prosecuted for or regarding whom charges are pending in any jurisdiction of an offense punishable by more than one year imprisonment; if any holder of 5% or more in the profits and losses of the applicant has been convicted of or pled guilty or nolo contendere to an offense which at the time of conviction is punishable as a felony.

The transfer of a license is prohibited. The sale, assignment, transfer, pledge, or disposition of securities which represent 5% or more of the total outstanding shares issued by a holder of a license is subject to prior Board approval. A security issued by a holder of a license must generally disclose these restrictions.

Section 2501 of the regulations enacted by the Louisiana State Police Riverboat Gaming Division pursuant to the Louisiana Act (the "Regulations") requires prior written approval of the Board of all persons involved in the sale, purchase, assignment, lease, grant or foreclosure of a security interest, hypothecation, transfer, conveyance or acquisition of an ownership interest (other than in a corporation) or economic interest of five percent (5%) or more in any licensee.

Section 2523 of the Regulations requires notification to and prior approval from the Board of the (a) application for, receipt, acceptance or modification of a loan, or the (b) use of any cash, property, credit, loan or line of credit, or the (c) guarantee or granting of other forms of security for a loan by a licensee or person acting on a licensee's behalf. Exceptions to prior written approval apply to any transaction for less than $2,500,000 in which all of the lending institutions are federally regulated, or if the transaction involves publicly registered debt and securities sold pursuant to a firm underwriting agreement.

The failure of a licensee to comply with the requirements set forth above may result in the suspension or revocation of that licensee's gaming license. Additionally, if the Board finds that the individual owner or holder of a security of a corporate license or intermediary company or any person with an economic interest in a licensee is not qualified under the Louisiana Act, the Board may require, under penalty of suspension or revocation of the license, that the person not (a) receive dividends or interest on securities of the corporation,

(b) exercise directly or indirectly a right conferred by securities of the corporation, (c) receive remuneration or economic benefit from the licensee, or (d) continue in an ownership or economic interest in the licensee.

A licensee must periodically report the following information to the Board, which is not confidential and is to be available for public inspection: the licensee's net gaming proceeds from all authorized games; the amount of net gaming proceeds tax paid; and all quarterly and annual financial statements presenting historical data that are submitted to the Board, including annual financial statements that have been audited by an independent certified public accountant.

The Board has adopted rules governing the method for approval of the area of operations and the rules and odds of authorized games and devices permitted, and prescribing grounds and procedures for the revocation, limitation or suspension of licenses and permits.

On April 19, 1996, the Louisiana legislature adopted legislation requiring statewide local elections on a parish-by-parish basis to determine whether to prohibit or continue to permit licensed riverboat gaming, licensed video poker gaming, and licensed land-based gaming in Orleans Parish. The applicable local election took place on November 5, 1996, and the voters in the parishes of Boomtown New Orleans and Casino Magic Bossier voted to continue licensed riverboat and video poker gaming. However, it is noteworthy that the current

legislation does not provide for any moratorium on future local elections on gaming.

Mississippi. The ownership and operation of casino facilities in Mississippi are subject to extensive state and local regulation, but primarily the licensing and regulatory control of the Mississippi Gaming Commission (the "Mississippi Commission") and the Mississippi State Tax Commission (the "Mississippi Gaming Authorities").

The Mississippi Gaming Control Act (the "Mississippi Act"), which legalized dockside casino gaming in Mississippi, was enacted June 29, 1990. Although not identical, the Mississippi Act is similar to the Nevada Gaming Control Act. The Mississippi Commission adopted regulations which are also similar in many respects to the Nevada Gaming Commission's regulations.

The laws, regulations and supervisory procedures of Mississippi and the Mississippi Commission seek to: (i) prevent unsavory or unsuitable persons from having any direct or indirect involvement with gaming at any time or in any capacity; (ii) establish and maintain responsible accounting practices and procedures; (iii) maintain effective control over the financial practices of licensees, including establishing minimum procedures for internal fiscal affairs and safeguarding of assets and revenues, providing reliable record keeping and making periodic reports to the Mississippi Commission; (iv) prevent cheating and fraudulent practices; (v) provide a source of state and local revenues through taxation and licensing fees; and (vi) ensure that gaming licensees, to the extent practicable, employ Mississippi residents. The regulations are subject to amendment and interpretation by the Mississippi Commission. Changes in Mississippi laws or regulations may limit or otherwise materially affect the types of gaming that may be conducted and such changes, if enacted, could have an adverse effect on the Company and the Company's Mississippi gaming operations.

The Mississippi Act provides for legalized dockside gaming at the discretion of the 14 counties that border the Gulf Coast or the Mississippi River, but only if the voters in such counties have not voted to prohibit gaming in that county. During 1998, certain anti-gaming groups proposed for adoption through the initiative and referendum process certain amendments to the Mississippi Constitution. The proposals were declared illegal by Mississippi courts on constitutional and procedural grounds. If another such proposal were to be offered and if a sufficient number of signatures were to be gathered to place a legal initiative on the ballot, it is possible for the voters of Mississippi to consider such a proposal in November of 2000. See "Risk Factors-- Uncertain Status of Mississippi Anti-Gaming Initiative." As of January 1, 1999, dockside gaming was permissible in nine of the fourteen eligible counties in the state and gaming operations had commenced in Adams, Coahoma, Hancock, Harrison, Tunica, Warren and Washington counties. Under Mississippi law, gaming vessels must be located on the Mississippi River or on navigable waters in eligible counties along the Mississippi River or in the waters lying south of the counties along the Mississippi Gulf Coast. The law permits

unlimited stakes gaming on permanently moored vessels on a 24-hour basis and does not restrict the percentage of space which may be utilized for gaming. There are no limitations on the number of gaming licenses which may be issued in Mississippi.

The Company and any subsidiary of the Company (or partnership in which the subsidiary is a partner) that operates a casino in Mississippi (a "Mississippi Gaming Subsidiary"), is subject to the licensing and regulatory control of the Mississippi Commission. The Company must be registered under the Mississippi Act as a publicly traded holding company for the Mississippi Gaming Subsidiaries and is required periodically to submit detailed financial and operating reports to the Mississippi Commission and furnish any other information which the Mississippi Commission may require. If the Company is unable to continue to satisfy the registration requirements of the Mississippi Act, the Company and its Mississippi Gaming Subsidiaries cannot own or operate gaming facilities in Mississippi. Each Mississippi Gaming Subsidiary must maintain a gaming license from the Mississippi Commission to operate a casino in Mississippi. Such licenses are issued by the Mississippi Commission subject to certain conditions, including continued compliance with all applicable state laws and regulations.

Gaming licenses are not transferable, are issued for a two-year period and must be renewed periodically thereafter. Boomtown Biloxi's license must be renewed in July of 2000, Casino Magic Bay St. Louis's license must be renewed in April of 2000, and Casino Magic Biloxi's license must be renewed in December of 2000. No person may become a stockholder of or receive any percentage of profits from a licensed subsidiary of a holding company without first obtaining licenses and approvals from the Mississippi Commission. The Company has

obtained such approvals in connection with the licensing of its Mississippi Gaming Subsidiaries, and the registration of the Company as a publicly-traded holding company.

Certain officers and employees of the Company and the officers, directors and certain key employees of the Company's Mississippi Gaming Subsidiaries must be found suitable or be licensed by the Mississippi Commission. The Company believes that findings of suitability with respect to such persons associated with the Company or its Mississippi Gaming Subsidiaries have been applied for or obtained, although the Mississippi Commission in its discretion may require additional persons to file applications for findings of suitability. In addition, any person having a material relationship or involvement with the Company may be required to be found suitable or licensed, in which case those persons must pay the costs and fees associated with such investigation. The Mississippi Commission may deny an application for a finding of suitability for any cause that it deems reasonable. Changes in certain licensed positions must be reported to the Mississippi Commission. In addition to its authority to deny an application for a finding of suitability, the Mississippi Commission has jurisdiction to disapprove a change in a licensed position. The Mississippi Commission has the power to require any Mississippi Gaming Subsidiary and the Company to suspend or dismiss officers, directors and other key employees or sever relationships with other persons who refuse to file appropriate applications or whom the authorities find unsuitable to act in such capacities.

Employees associated with gaming must obtain work permits that are subject to immediate suspension under certain circumstances. The Mississippi Commission shall refuse to issue a work permit to a person convicted of a felony and it may refuse to issue a work permit to a gaming employee if the employee has committed certain misdemeanors or knowingly violated the Mississippi Act or for any other reasonable cause.

At any time, the Mississippi Commission has the power to investigate and require the finding of suitability of any record or beneficial stockholder of the Company. Mississippi law requires any person who acquires more than 5% of the common stock of a publicly traded corporation registered with the Mississippi Commission to report the acquisition to the Mississippi Commission, and such person may be required to be found suitable. Also, any person who becomes a beneficial owner of more than 10% of the common stock of such a company, as reported to the Securities and Exchange Commission, must apply for a finding of suitability by the Mississippi Commission and must pay the costs and fees that the Mississippi Commission incurs in conducting the investigation. The Mississippi Commission has generally exercised its discretion to require a finding of suitability of any beneficial owner of more than 5% of a registered publicly-traded holding

company's common stock. However, the Mississippi Commission has adopted a policy that permits certain institutional investors to own beneficially up to 10% of a registered public company's stock without a finding of suitability. If a stockholder who must be found suitable is a corporation, partnership or trust, it must submit detailed business and financial information, including a list of beneficial owners.

Any person who fails or refuses to apply for a finding of suitability or a license within 30 days after being ordered to do so by the Mississippi Commission may be found unsuitable. Management believes that compliance by the Company with the licensing procedures and regulatory requirements of the Mississippi Commission will not affect the marketability of the Company's securities. Any person found unsuitable and who holds, directly or indirectly, any beneficial ownership of the securities of the Company beyond such time as the Mississippi Commission prescribes, may be guilty of a misdemeanor. The Company is subject to disciplinary action if, after receiving notice that a person is unsuitable to be a stockholder or to have any other relationship with the Company or its Mississippi Gaming Subsidiaries, the Company: (i) pays the unsuitable person any dividend or other distribution upon the voting securities of the Company; (ii) recognizes the exercise, directly or indirectly, of any voting rights conferred by securities of the Company; (iii) pays the unsuitable person any remuneration in any form for services rendered or otherwise, except in certain limited and specific circumstances; or (iv) fails to pursue all lawful efforts to require the unsuitable person to divest himself of the securities, including, if necessary, the immediate purchase of the securities for cash at a fair market value.

The Company may be required to disclose to the Mississippi Commission upon request the identities of the holders of any of the Company's debt securities, such as the Old Notes, the Exchange Notes and the 9 1/2% Notes. In addition, under the Mississippi Act the Mississippi Commission may, in its discretion, (i) require holders of securities of registered corporations, including debt securities such as the Notes, to file applications, (ii) investigate such holders, and (iii) require such holders to be found suitable to own such

securities. Although the Mississippi Commission generally does not require the individual holders of obligations such as the Notes to be investigated and found suitable, the Mississippi Commission retains the discretion to do so for any reason, including but not limited to a default, or where the holder of the debt instrument exercises a material influence over the gaming operations of the entity in question. Any holder of debt securities required to apply for a finding of suitability must pay all investigative fees and costs of the Mississippi Commission in connection with such an investigation.

Each Mississippi Gaming Subsidiary must maintain in Mississippi a current ledger with respect to ownership of its equity securities, and the Company must maintain in Mississippi a current list of stockholders of the Company which must reflect the record ownership of each outstanding share of any class of equity security issued by the Company. The ledger and stockholder lists must be available for inspection by the Mississippi Commission at any time. If any securities of the Company are held in trust by an agent or by a nominee, the record holder may be required to disclose the identity of the beneficial owner to the Mississippi Commission. A failure to make such disclosure may be grounds for finding the record holder unsuitable. The Company must also render maximum assistance in determining the identity of the beneficial owners.

The Mississippi Act requires that the certificates representing securities of a publicly-traded corporation bear a legend to the general effect that such securities are subject to the Mississippi Act and the regulations of the Mississippi Commission. The Company has received a waiver from this legend requirement from the Mississippi Commission. The Mississippi Commission has the power to impose additional restrictions on the holders of the Company's securities at any time.

Substantially all loans, leases, sales of securities and similar financing transactions by a Mississippi Gaming Subsidiary must be reported to or approved by the Mississippi Commission. A Mississippi Gaming Subsidiary may not make an issuance or a public offering of its securities, but may pledge or mortgage casino facilities. The equity interests of a Mississippi Gaming Subsidiary may not be pledged without the prior approval of the Mississippi Commission. The Company may not make a public offering of its securities without the prior approval of the Mississippi Commission if any part of the proceeds of the offering is to be used to finance the construction, acquisition or operation of gaming facilities in Mississippi or to retire or extend

obligations incurred for one or more such purposes. Such approval, if given, does not constitute a recommendation or approval of the investment merits of the securities subject to the offering.

Changes in control of the Company through merger, consolidation, acquisition of assets, management or consulting agreements or any form of takeover, and certain recapitalizations and stock purchases by the Company, cannot occur without the prior approval of the Mississippi Commission. The Mississippi Commission may also require controlling stockholders, officers, directors and other persons having a material relationship or involvement with the entity proposing to acquire control, to be investigated and licensed as part of the approval process relating to the transaction.

The Mississippi legislature has declared that some corporate acquisitions opposed by management, repurchases of voting securities and other corporate defense tactics that affect corporate gaming licensees in Mississippi and corporations whose stock is publicly traded that are affiliated with those licensees, may be injurious to stable and productive corporate gaming. The Mississippi Commission has established a regulatory scheme to ameliorate the potentially adverse effects of these business practices upon Mississippi's gaming industry and to further Mississippi's policy to: (i) assure the financial stability of corporate gaming operators and their affiliates; (ii) preserve the beneficial aspects of conducting business in the corporate form; and (iii) promote a neutral environment for the orderly governance of corporate affairs. Approvals are, in certain circumstances, required from the Mississippi Commission before the Company may make exceptional repurchases of voting securities in excess of the current market price of its common stock (commonly called "greenmail") or before a corporate acquisition opposed by management may be consummated. Mississippi's gaming regulations will also require prior approval by the Mississippi Commission if the Company adopts a plan of recapitalization proposed by its Board of Directors opposing a tender offer made directly to the shareholders for the purpose of acquiring control of the Company.

Neither the Company nor any subsidiary may engage in gaming activities in Mississippi while also conducting gaming operations outside of Mississippi without approval of the Mississippi Commission. The Mississippi Commission may require determinations that, among other things, there are means for the Mississippi Commission to have access to information concerning the out-of-

state gaming operations of the Company and its affiliates. The Mississippi Commission must approve any future gaming operations of the Company outside Mississippi. The Mississippi Commission has approved the Company's current operations in other jurisdictions but must approve the Company's operations in any new jurisdictions.

If the Mississippi Commission decides that a Mississippi Gaming Subsidiary violated a gaming law or regulation, the Mississippi Commission could limit, condition, suspend or revoke the license of the Mississippi Gaming Subsidiary. In addition, a Mississippi Gaming Subsidiary, the Company and the persons involved could be subject to substantial fines for each separate violation. Because of such a violation, the Mississippi Commission could attempt to appoint a supervisor to operate the casino facilities. Limitation, conditioning or suspension of any gaming license or the appointment of a supervisor could (and revocation of any gaming license would) materially adversely affect the Company and the Mississippi Gaming Subsidiary's gaming operations and the Company's results of operations.

License fees and taxes, computed in various ways depending on the type of gaming involved, are payable to the State of Mississippi and to the counties and cities in which a Mississippi Gaming Subsidiary's respective operations will be conducted. Depending upon the particular fee or tax involved, these fees and taxes are payable either monthly, quarterly or annually and are based upon (i) a percentage of the gross gaming revenues received by the casino operation, (ii) the number of slot machines operated by the casino or (iii) the number of table games operated by the casino. The license fee payable to the State of Mississippi is based upon "gaming receipts" (generally defined as gross receipts less pay outs to customers as winnings) and equals 4% of gaming receipts of $50,000 or less per month, 6% of gaming receipts over $50,000 and less than $134,000 per month, and 8% of gaming receipts over $134,000. The foregoing license fees are allowed as a credit against the licensee's Mississippi income tax liability for the year paid. The gross revenue fee imposed by the Mississippi communities in which the Company's casino operations are located equals approximately 4 percent of the gaming receipts.

In October 1994, the Mississippi Commission adopted two new regulations. Under the first regulation, as condition of licensure or license renewal, casino vessels on the Mississippi Gulf Coast that are not self-propelled must be moored to withstand a Category 4 hurricane with 155 mile-per-hour winds and 15-foot tidal surge. The Company believes that all of its Mississippi Gaming Subsidiaries currently meet this requirement. The second regulation requires as a condition of licensure or license renewal that a gaming establishment's plan include a 500-car parking facility in close proximity to the casino complex and infrastructure facilities, the expenditures for which will amount to at least 25% of the casino cost. Such facilities shall include any of the following: a 250-room hotel of at least a two-star rating as defined by the current edition of the Mobil Travel Guide, a theme park, golf courses, marinas, tennis complex, entertainment facilities, or any other such facility as approved by the Mississippi Commission as infrastructure. Parking facilities, roads, sewage and water systems, or facilities normally provided by cities and/or counties are excluded. The Mississippi Commission may in its discretion reduce the number of rooms required, where it is shown to the Commission's satisfaction that sufficient rooms are available to accommodate the anticipated visitor load. The Company believes that all of its Mississippi Gaming Subsidiaries currently meet such requirements. The Mississippi Commission has recently approved amendments to the regulation that would increase the infrastructure development requirement from 25% to 100% for new casinos (or upon acquisition of a closed casino), but would grandfather existing licensees.

The sale of food or alcoholic beverages at the Mississippi Gaming Subsidiaries is subject to licensing, control and regulation by the applicable state and local authorities. The agencies involved have full power to limit, condition, suspend or revoke any such license, and any such disciplinary action could (and revocation would) have a material adverse effect upon the operations of the affected casino or casinos. Certain officers and managers of the Company and the Mississippi Gaming Subsidiaries must be investigated by the Alcoholic Beverage Control Division of the State Tax Commission (the "ABC") in connection with the Mississippi Gaming Subsidiaries' liquor permits. Changes in licensed positions must be approved by the ABC.

Nevada. The ownership and operation of casino gaming facilities in Nevada are subject to: (i) the Nevada Gaming Control Act and the regulations promulgated thereunder (collectively, "Nevada Act"); and (ii) various local regulations. The Company's gaming operations are subject to the licensing and regulatory control of the Nevada Gaming Commission ("Nevada Commission"), the Nevada State Gaming Control Board ("Nevada Board") and Washoe County. The Nevada Commission, the Nevada Board and Washoe County are collectively referred to as the "Nevada Gaming Authorities."

The laws, regulations and supervisory procedures of the Nevada Gaming Authorities are based upon declarations of public policy which are concerned with, among other things: (i) the prevention of unsavory or unsuitable persons from having a direct or indirect involvement with gaming at any time or in any capacity; (ii) the establishment and maintenance of responsible accounting practices and procedures; (iii) the maintenance of effective controls over the financial practices of licensees, including the establishment of minimum procedures for internal fiscal affairs and the safeguarding of assets and revenues, providing reliable record keeping and requiring the filing of periodic reports with the Nevada Gaming Authorities; (iv) the prevention of cheating and fraudulent practices; and (v) providing a source of state and local revenues through taxation and licensing fees. Changes in such laws, regulations and procedures could have an adverse effect on Boomtown's gaming operations.

Boomtown Hotel & Casino, Inc. (the "Gaming Subsidiary"), which operates Boomtown Reno and two other gaming operations with slot machines only, is required to be licensed by the Nevada Gaming Authorities. The gaming licenses require the periodic payment of fees and taxes and are not transferable. The Company is currently registered by the Nevada Commission as a publicly traded corporation (a "Registered Corporation") and has been found suitable to own the stock of Boomtown, which is registered as an intermediary company ("Intermediary Company"). Boomtown has been found suitable to own the stock of the Gaming Subsidiary, which is a corporate licensee (a "Corporate Licensee") under the terms of the Nevada Act. As a Registered Corporation, the Company is required periodically to submit detailed financial and operating reports to the Nevada Commission and furnish any other information which the Nevada Commission may require. No person

may become a stockholder of, or holder of an interest of, or receive any percentage of profits from an Intermediary Company or a Corporate Licensee without first obtaining licenses and approvals from the Nevada Gaming Authorities. The Company, Boomtown and the Gaming Subsidiary have obtained from the Nevada Gaming Authorities the various registrations, findings of suitability, approvals, permits and licenses required in order to engage in gaming activities in Nevada.

The Nevada Gaming Authorities may investigate any individual who has a material relationship to, or material involvement with, the Company, Boomtown or the Gaming Subsidiary in order to determine whether such individual is suitable or should be licensed as a business associate of a gaming licensee. Officers, directors and certain key employees of the Company, Boomtown and the Gaming Subsidiary must file applications with the Nevada Gaming Authorities and may be required to be licensed or found suitable by the Nevada Gaming Authorities. Officers, directors and key employees of the Company and Boomtown who are actively and directly involved in gaming activities of the Gaming Subsidiary may be required to be licensed or found suitable by the Nevada Gaming Authorities. The Nevada Gaming Authorities may deny an application for licensing for any cause which they deem reasonable. A finding of suitability is comparable to licensing, and both require submission of detailed personal and financial information followed by a thorough investigation. The applicant for licensing or a finding of suitability must pay all the costs of the investigation. Changes in licensed positions must be reported to the Nevada Gaming Authorities and, in addition to their authority to deny an application for a finding of suitability or licensure, the Nevada Gaming Authorities have jurisdiction to disapprove a change in a corporate position.

If the Nevada Gaming Authorities were to find an officer, director or key employee unsuitable for licensing or unsuitable to continue having a relationship with the Company, Boomtown or the Gaming Subsidiary, the companies involved would have to sever all relationships with such person. In addition, the Nevada Commission may require the Company, Boomtown or the Gaming Subsidiary to terminate the employment of any person who refuses to file appropriate applications. Determinations of suitability or of questions pertaining to licensing are not subject to judicial review in Nevada.

The Company and the Gaming Subsidiary are required to submit detailed financial and operating reports to the Nevada Commission. Substantially all material loans, leases, sales of securities and similar financing transactions by the Company, Boomtown and the Gaming Subsidiary must be reported to or approved by the Nevada Commission.

If it were determined that the Nevada Act was violated by the Gaming Subsidiary, the gaming licenses it holds could be limited, conditioned, suspended or revoked, subject to compliance with certain statutory and regulatory procedures. In addition, the Company, Boomtown, the Gaming Subsidiary and the persons involved could be subject to substantial fines for each separate violation of the Nevada Act at the discretion of the Nevada Commission. Further, a supervisor could be appointed by the Nevada Commission

to operate Boomtown Reno and, under certain circumstances, earnings generated during the supervisor's appointment (except for reasonable rental value of the casino) could be forfeited to the State of Nevada. Limitation, conditioning or suspension of the gaming licenses of the Gaming Subsidiary or the appointment of a supervisor could (and revocation of any gaming license would) materially adversely affect the Company's gaming operations.

Any beneficial holder of the Company's voting securities, regardless of the number of shares owned, may be required to file an application, be investigated, and be found suitable as a beneficial holder of the Company's voting securities if the Nevada Commission has reason to believe that such ownership would otherwise be inconsistent with the declared policies of the State of Nevada. The applicant must pay all costs of investigation incurred by the Nevada Gaming Authorities in conducting any such investigation.

The Nevada Act requires any person who acquires beneficial ownership of more than 5% of a Registered Corporation's voting securities to report the acquisition to the Nevada Commission. The Nevada Act requires that beneficial owners of more than 10% of a Registered Corporation's voting securities apply to the Nevada

Commission for a finding of suitability within thirty days after the Chairman of the Nevada Board mails the written notice requiring such filing. Under certain circumstances, an "institutional investor," as defined in the Nevada Act, which acquires more than 10%, but not more than 15%, of a Registered Corporation's voting securities may apply to the Nevada Commission for a waiver of such finding of suitability if such institutional investor holds the voting securities for investment purposes only. An institutional investor shall not be deemed to hold voting securities for investment purposes unless the voting securities were acquired and are held in the ordinary course of business as an institutional investor and not for the purpose of causing, directly or indirectly, the election of a majority of the members of the board of directors of the Registered Corporation, any change in the Registered Corporation's corporate charter, bylaws, management, policies or operations of the Registered Corporation, or any of its gaming affiliates, or any other action which the Nevada Commission finds to be inconsistent with holding the Registered Corporation's voting securities for investment purposes only. Activities which are not deemed to be inconsistent with holding voting securities for investment purposes only include: (i) voting on all matters voted on by stockholders; (ii) making financial and other inquiries of management of the type normally made by securities analysts for informational purposes and not to cause a change in its management, policies or operations; and (iii) such other activities as the Nevada Commission may determine to be consistent with such investment intent. If the beneficial holder of voting securities who must be found suitable is a corporation, partnership or trust, it must submit detailed business and financial information, including a list of beneficial owners. The applicant is required to pay all costs of investigation.

Any person who fails or refuses to apply for a finding of suitability or a license within thirty days after being ordered to do so by the Nevada Commission or the Chairman of the Nevada Board, may be found unsuitable. The same restrictions apply to a record owner if the record owner, after request, fails to identify the beneficial owner. Any stockholder found unsuitable and who holds, directly or indirectly, any beneficial ownership of the common stock beyond such period of time as may be prescribed by the Nevada Commission may be guilty of a criminal offense. The Company is subject to disciplinary action if, after it receives notice that a person is unsuitable to be a stockholder or to have any other relationship with the Company, Boomtown or the Gaming Subsidiary, the Company (i) pays that person any dividend or interest upon voting securities of the Company, (ii) allows that person to exercise, directly or indirectly, any voting right conferred through securities held by that person, (iii) pays remuneration in any form to that person for services rendered or otherwise, or (iv) fails to pursue all lawful efforts to require such unsuitable person to relinquish his voting securities including, if necessary, the immediate purchase of said voting securities for cash at fair market value.

The Nevada Commission may, in its discretion, require the holder of any debt security of a Registered Corporation such as the Old Notes, the Exchange Notes and the 9 1/2% Notes, to file applications, be investigated and be found suitable to own the debt security of a Registered Corporation. If the Nevada Commission determines that a person is unsuitable to own such security, then pursuant to the Nevada Act, the Registered Corporation can be sanctioned, including the loss of its approvals, if without the prior approval of the Nevada Commission, it (i) pays to the unsuitable person any dividend, interest, or any distribution whatsoever; (ii) recognizes any voting right by such unsuitable person in connection with such securities; (iii) pays the unsuitable person remuneration in any form; or (iv) makes any payment to the unsuitable person by way of principal, redemption, conversion, exchange, liquidation, or

similar transaction.

The Company is required to maintain a current stock ledger in Nevada which may be examined by the Nevada Gaming Authorities at any time. If any securities are held in trust by an agent or by a nominee, the record holder may be required to disclose the identity of the beneficial owner to the Nevada Gaming Authorities. A failure to make such disclosure may be grounds for finding the record holder unsuitable. The Company is also required to render maximum assistance in determining the identity of the beneficial owner. The Nevada Commission has the power to require that the Company's stock certificates bear a legend indicating that the securities are subject to the Nevada Act. However, to date the Nevada Commission has not imposed such a requirement on the Company.

The Company is not permitted to make a public offering of its securities without the prior approval of the Nevada Commission if the securities or the proceeds therefrom are intended to be used to construct, acquire or finance gaming facilities in Nevada, or to retire or extend obligations incurred for such purposes. On March 25, 1999, the Nevada Commission granted the Company prior approval to make public offerings for a period of

two years, subject to certain conditions (the "Shelf Approval"). The Shelf Approval also applies to any affiliated company wholly owned by the Company (an "Affiliate"), which is a publicly traded corporation or would thereby become a publicly traded corporation pursuant to a public offering. The Shelf Approval also includes approval for Boomtown and the Gaming Subsidiary to guarantee any security issued by, and for the Gaming Subsidiary to hypothecate its assets to secure the payment or performance of any obligations issued by, the Company or an Affiliate in a public offering under the Shelf Registration. The Shelf Approval also includes approval to place restrictions upon the transfer of and enter into agreements not to encumber the equity securities of Boomtown and the Gaming Subsidiary (collectively, "Stock Restrictions"). The Shelf Approval, however, may be rescinded for good cause without prior notice upon the issuance of an interlocutory stop order by the Chairman of the Nevada Board. The Shelf Approval does not constitute a finding, recommendation or approval of the Nevada Gaming Authorities as to the accuracy or adequacy of the prospectus or the investment merits of the securities offered thereby. Any representation to the contrary is unlawful. The Exchange Offer will constitute a public offering (as defined in the Nevada Act) and will be made pursuant to the Shelf Approval. Any Stock restrictions in respect of the Exchange Notes are covered by the Shelf Approval. Any Stock Restrictions in respect of the Old Notes are not covered by the Shelf Approval and therefore require the prior approval of the Nevada Commission in order to be effective. The Stock Restrictions in respect of the Old Notes were approved by the Nevada Commission on March 25, 1999.

Changes in control of a Registered Corporation through merger, consolidation, stock or asset acquisitions, management or consulting agreements, or any act or conduct by a person whereby he obtains control, may not occur without the prior approval of the Nevada Commission. Entities seeking to acquire control of a Registered Corporation must satisfy the Nevada Board and Nevada Commission in a variety of stringent standards prior to assuming control of such Registered Corporation. The Nevada Commission may also require controlling stockholders, officers, directors and other persons having a material relationship or involvement with the entity proposing to acquire control to be investigated and licensed as part of the approval process relating to the transaction.

The Nevada legislature has declared that some corporate acquisitions opposed by management, repurchases of voting securities and corporate defense tactics affecting Nevada corporate gaming licensees, and Registered Corporations that are affiliated with those operations, may be injurious to stable and productive corporate gaming. The Nevada Commission has established a regulatory scheme to ameliorate the potentially adverse effects of these business practices upon Nevada's gaming industry and to further Nevada's policy to: (i) assure the financial stability of corporate gaming licensees and their affiliates; (ii) preserve the beneficial aspects of conducting business in the corporate form; and (iii) promote a neutral environment for the orderly governance of corporate affairs. Approvals are, in certain circumstances, required from the Nevada Commission before the Registered Corporation can make exceptional repurchases of voting securities above the current market price thereof and before a corporate acquisition opposed by management can be consummated. The Nevada Act also requires prior approval of a plan of recapitalization proposed by the Registered Corporation's Board of Directors in response to a tender offer made directly to the Registered Corporation's stockholders for the purposes of acquiring control of the Registered Corporation.

License fees and taxes, computed in various ways depending on the type of gaming or activity involved, are payable to the State of Nevada and to Washoe County, in which the Gaming Subsidiary's operations are conducted. Depending upon the particular fee or tax involved, these fees and taxes are payable either monthly, quarterly or annually and are based upon either: (i) a percentage of the gross revenues received; (ii) the number of gaming devices operated; or (iii) the number of table games operated. A casino entertainment tax is also paid by casino operations where entertainment is furnished in a cabaret, nightclub, cocktail lounge or casino showroom in connection with the serving or selling of food or refreshments, or the selling of any merchandise.

Any person who is licensed, required to be licensed, registered, required to be registered, or is under common control with such persons (collectively, "Licensees"), and who proposes to become involved in a gaming venture outside of Nevada, is required to deposit with the Nevada Board, and thereafter maintain, a revolving fund in the amount of $10,000 to pay the expenses of investigation by the Nevada Board of such Licensee's participation in such foreign gaming. The revolving fund is subject to increase or decrease in the discretion of the Nevada Commission. Thereafter, Licensees are required to comply with certain reporting requirements imposed by the Nevada Act. Licensees are also subject to disciplinary action by the Nevada

Commission if they knowingly violate any laws of the foreign jurisdiction pertaining to the foreign gaming operation, fail to conduct the foreign gaming operation in accordance with the standards of honesty and integrity required of Nevada gaming operations, engage in activities or enter into associations that are harmful to the State of Nevada or its ability to collect gaming taxes and fees, or employ, contract with, or associate with a person in the foreign operation who has been denied a license or finding of suitability in Nevada on the ground of personal unsuitability.

California. Operation of California card club casinos such as the Hollywood Park-Casino and Crystal Park is governed by the Gambling Control Act (the "GCA") and is subject to the oversight of the California Attorney General and the California Gambling Control Commission. Under the GCA, a California card club casino may only offer certain forms of card games, including Poker, Pai Gow, and California Blackjack. A card club casino may not offer many of the card games and other games of chance permitted in Nevada and other jurisdictions where the Company conducts business.

Although the California Attorney General takes the position that, under the GCA, only individuals, partnerships or privately-held companies (as opposed to publicly-traded companies such as Hollywood Park) are eligible to operate card club casinos, the 1995 enactment of California Senate Bill 100 ("SB-100") and the subsequent enactment of SB-8 permit a publicly-owned racing association to own and operate a card club casino if it also owns and operates a race track on the same premises.

Pursuant to the GCA, the operator of a card club casino, and its officers, directors and certain stockholders are required to be registered by the Attorney General and licensed by the municipality in which it is located. In September 1995, the Attorney General granted Hollywood Park a provisional registration under SB-100 to operate the Hollywood Park-Casino which was renewed effective January 1, 1999. A permanent registration will not be granted until the California Department of Justice completes its review of the applications of Hollywood Park and its corporate officers and directors. The Attorney General has broad discretion to deny a gaming registration and may impose reasonably necessary conditions upon the granting of a gaming registration. Grounds for denial include felony convictions, criminal acts, convictions involving dishonesty, illegal gambling activities, and false statements on a gaming application. Such grounds also generally include having a financial interest in a business or organization that engages in gaming activities that are illegal under California law; however, this provision contains an exception for publicly-traded racing associations such as Hollywood Park. In addition, the Attorney General possesses broad authority to suspend or revoke a gaming registration on any of the foregoing grounds, as well as for violation of any federal, state or local gambling law, failure to take reasonable steps to prevent dishonest acts or illegal activities on the premises of the card club casino, failure to cooperate with the Attorney General in its oversight of the card club casino and failure to comply with any condition of the registration.

Hollywood Park's operations at the Hollywood Park-Casino are also regulated by a City of Inglewood ordinance (the "Inglewood Ordinance"). The Inglewood Ordinance provides for a single card club casino located on the premises of the Hollywood Park Race Track and requires Hollywood Park, as the operator of the Hollywood Park-Casino, to be licensed by the City of Inglewood and to obtain a card club operations certificate. The Inglewood City Council has approved

Hollywood Park's application for a gaming license and on August 21, 1996 Hollywood Park was granted the required card club operations certificate. Hollywood Park's city gaming license and operations certificate are valid for five years unless revoked, suspended or surrendered, and are renewable annually thereafter.

In addition to Hollywood Park, the Inglewood Ordinance also requires all employees, each beneficial owner of at least 10% of the outstanding Hollywood Park common stock, and certain key employees of Hollywood Park to have either a permit or a valid registration from the City of Inglewood. The license to operate the card club casino may be suspended or revoked if such a stockholder or employee fails to obtain a permit. Without the prior consent of the City of Inglewood, a 10% stockholder may not transfer or sell its Hollywood Park shares to any person who is, or by reason of such transaction would become, a 10% stockholder. These licensing requirements and transfer restrictions apply to all 10% stockholders of

Hollywood Park, and no waiver from such requirements or restrictions are provided for institutional or other investors who purchase for investment purposes only.

The City of Compton has granted the operator of Crystal Park all municipal gaming licenses necessary for operation of Crystal Park, and the operator has received a provisional registration from the California Department of Justice.

The California Horse Racing Board ("CHRB") has jurisdiction and supervision over all horse race meets in the State of California. Licenses granted by the CHRB must be obtained annually by Hollywood Park in order to conduct both the Spring/Summer and Autumn race meets. The CHRB has the authority, when granting any license, to vary the number of weeks allocated to any applicant and the time of year in which such allocation falls. The CHRB may, at its discretion, refuse to issue a license to a race track operator such as Hollywood Park that has a financial interest in another licensed race track operation or in the conduct of horse racing meets by any other person at any other race track in California. Although no future assurance can be given, Hollywood Park has applied for and received a license to conduct thoroughbred horse race meets every year since 1938, except for 1942 and 1943 due to wartime activities.

Indiana. On September 14, 1998, the Indiana Gaming Commission ("Indiana Commission") voted to award a Certificate of Suitability to Pinnacle Gaming Development Corporation ("Indiana Affiliate"), ninety-seven percent (97%) of the equity of which is owned and controlled by affiliates of the Company. The Certificate of Suitability authorizes the Indiana Affiliate to develop a $148,000,000 riverboat gaming resort, including a hotel and golf course, in Switzerland County, Indiana. Upon completion of development of the project in accordance with the Certificate of Suitability and satisfaction of other conditions, the Indiana Commission is expected to issue a license to the Indiana Affiliate. That license would be the fifth and final license authorized under Indiana law for riverboat gaming operations conducted from sites on the Ohio River.

The ownership and operation of riverboat casinos docked at Indiana-based sites are subject to extensive state regulation under the Indiana Riverboat Gaming Act ("Indiana Act") and regulations which the Indiana Commission has adopted under the Indiana Act. The Indiana Act and the regulations adopted to date are significant to the Company's prospects for successfully developing and operating the Switzerland County, Indiana based riverboat casino and associated developments through its Indiana affiliate.

The Indiana Act extends broad and pervasive regulatory powers and authority to the Indiana Commission. The Indiana Commission has adopted a comprehensive set of regulations covering ownership and reporting for licensed riverboat casinos together with "rules of the game" governing the actual operation of riverboat casinos. The Indiana Commission has also adopted a set of regulations under the Indiana Act which covers numerous operational matters concerning riverboat casinos licensed by the Commission.

Among the regulations adopted by the Indiana Commission is one dealing with riverboat excursions, routes and public safety. The Indiana Act requires licensed riverboat casinos to be cruising vessels and the regulations carry out the legislative intent with appropriate recognition of public safety needs. The regulations explicitly preclude "dockside gambling." Riverboat gaming excursions are limited to a duration of up to four hours unless otherwise expressly approved by the Indiana Commission. All excursion routes and schedules are subject to the approval of the Indiana Commission. No gaming may be conducted while the boat is docked except: (1) for thirty-minute embarkment and disembarkment periods at the beginning and end of a cruise; (2) if the master of the riverboat reasonably determines that specific weather or water conditions present a danger to the riverboat, its passengers and crew; (3) if

either the vessel or the docking facility is undergoing mechanical or structural repair; (4) if water traffic conditions present a danger to the riverboat, riverboat passengers and crew, or to other vessels on the water, or (5) if the master has been notified that a condition exists that would cause a violation of Federal law if the riverboat were to cruise.

For Ohio River excursions, such as those the Indiana Affiliate will conduct from its Switzerland County development, "full excursions" must be conducted at all times during the year unless the master determines

otherwise, for the above-stated reasons. A "full excursion" is a cruise on the Ohio River. The Ohio River has waters in both Indiana and Kentucky. The Company believes there is ample room to cruise fully in Indiana waters on the Ohio River with no need or likelihood of entering Kentucky waters. Therefore, the provisions of Kentucky law (which preclude any kind of casino gaming) will not have any impact on the Company's prospective Indiana operations.

An Indiana riverboat owner's license has an initial effective period of five years; thereafter, a license is subject to annual renewal. The Indiana Commission has broad discretion over the initial issuance of licenses and over the renewal, revocation, suspension and control of riverboat owner's licenses. The Indiana affiliate has received a Certificate of Suitability designed to lead to issuance of a license upon completion of project development and satisfaction of various conditions. The Indiana Act requires a reinvestigation after three years to ensure the owner continues to be in compliance with the Indiana Act. Officers, directors and principal owners of the actual license holder and employees who are to work on the riverboat are subject to substantial disclosure requirements as a part of securing and maintaining necessary licenses. Significant contracts to which the Indiana Affiliate is party are subject to disclosure and approval processes imposed by the regulations. A riverboat owner's licensee may not enter into or perform any contract or transaction in which it transfers or receives consideration which is not commercially reasonable or which does not reflect the fair market value of the goods or services rendered or received. All contracts are subject to disapproval by the Indiana Commission. Suppliers of gaming equipment and materials must also be licensed under the Indiana Act.

Licensees are statutorily required to disclose to the Indiana Commission the identity of all directors, officers and persons holding direct or indirect beneficial interests of 1% or greater. The Indiana Commission also requires a broad and comprehensive disclosure of financial and operating information on licensees and their principal officers, and those parent corporations and other upstream owners. The Company and the Indiana Affiliate have provided full information and documentation to the Indiana Commission. As part of the process leading up to the issuance of the Certificate of Suitability they must continue to do so until issuance of the license and then throughout the period of licensure. The Indiana Act prohibits contributions to a candidate for a state, legislative, or local office, or to a candidate's committee or to a regular party committee by the holder of a riverboat owner's license or a supplier's license, by an officer of a licensee, by an officer of a person that holds at least a 1% interest in the licensee or by a person holding at least a 1% interest in the licensee. The Indiana Commission has promulgated a rule requiring quarterly reporting by such licensees, officers, and persons.

As a condition to receiving a license to conduct riverboat casino operations from the Indiana Commission, the Company will be required to obtain permits and approvals from the United States Army Corp of Engineers to develop the facilities it will use to conduct operations. Clearances will be required to be received from the Indiana Department of Natural Resources for portions of the proposed development. Alcoholic beverage permits for riverboat excursions and for the hotel and boarding facilities will be required as will various other permits and governmental consents or clearances.

Adjusted gross receipts from gambling games authorized under the Indiana Act are subject to a tax at the rate of 20% on adjusted gross receipts. "Adjusted gross receipts" means the total of all cash and property received from gaming operations less cash paid out as winnings and uncollectible gaming receivables (not to exceed 2%). The Indiana Act also prescribes an additional tax for admissions, based upon $3 per person per excursion. Property taxes may be imposed on riverboats at rates determined by local taxing authorities. Income to the Company from the Indiana Affiliate will be subject to the Indiana gross income tax, the Indiana adjusted gross income tax and the Indiana supplemental corporate net income tax. Sales on a riverboat and at related resort facilities are subject to applicable use, excise and retail taxes. The Indiana Act requires a riverboat owner licensee to directly reimburse the Indiana Commission for the costs of inspectors and agents required to be present while authorized gaming is conducted.

Through the establishment of purchasing "goals," the Indiana Act encourages

minority and women's business enterprise participation in the riverboat gaming industry. Any person issued a riverboat owner's

license must establish goals of at least 10% of the total dollar value of the licensee's contracts for goods and services with minority business enterprises and 5% of the total dollar value of the licensee's contracts for goods and services with women's business enterprises. Compliance with these conditions is incorporated into the Indiana Affiliate's Certificate of Suitability. The Indiana Commission may suspend, limit or revoke the owner's license or impose a fine for failure to comply with the statutory requirements.

Minimum and maximum wagers on games on the riverboat are left to the discretion of the licensee. Wagering may not be conducted with money or other negotiable currency. There are no statutory restrictions on extending credit to patrons; however, the matter of credit may come under scrutiny in future legislative sessions.

If an institutional investor acquires 5% or more of any class of voting securities of a holding company of a licensee, the investor is required to notify the Indiana Commission and to provide additional information, and may be subject to a finding of suitability. Any other person who acquires 5% or more of any class of voting securities of a holding company of a licensee is required to apply to the Indiana Commission for a finding of suitability. A riverboat licensee or an affiliate may not enter into a debt transaction of $1 million or more without approval of the Indiana Commission. The Indiana Commission has taken the position that a "debt transaction" includes increases in maximum amount available under reducing revolving credit facilities. A riverboat owner's license is a revocable privilege and is not a property right under the Indiana Act. A riverboat owner licensee or any other person may not lease, hypothecate, borrow money against or loan money against or otherwise scrutinize or monetize a riverboat owner's license.

The Governor of Indiana has appointed a study commission on the impact of legalized wagering in Indiana. Its work product may result in calls for changes to the legislative landscape surrounding gaming in Indiana.

Arizona. The Arizona Racing Commission ("ARC") has jurisdiction and supervision over all racing activities in the State of Arizona. The ARC issues live racing permits that are valid for three years, and off-track permits are granted on a year to year basis. In June 1997, Turf Paradise received a live racing permit from the ARC, which will remain in force through the 1999/2000 race year. The permit specifies that live racing may be conducted between the first week of September through the third week of May and that, so long as there is live racing at Turf Paradise at least five days a week, Turf Paradise may have simulcast wagering on days when there is no live racing.

Argentina. The Provincial Government of Neuquen, Argentina enacted a casino privatization program to issue twelve-year exclusive concession agreements to operate existing casinos. The Company's two casinos are the only casinos in the province of Neuquen, in west central Argentina, and are located in Neuquen City and San Martin de los Andes. The casinos had previously been operated by the provincial government. The Ministry of Finance of Argentina has adopted a modified regulatory system for casinos, based on the regulatory system utilized by the State of Nevada, and such regulatory system is being administered by the Provincial Government of Neuquen. The Company cannot predict what effect the enactment of other laws, regulations or pronouncements relating to casino operations may have on the operations of Casino Magic Argentina.

Litigation

Poulos Lawsuit. A class action lawsuit was filed on April 26, 1994, in the United States District Court, Middle District of Florida (the "Poulos Lawsuit"), naming as defendants 41 manufacturers, distributors and casino operators of video poker and electronic slot machines, including Casino Magic. The lawsuit alleges that the defendants have engaged in a course of fraudulent and misleading conduct intended to induce people to play such games based on false beliefs concerning the operation of the gaming machines and the extent to which there is an opportunity to win. The suit alleges violations of the Racketeer Influenced and Corrupt Organization Act, as well as claims of common law fraud, unjust enrichment and negligent misrepresentation, and seeks damages in excess of $6 billion. On May 10, 1994, a second class action lawsuit was filed in the

United States District Court, Middle District of Florida (the "Ahern Lawsuit"), naming as defendants the same defendants who were named in the Poulos Lawsuit and adding as defendants the owners of certain casino operations in Puerto Rico

and the Bahamas, who were not named as defendants in the Poulos Lawsuit. The claims in the Ahern Lawsuit are identical to the claims in the Poulos Lawsuit. Because of the similarity of parties and claims, the Poulos Lawsuit and Ahern Lawsuit were consolidated into one case file in the United States District Court, Middle District of Florida. On December 9, 1994 a motion by the defendants for change of venue was granted, transferring the case to the United States District Court for the District of Nevada, in Las Vegas. In an order dated April 17, 1996, the court granted motions to dismiss filed by Casino Magic and other defendants and dismissed the Complaint without prejudice. The plaintiffs then filed an amended Complaint on May 31, 1996 seeking damages against Casino Magic and other defendants in excess of $1 billion and punitive damages for violations of the Racketeer Influenced and Corrupt Organizations Act and for state common law claims for fraud, unjust enrichment and negligent misrepresentation. Casino Magic and other defendants have moved to dismiss the amended Complaint. Casino Magic believes that the claims are without merit and does not expect that the lawsuit will have a material adverse effect on the financial condition or results of operations of Casino Magic.

Casino America Litigation. On or about September 6, 1996, Casino America, Inc. commenced litigation in the Chancery Court of Harrison County, Mississippi, Second Judicial District, against Casino Magic, and James Edward Ernst, its Chief Executive Officer, seeking injunctive relief and unspecified compensatory damages in an amount to be proven at trial as well as punitive damages. The plaintiff claims, among other things, that the defendants (i) breached the terms of an agreement they had with the plaintiff, (ii) tortiously interfered with certain of the plaintiff's business relations; and (iii) breached covenants of good faith and fair dealing they allegedly owed to the plaintiff. On or about October 8, 1996, the defendants interposed an answer, denying the allegations contained in the Complaint. The discovery phase of this litigation is continuing and a trial date was initially set for August 1998, but was postponed to mid-1999 after the plaintiff requested a continuance. While Casino Magic's management cannot predict the outcome of this action, it believes plaintiff's claims are without merit and intends to vigorously defend this action.

Astoria Entertainment, Inc. v. Edwin W. Edwards, et als., United States District Court for the Eastern District of Louisiana, No. 98-3359. This civil action was filed on November 12, 1998 in federal district court in New Orleans against 21 defendants, including Edwin W. Edwards, Stephen Edwards, Edward J. Debartolo, Jr., Debartolo Entertainment Louisiana Gaming, Inc., Hollywood Casino Corporation, Boyd Kenner, Inc., Treasure Chest Casino, L.L.C., five members of the former Louisiana Riverboat Gaming Commission, Hollywood Park, Inc., Louisiana Gaming Enterprises, Inc., and Robert List (the latter three hereafter are referred to as the "Hollywood Park/Boomtown defendants"). The complaint alleges violations of the Racketeer Influenced and Corrupt Organizations ("RICO") Act in connection with the awarding of riverboat gaming licenses in Louisiana. The plaintiff, Astoria Entertainment, Inc. ("Astoria"), contends that it has sustained damages due to alleged racketeering activities of the defendants, allegedly resulting in corruption of the licensing process and Astoria's failure to receive a license for riverboat gaming in, inter alia, the West Bank of Jefferson Parish (suburban New Orleans). The Complaint seeks damages of "not less than $340 million," plus treble damages, costs, and attorneys' fees. On January 15, 1999, the Hollywood Park/Boomtown defendants filed a motion to dismiss Astoria's Complaint for failure to state a claim against those defendants. Astoria voluntarily dismissed its complaint, without prejudice, on February 2, 1999 as to many of the defendants, including the three Hollywood Park/Boomtown defendants.

Astoria Entertainment Inc. v. Edward J. DeBartolo, Jr., et als., Civil District Court for the Parish of Orleans, State of Louisiana, No. 98-20315. This action was filed on or about December 1, 1998 in state district court in New Orleans against twelve defendants, including Edward J. Debartolo, Jr., Debartolo Entertainment Louisiana Gaming, Inc., Hollywood Casino Corporation, Robert Guidry, Boyd Gaming, Inc., Boyd Kenner, Inc., Treasure Chest Casino, L.L.C., Hollywood Park, Inc., Robert List, Louisiana Gaming Enterprises, Inc., Boomtown, Inc., and Louisiana-I Gaming, L.P. (the latter five hereafter are referred to as the "Hollywood Park/Boomtown defendants"). The petition seeks damages against the Hollywood

Park/Boomtown defendants and others "in excess of $300 million" for alleged "intentional interference with economic advantage and/or prospective economic advantage" and alleged "unjust enrichment" in connection with the licensing of riverboat gaming in Louisiana. The plaintiff, Astoria Entertainment, Inc. ("Astoria"), alleges that the defendants were obligated to refrain from intentional acts that would interfere with Astoria's alleged ability to obtain a license for riverboat gaming in the West Bank of Jefferson Parish (suburban New Orleans) and that the Hollywood Park/Boomtown defendants breached the obligation by participating in alleged unlawful practices designed to gain an

improper advantage in obtaining a certificate of preliminary approval and license for such riverboat gaming. The petition was not served upon any of the Hollywood Park/Boomtown defendants until December 21, 1998, and an extension of time within which to file responsive pleadings through and including February 4, 1999 was obtained. On February 4, 1999, the Hollywood Park/Boomtown defendants filed the Louisiana state court equivalent of a motion to dismiss for failure to state a claim and improper venue. On March 5, 1999, Astoria voluntarily dismissed, without prejudice, all claims asserted against the Hollywood Park/Boomtown defendants.

MANAGEMENT

Directors and Executive Officers

Each of the executive officers of Hollywood Park, Inc. holds office at the pleasure of the Board of Directors. The current directors and executive officers of Hollywood Park, Inc. are as follows:

Name	Age	Position
R.D. Hubbard	63	Chairman of the Board and Chief Executive Officer
J.R. Johnson	78	Director
Robert T. Manfuso	61	Director
Michael Ornest	41	Director
Timothy J. Parrott	50	Director
Lynn P. Reitnouer	66	Director
Herman Sarkowsky	73	Director
Marlin Torguson	54	Director
Warren B. Williamson	70	Director
G. Michael Finnigan	50	President and Chief Executive Officer of Realty Investment Group, Inc., a subsidiary of Hollywood Park; and Chief Financial Officer
Paul R. Alanis	50	President and Chief Operating Officer
J. Michael Allen	51	Senior Vice President/Chief Operating Officer of Gaming Operations
Donald M. Robbins	51	Secretary; and President of Racing of Hollywood Park Operating Company

Mr. Hubbard has been a Director of the Company since 1990; Chairman of the Board and Chief Executive Officer of the Company since September 1991; Chairman of the Board and Chief Executive Officer, Hollywood Park Operating Company since February 1991; President, Hollywood Park Operating Company from February to July 1991; Chairman, AFG Industries, Inc. and its parent company, Clarity Holdings Corp. (glass manufacturing), and director of AFG Industries, Inc.'s subsidiaries, from 1978 to July 1993; Chairman of the Board (and 60% stockholder until March 1994), Sunflower (The Woodlands Race Tracks--greyhound racing and horse racing) from 1988 to March 1994; President, Director, and majority owner, Ruidoso Downs Racing, Inc. (horse racing) since 1988; Chairman of the Board, Chief Executive Officer and sole stockholder, Multnomah Kennel Club, Inc. (greyhound racing) from December 1991 to April 1998; owner and breeder of numerous thoroughbreds and quarter horses since 1962.

Mr. Johnson has been a Director of the Company since 1991; Director, Hollywood Park Operating Company from February 1991 to January 1992; Chairman, President and Chief Executive Officer, NEWMAR (marine electronics manufacturing) since 1980; Director, Logicon, Inc. (defense oriented intelligence); Trustee, Westminster College.

Mr. Manfuso has been a Director of the Company since 1991; Director, Hollywood Park Operating Company from February 1991 to January 1992; Co-Chairman of the Board, Laurel Racing Association (horse race track management) from 1984 to February 1994; Vice Chairman of the Board, The Maryland Jockey

Club (horse racing) from 1986 to February 1994; Executive Vice President, Laurel Racing Association from 1984 to May 1990; Executive Vice President, The Maryland Jockey Club from 1986 to June 1990; Director, Maryland Horse Breeders Association from 1984 to 1992 and since 1993; Member, Executive Committee, Maryland Million since 1991.

Mr. Ornest has been a director of the Company since October 1998 and his family has been a shareholder of the Company since 1962; Director of the Ornest Family Partnership since 1983; Director of the Ornest Family Foundation since 1993; Director of the Toronto Argonauts Football Club from 1988 to 1990; President of the St. Louis Arena and Vice President of the St. Louis Blues Hockey Club from 1983 to 1986 and Managing Director of the Vancouver Canadians Baseball Club, Pacific Coast League from 1979 to 1980.

Mr. Parrott has served as a Director of the Company since June 1997; Chairman of the Board and Chief Executive Officer, Boomtown, Inc. from September 1992 to October 1998; President and Treasurer, Boomtown, Inc. from June 1987 to September 1992; Director, Boomtown, Inc. since 1987; Chairman of the Board and Chief Executive Officer, Boomtown Hotel & Casino, Inc. since May 1988; Chief Executive Officer, Parrott Investment Company (a family-held investment company with agricultural interests in California) since April 1995; Director, The Chronicle Publishing Company since April 1995.

Mr. Reitnouer has been a Director of the Company since 1991; Director, Hollywood Park Operating Company from September 1991 to January 1992; Partner, Crowell Weedon & Co. (stock brokerage) since 1969; Director (Chairman of the Board), COHR, Inc. since 1986; Director, President, Forest Lawn Memorial Parks Association since 1975; Trustee, University of California Santa Barbara Foundation since 1992 (and Chairman in 1997 and 1998).

Mr. Sarkowsky has been a Director of the Company since 1991; Director, Hollywood Park Operating Company from February 1991 to January 1992; Owner, Sarkowsky Investment Corporation and SPF Holding, Inc. (real estate development and investments) since 1980; Director, The Sarkowsky Foundation (charitable foundation) since 1982; thoroughbred horse breeder and owner since 1959; Director, Synetics, Inc. (porous plastic manufacturing); Director, Eagle Hardware & Garden, since 1990.

Mr. Torguson served as the Chairman of the Board of Casino Magic from December 1, 1994 until the Company acquired Casino Magic. Mr. Torguson was President and Chief Executive Officer of Casino Magic from April 1992 through November 1994. From April 1992 to February 1993, Mr. Torguson also served as the Chief Financial Officer and Treasurer of Casino Magic. Mr. Torguson was a 50 percent owner and a Vice President of G.M.T. Management Co. from December 1983 to December 1994. G.M.T. Management Co. was responsible for the operation and management of Jackpot Junction Casino, located in Morton, Minnesota, from December 1983 until January 1, 1992.

Mr. Williamson has been a Director of the Company since 1991; Vice President and Secretary of the Company from September 1991 to August 1996; Chairman of the Board and Chief Executive Officer of the Company from 1989 to September 1991; Director, Hollywood Park Operating Company since 1985; Vice President and Secretary, Hollywood Park Operating Company from February 1991 to August 1996; Secretary and Treasurer, Hollywood Park Operating Company from 1985 to November 1990; Chairman of Chandler Trusts since 1985; Director, Times Mirror Company; Trustee, Hospital of the Good Samaritan; Trustee, California Thoroughbred Breeders Foundation; Trustee, Claremont McKenna College; Chairman Emeritus, Art Center College of Design; breeder and racer of thoroughbreds since 1970.

Mr. Finnigan has served as the President and Chief Executive Officer of Realty Investment Group, Inc., a wholly-owned subsidiary of the Company which conducts all of the Company's real estate business and related development activities, since December 1998. He has also served as the Chief Financial Officer and Executive Vice President of the Company and of Hollywood Park Operating Company since March 1989. Mr. Finnigan served as the Company's President, Sports and Entertainment, from January 1996 to December 1998; President, Gaming and Entertainment from February 1994 to January 1996; and Treasurer of the Company and of Hollywood Park Operating Company since March 1992; Chairman of the Board, Southern California Special Olympics since 1996; Chairman of the Board, Centinela Hospital since 1996; and Director, Shoemaker Foundation since 1993.

Mr. Alanis has served as the President and Chief Operating Officer since January 1999. Mr. Alanis served as President of Horseshoe Gaming, Inc., which is the manager and a member of Horseshoe Gaming, L.L.C., and of Horseshoe GP, Inc., a wholly-owned subsidiary of Horseshoe Gaming, L.L.C. from January 1996

to December 1998; President, KII-Pasadena, Inc. since December 1988; President, Koar International, Inc. from 1991 until 1995.

Mr. Allen has served as the Company's Senior Vice President, Gaming Operations, since January 1999. Mr. Allen served as Senior Vice President of Horseshoe Gaming, Inc. from October 1, 1995 to December 31, 1998 and prior to that as General Manager of the Horseshoe Casino Center from May 1994. Prior to that, Mr. Allen served as Principal of Gaming Associates, Inc. from September 1992.

Mr. Robbins has served as Secretary of the Company since 1996 (formerly Assistant Secretary since September 1991). He has also served as President of Racing of Hollywood Park Operating Company since February 1994, Executive Vice President of Hollywood Park Operating Company since 1988, and Secretary of Hollywood Park Operating Company since July 1991. Mr. Robbins served as President of the Company from September 1991 to December 1998; General Manager, Hollywood Park Operating Company from 1986 to February 1994.

Executive Compensation

The following tables summarize the annual and long-term compensation of, and stock options held by, Hollywood Park's Chief Executive Officer and the two additional most highly compensated executive officers whose annual salaries and bonuses exceeded $100,000 in total during the fiscal year ended December 31, 1998 (collectively, the "Named Officers").

Summary Compensation Table

<TABLE>
<CAPTION>

		Annual Compensation			Long Term Compensation Awards	
Name and Principal Position	Year	Salary ($)	Bonus ($)	Other Annual Compensation	Securities Underlying Options/ SARs (#)	All Other Compensation
<S>	<C>	<C>	<C>	<C>	<C>	<C>
R.D. Hubbard	1998	$500,000	$160,000	$0	50,000	$ 2,370(a)
Chairman of the Board	1997	400,000	40,235	0	45,000	4,740
and Chief Executive	1996	400,000	0	0	85,000	0
Officer						
G. Michael Finnigan	1998	$307,600	$ 75,000	$0	35,000	$23,633(b)
President, Sports and	1997	307,608	0	0	25,000	3,555
Entertainment,	1996	262,608	25,000	0	40,000	0
Executive						
Vice President,						
Treasurer, Chief						
Financial Officer						
Donald M. Robbins	1998	$295,000	$ 35,000	$0	15,000	$30,484(c)
President of Hollywood	1997	295,008	0	0	25,000	3,373
Park, Inc., President	1996	250,008	25,000	0	40,000	0
of Racing and						
Secretary						

</TABLE>

(a) Reflects Company matching contributions under the Hollywood Park 401(k) Plan.

(b) Includes Company matching contribution under the Hollywood Park 401(k) Plan of $2,370, and $21,262 of distribution related to the termination of the Company's Supplemental Executive Retirement Plan

(c) Includes Company matching contribution under the Hollywood Park 401(k) Plan of $2,249, and $28,235 of distribution related to the termination of the Company's Supplemental Executive Retirement Plan.

On January 1, 1999, the Company appointed Paul Alanis as President and Chief Operating Officer and Michael Allen as Senior Vice President and Chief Operating Officer of the Company's Gaming Division. Mr. Alanis' annual base salary will be $600,000 and Mr. Allen's will be $400,000. Mr. Alanis and Mr. Allen were granted stock options to purchase 400,000 and 200,000 shares, respectively, on September 10, 1998, but they were not eligible to exercise any of the options until January 1, 1999.

Stock Option Plans. In 1993 and 1996, the stockholders of Hollywood Park adopted Stock Options Plans, which provided for the issuance of up to 625,000 and 900,000 shares of Hollywood Park common stock upon exercise of the options, respectively. Except for the provisions governing the number of shares issuable thereunder, and except for certain provisions which reflect changes in tax and securities laws, the provisions of the Stock Option Plans are substantially similar. The Hollywood Park Stock Option Plans are administered and terms of option grants are established by the Compensation Committee of the Board of Directors. Under the Hollywood Park Stock Option Plans, options alone or coupled with stock appreciation rights may be granted to selected key employees, directors, consultants and advisors of Hollywood Park. Options become exercisable according to a vesting period as determined by the Compensation Committee at the date of grant, and expire on the earlier of one month after termination of employment, six months after the death or permanent disability of the optionee, or the expiration of the fixed option term set by the Compensation Committee at the grant date (not to exceed ten years from the grant date). The exercise prices of all options granted under the Hollywood Park Stock Options Plans are determined by the Compensation Committee on the grant date, provided that the exercise price of an incentive stock option may not be less than the fair market value of the common stock at the date of grant.

As of December 31, 1998, all of the 625,000 shares eligible for issuance under the 1993 Stock Option Plan had either been issued or were subject to outstanding options, and of the 900,000 shares eligible for issuance under the 1996 Stock Option Plan, 260,688 were subject to outstanding options. In addition, 968,111 and 303,924 shares of Hollywood Park common stock are issuable upon exercise of options granted under pre-merger plans of Boomtown and Casino Magic, respectively, which Hollywood Park assumed in each Merger, Hollywood Park has filed registration statements with the Securities and Exchange Commission covering an aggregate of 2,883,215 shares of Hollywood Park common stock issuable upon exercise of options granted under the Hollywood Park Stock Option Plans, the Stock Option Plans of Boomtown and the Stock Option Plans of Casino Magic.

Options/SAR Grants In Last Fiscal Year. The following table summarizes the option grants to Named Officers and Messrs. Alanis and Allen during the year ended December 31, 1998:

<TABLE>
<CAPTION>

	Individual Grants					
	Number of Securities Underlying Options/SARs Granted (#)	Percent of Total Options/ SARs Granted to Employees in Fiscal Year	Exercise of Base Price ($/Sh)	Expiration Date	Potential Realizable Value of Assumed Annual Rates of Stock Price Appreciation for Option Term	
Name					5% ($)	10% ($)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
R.D. Hubbard.....	50,000	5%	$13.6250	Feb 3, 2008	$ 428,000	$1,086,000
G. Michael Finnigan.....	35,000	3%	13.6250	Feb. 3, 2008	300,000	760,000
Paul R. Alanis.....	300,000	29%	10.1875	Sept. 10, 2008	1,922,000	4,871,000
	100,000	10%	18.0000	Sept. 10, 2008	0	842,000
J. Michael Allen.....	150,000	14%	10.1875	Sept. 10, 2008	961,000	2,435,000
	50,000	5%	18.0000	Sept. 10, 2008	0	421,000
Donald M. Robbins.....	15,000	1%	13.6250	Feb. 3, 2008	129,000	326,000

</TABLE>

Aggregated Options/SAR Exercises in Last Fiscal Year and Fiscal Year-End Options/SAR Values. The following table sets forth information with respect to the exercise of stock options during the year ended December 31, 1998, and the final year end value of unexercised options. None of the Named Officers exercised, nor held, stock appreciation rights during the year ended December 31, 1998.

<TABLE>
<CAPTION>

		Number of Securities	Value of Unexercised In-the Money

Name	Shares Acquired On Exercise (#)	Value Realized ($)	Underlying Options/SARs At Fiscal Year-End (#) Exercisable/Unexercisable	Option/SARs At Fiscal Year-End ($) Exercisable/ Unexercisable (a)
<S>	<C>	<C>	<C>	<C>
R.D. Hubbard.....	0	$0	71,688/108,332	$0/$0
G. Michael Finnigan.....	0	0	60,001/64,999	$0/$0
Paul R. Alanis.....	0	0	100,000/300,000	$0/$0
J. Michael Allen.....	0	0	50,000/150,000	$0/$0
Donald M. Robbins.....	0	0	60,001/44,999	$0/$0

(a) Represents the difference between the market price of Hollywood Park Common Stock on December 31, 1998, and the exercise price of the options.

Pension Plan

	Years of Qualified Service				
Final Average Annual Salary	10	15	20	25	30
<S>	<C>	<C>	<C>	<C>	<C>
$100,000.....	$24,745	$37,118	$49,490	$61,863	$66,863
$150,000 to $500,000 (a).....	37,995	56,993	75,990	94,988	102,488

(a) Under current provisions of the Internal Revenue Code, the maximum average salary that may be used in calculating retirement benefits in 1996 was $150,000. Benefits accrued on April 1, 1994 (based on prior compensation limits) are grandfathered. Pension benefits were frozen as of September 1, 1996, for all plan participants, except retained participants, whose benefits were frozen as of December 31, 1996.

Hollywood Park elected to terminate the Hollywood Park Pension Plan (the "Pension Plan") as of January 31, 1997. Accrued Pension Plan benefits were frozen as of September 1, 1996, for all Pension Plan participants, except retained participants, (participants who, because of legal requirements, including the provisions of the National Labor Relation Act, are represented by a collective bargaining agent) whose benefits were frozen as of December 31, 1996.

The Pension Plan was a non-contributory, defined benefit plan covering employees of Hollywood Park, Inc., and all employees of HPOC, not eligible for participation in a multi-employer defined benefit plan, who met the Pension Plan's service requirement. R.D. Hubbard, G. Michael Finnigan, and Donald M. Robbins, are the only officers or directors of the Company who participated in the Pension Plan, and their Pension Plan benefits were frozen as of September 1, 1996, and as of that date, Messrs. Hubbard, Finnigan and Robbins had two, six and ten years, respectively, of qualified years of service. Only amounts earned by Messrs. Hubbard, Finnigan and Robbins listed under "Annual Compensation-Salary" as shown in the Summary Compensation table, were considered in determining their Pension Plan benefit levels.

The amounts listed in the above pension Plan table are estimated annual retirement benefits under the Pension Plan (assuming payments were made on the normal life annuity basis, and not under the provisions on survivor benefits) at a normal retirement age of 65 in 1996, after various years of qualified service, at selected average annual compensation levels. However, due to the Pension Plan benefits being frozen as of September 1,

1996, and based on their actual years of qualified service, and annual compensation levels, Messrs. Hubbard, Finnigan and Robbins annual benefits, expressed as a joint and survivor annuity payment, starting at age 65, are $7,521, $29,082 and $51,009, respectively.

The amounts required to fund the pension Plan were determined actuarially, and were paid by Hollywood Park to a life insurance company under an unallocated annuity contract.

Effective January 31, 1997, in conjunction with the termination of the Pension Plan, Hollywood Park elected to terminate its non-qualified Supplementary Employment Retirement Plan (the "SERP"). The SERP was an unfunded

plan, established primarily for the purpose of restoring the retirement benefits for highly compensated employees that were eliminated by the Internal Revenue Service in 1994, when the maximum annual earnings allowed for qualified pension plans was reduced to $150,000 from $235,850. Messes. Hubbard, Finnigan and Robbins participated in the SERP, prior to its termination.

Director Compensation. All directors hold office until the next annual meeting of stockholders and until their successors are duly elected and qualified. Directors are entitled to receive, and in 1998 received, an annual retainer of $25,000 per year plus a $1,000 for each Board meeting attended, which they may take in cash or in deferred compensation under Hollywood Park's Directors Deferred Compensation Plan as outlined below. In addition, members of the Executive Committee, Audit Committee and Compensation Committee receive $1,000 for each committee meeting attended, and such amounts are also eligible for the Directors Deferred Compensation Plan. Furthermore, directors and their guests are entitled, without charge, to use the Directors' Room at the Hollywood Park Race Track, which is open on weekends and holidays during the racing season.

On December 16, 1998, each of Messrs. Johnson, Manfuso, M. Ornest, Parrott, Reitnouer, Sarkowsky, Torguson and Williamson was granted a non-qualified stock option to purchase 2,000 shares of Hollywood Park common stock at an exercise price of $8.75 per share. One-third of the shares purchasable upon exercise of these options was vested on the grant date, with an additional one-third to vest on each of the first and second anniversary of the grant date. All of these options expire on the tenth anniversary of the grant date and (except for the options granted to Messrs. Johnson, Reitnouer, and Williamson) were granted under the Hollywood Park 1996 Stock Option Plan.

Directors Deferred Compensation Plan. Participation in Hollywood Park's Directors Deferred Compensation Plan is limited to directors of Hollywood Park and each eligible director may elect to defer all or a portion of his annual retainer and any fees for meetings attended. Any such deferred compensation is credited to a deferred compensation account, either in cash or in shares of Hollywood Park Common Stock, at each director's election. As of the date the director's compensation would otherwise have been paid, and depending on the director's election, the director's deferred compensation account will be credited with either (i) cash, (ii) the number of full and/or fractional shares of Hollywood Park common stock obtained by dividing the amount of the director's compensation for the calendar quarter or month which he elected to defer, by the average of the closing price of Hollywood Park common stock on the principal stock exchange on which the Company's common stock listed (or, if the common shares are not listed on a stock exchange, the NASDAQ National Market System) on the last ten business days of the calendar quarter or month for which such compensation is payable or (iii) a combination of cash and shares of Hollywood Park common stock as described in clause (i) and (iii). All cash amounts credited to the director's deferred compensation account bear interest at an amount to be determined from time to time by the Board of Directors.

If a director has elected to receive shares of Hollywood Park common stock in lieu of his retainer, such director's deferred compensation account is credited at the end of each calendar quarter with the number of full and/or fractional shares of Hollywood Park common stock obtained by dividing the dividends which would have been paid on the shares credited to the director's deferred compensation account as of the dividend record date, if any, occurring during such calendar quarter is such shares had been shares of issued and outstanding Hollywood Park common stock on such date, by the closing price of the Hollywood Park common stock on the New York Stock Exchange on the date such dividend(s) was paid. In addition, if Hollywood Park declares a

dividend payable in shares of Hollywood Park common stock, the director's deferred compensation account is credited at the end of each calendar quarter with the number of full and/or fractional shares of Hollywood Park common stock which such shares would have been entitled to if such shares had been shares of issued and outstanding Hollywood Park common stock on the record date for such stock dividend(s).

Participating directors do not have any interest in the cash and/or Hollywood Park common stock credited to their deferred compensation accounts until distributed in accordance with the Directors Deferred Compensation Plan, nor do they have any voting rights with respect to such shares until shares credited to their deferred compensation accounts are distributed. The rights of a director to receive payments under the Deferred Compensation Plan are no greater than the rights of an unsecured general creditor of Hollywood Park. Each participating director may elect to have the aggregate amount of cash and shares credited to his deferred compensation account distributed to him in one lump sum payment or in a number of approximately equal annual installments over a period of time not to exceed fifteen years. The lump sum payment or the first

installment will be paid as of the first business day of the calendar quarter immediately following the cessation of the director's service as a director of Hollywood Park. Prior to the beginning of any calendar year, a director may elect to change the method of distribution, but amounts credited to a director's account prior to the effective date of such change may not be affected, but rather will be distributed in accordance with the election of the time such amounts were credited to the director's deferred compensation account.

The maximum number of shares of Hollywood Park common stock that can be issued pursuant to the Directors Deferred Compensation Plan is 125,000 shares. Hollywood Park is not required to reserve or set aside funds or shares of Hollywood Park common stock for the payment of its obligations pursuant to the Directors Deferred Compensation Plan. Hollywood Park is obligated to make available, as and when required, a sufficient number of shares of common stock to meet the needs of the Directors Plan. The shares of Hollywood Park Common Stock to be issued under the Directors Deferred Compensation Plan may be either authorized and unissued shares or reacquired shares.

Amendment, modification or termination of the Directors Deferred compensation Plan may not (1) adversely affect any eligible director's rights with respect to amounts then credited to his account or (2) accelerate any payments or distributions under the Directors Deferred Compensation Plan (except with regard to bona fide financial hardships).

Amendment, modification or termination of the Directors Deferred Compensation Plan may not (i) adversely affect any eligible director's rights with respect to amounts then credited to his account or (ii) accelerate any payments or distributions under the Directors Deferred Compensation Plan (except with regard to bona fide financial hardships).

Employment Contracts, Termination of Employment and Change-in-Control Arrangement. The Company has entered into a three-year employment agreement with G. Michael Finnigan, effective January 1, 1999. Mr. Finnigan's annual compensation will be $400,000 with an annual bonus of up to $200,000. The bonus is payable as follows: (a) an amount in the discretion of the Board in the initial year, and (b) in the remaining years, $100,000 based on the Realty Investment Group, Inc.'s (a subsidiary of the Company) performance and $100,000 at the discretion of the Board. If Mr. Finnigan terminates his employment for good reason (defined for present purposes as a material breach of the employment agreement by the Company and failure to timely remedy such breach), or if the Company terminates him without cause, Mr. Finnigan will receive his annual compensation for one year (including salary and bonus), with health and disability insurance coverage for six months. Mr. Finnigan will also immediately vest in all stock option grants.

The Company has entered into a three year employment agreement with Paul Alanis, effective January 1, 1999. Mr. Alanis's annual compensation will be $600,000, with an annual bonus of not less than $100,000 and up to $600,000. The bonus is payable as follows: (a) $100,000 if Mr. Alanis remains employed by Hollywood Park for the year in question; (b) $200,000 based on the Company's actual earnings before interest, taxes depreciation and amortization as compared to budget, and not exceeding the capital budget; and (c) the

remaining $300,000 to awarded at the discretion of the Board of Directors. If Mr. Alanis terminates his employment for good reason, or if the Company terminates Mr. Alanis without cause, Mr. Alanis will receive an annual salary of $700,000 through the balance of the contract period, and retain his health and disability insurance for six months after termination. Mr. Alanis will also immediately vest in all stock option grants. If Mr. Alanis terminates his employment upon failure to be promoted to the Company's Chief Executive Officer by December 31, 1999, he will be entitled to lump sum severance payments of $700,000, and continued health and disability insurance coverage for six months. Mr. Alanis would also immediately vest in 75% of the 400,000 options granted to him on September 10, 1998.

The Company has also entered into a three-year employment agreement with J. Michael Allen, effective January 1, 1999. Mr. Allen's annual compensation will be $400,000 with a possible bonus of up to $200,000. The bonus is payable as follows: (a) $100,000 based on the company's actual earnings before interest, taxes depreciation and amortization as compared to budget, and not exceeding the capital budget, and (b) $100,000 at the discretion of the Board of Directors. If Mr. Allen terminates his employment for good reason, or if the Company terminates him without cause, and so long as he does not compete with the Company or its subsidiaries in the gaming business prior to the end of the employment contract term, he will be entitled to $400,000 per year for the balance of employment contract term, with health and disability insurance coverage for six months. Mr. Allen will also immediately vest in all stock option grants. If Mr. Allen terminates his employment due to Mr. Alanis's

failure to be promoted to the Company's Chief Executive Officer by December 31, 1999, he will receive any accrued but unpaid salary and vacation benefits.

The Company, through its wholly-owned subsidiary, Hollywood Park Operating Company, has entered into a three-year employment agreement with Donald M. Robbins, effective January 1, 1999. Mr. Robbins's annual compensation will be $295,000 with a possible bonus at the discretion of the Board of Directors. If Hollywood Park Operating Company terminates Mr. Robbins without cause prior to January 1, 2000, Mr. Robbins will be entitled to receive a lump sum amount equal to twice his annual compensation (including salary and bonus). If Hollywood Park Operating Company terminates Mr. Robbins without cause after January 1, 2000, he will be entitled to receive a lump sum amount equal to his annual compensation for the balance of the term of the employment agreement (including salary and bonus), but not less than his annual compensation for one year (including salary and bonus). In either situation, Mr. Robbins will retain health and disability insurance coverage for six months after termination and will vest in all stock option grants. If Hollywood Park Operating Company terminates Mr. Robbins without cause at any time after the term of the employment agreement, he will be entitled to receive in a lump sum an amount equal to one year's compensation (including salary and bonus), will retain health and disability insurance coverage for six months after termination and will vest in all stock option grants.

Compensation Committee Interlocks and Insider Participation. The members of the Compensation Committee currently are Messrs. Johnson, Reitnouer and Williamson. None of the members of the Compensation Committee were officers or employees or former officers or employees of the Company or its subsidiaries.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the name, address (address is provided for persons listed as beneficial owners of 5% or more of the outstanding Hollywood Park common stock) and number of shares and percent of the outstanding Hollywood Park common stock beneficially owned as of March 15, 1999, by each person known to the Board of Directors of Hollywood Park to be the beneficial owner of 5% or more of the outstanding shares of Hollywood Park common stock, each Director, each Named Officer and all current Directors and Executive Officers as a group.

<TABLE>
<CAPTION>

Name and Address of Beneficial Owner	Shares Beneficially Owned	Percent of Shares Outstanding(a)
<S>	<C>	<C>
R.D. Hubbard Hollywood Park, Inc. 1050 South Prairie Avenue Inglewood, California 90301	2,736,488(b)	10.6%
Legg Mason, Inc. 111 South Calvert Street Baltimore, Maryland 21202	2,709,095(c)	10.5%
State of Wisconsin Investment Board. P.O. Box 7842 Madison, Wisconsin 53707	1,611,000(d)	6.2%
Timothy J. Parrott	443,716(e)	1.7%
J.R. Johnson	380,760(f)	1.5%
Michael Ornest	299,833(g)	1.2%
Warren B. Williamson	159,917(h)	*
Lynn P. Reitnouer	62,000(i)	*
Herman Sarkowsky	66,708(j)	*
Robert T. Manfuso	40,333(k)	*
Marlin Torguson	30,667(l)	*
G. Michael Finnigan	110,417(m)	*
Paul Alanis	400,000(n)	1.6%

J. Michael Allen.....	50,000(o)	*
Donald M. Robbins.....	80,672(p)	*
Current Directors and Executive Officers as a group (13 persons).....	4,861,511(q)	18.8%

</TABLE>

---

* Less than one percent (1%) of the outstanding common shares.

(a) Assumes exercise of stock options beneficially owned by the named individual or entity into shares of Hollywood Park Common Stock. Based on 25,800,069 shares outstanding as of March 15, 1999.

(b) Includes 116,668 shares of Hollywood Park Common Stock which Mr. Hubbard has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(c) Based upon information provided by the stockholder in Schedule 13G filed with the Commission on February 16, 1999. According to such Schedule 13G, 2,515,000 (9.75%) shares are held by Legg Mason Special Investment Trust, Inc., with Legg Mason Fund Adviser, Inc. having power to dispose thereof. The Schedule 13G further reports that the remaining shares are held by various clients of Legg Mason Capital Management, Inc. and Legg Mason Wood Walker, Inc., which have power to dispose thereof. Legg Mason Fund Adviser, Inc., Legg Mason Capital Management, Inc. and Legg Mason Wood Walker, Inc. are subsidiaries of Legg Mason, Inc.

(d) Based upon information provided by the stockholder in Schedule 13G filed with the Commission on February 2, 1999.

(e) Includes 270,945 shares of Hollywood Park Common Stock which Mr. Parrott has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999, including 270,278 options assumed by the Company in connection with the Boomtown Merger.

(f) Includes 12,000 shares of Hollywood Park Common Stock which Mr. Johnson has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(g) Includes 667 shares of Hollywood Park Common Stock which Mr. Ornest has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(h) Includes 12,000 shares of Hollywood Park Common Stock which Mr. Williamson has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(i) Includes 12,000 shares of Hollywood Park Common Stock which Mr. Reitnouer has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(j) Includes 12,000 shares of Hollywood Park Common Stock which Mr. Sarkowsky has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(k) Includes 12,000 shares of Hollywood Park Common Stock which Mr. Manfuso has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(l) Includes 30,667 shares of Hollywood Park Common Stock which Mr. Torguson has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(m) Includes 85,002 shares of Hollywood Park Common Stock which Mr. Finnigan has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(n) Includes 100,000 shares of Hollywood Park Common Stock which Mr. Alanis has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(o) Includes 50,000 shares of Hollywood Park Common Stock which Mr. Allen has the right to acquire upon the exercise of options which are exercisable within 60 days of March 15, 1999.

(p) Includes 78,334 shares of Hollywood Park Common Stock which Mr. Robbins has the right to acquire upon the exercise of options which are exercisable

within 60 days of March 15, 1999.

(q) Includes 792,283 shares of Hollywood Park Common Stock of which the Directors and Executive Officers may be deemed to have beneficial ownership following the exercise of options to purchase Hollywood Park Common Stock which are exercisable within 60 days of March 15, 1999. Excluding such shares, the Directors and Executive Officers of Hollywood Park have beneficial ownership of 4,057,228 shares of Hollywood Park Common Stock, which represents 15.7% of the shares of Hollywood Park Common Stock outstanding as of March 15, 1999.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Since November 1993, we have had an aircraft time sharing agreement with R.D. Hubbard Enterprises, Inc., which is wholly owned by Mr. Hubbard. The current agreement, effective as of June 1998, expires on December 31, 1999 and thereafter automatically renews each month unless either party gives written notice of termination at least two weeks before a renewal date. We reimbursed Hubbard Enterprises approximately $72,000 in 1998 for our use of the aircraft.

Timothy J. Parrott purchased 270,738 shares of Boomtown common stock in connection with Boomtown's 1988 acquisition of Boomtown Hotel & Casino, Inc. (which operates Boomtown Reno). Mr. Parrott paid an aggregate purchase price of $222,000, of which $1,000 was paid in cash and $221,000 was paid by a promissory note secured by a pledge to Boomtown of all of the shares owned by Mr. Parrott. As of October 31, 1998, Mr. Parrott resigned his position as Chairman of Boomtown, and Hollywood Park retained him as a consultant to provide executive consulting services to Hollywood Park relating to gaming and other business issues. Mr. Parrott was retained for a three year period, with an annual retainer of $350,000 with health and disability benefits equivalent to those he received as a Boomtown employee. Mr. Parrott's note will be forgiven in three equal parts on each anniversary of the consulting agreement. In connection with the Boomtown merger, Mr. Parrott was designated as a Board member and continues in that respect.

On August 31, 1998, we received a promissory note from Mr. Alanis for up to $3.5 million evidencing a loan we made to Mr. Alanis of approximately $3.2 million to purchase 300,000 shares of our common stock in connection with Mr. Alanis' becoming an officer of Hollywood Park. Mr. Alanis was formerly the President of Horseshoe Gaming, Inc., the manager and a member of Horseshoe Gaming, L.L.C. The promissory note bears interest at the prime interest rate, but is not to exceed 10%. The principal amount of the promissory note, along with any accrued interest, is due in full no later than December 31, 1999. The promissory note is secured by Mr. Alanis' interest in Horseshoe Gaming, L.L.C., which has an approximate value well in excess of $3.5 million.

Marlin F. Torguson, who beneficially owned approximately 21.5% of the outstanding common stock of Casino Magic, agreed, in connection with the Casino Magic acquisition, to vote his Casino Magic shares in favor of the acquisition by Hollywood Park. In addition, Mr. Torguson agreed to continue to serve as an employee of Casino Magic for three years following the acquisition, and during such three-year period not to compete with Hollywood Park or Casino Magic in any jurisdictions in which either Hollywood Park or Casino Magic operates. Hollywood Park agreed to appoint Mr. Torguson to the board of directors of Hollywood Park. Hollywood Park has agreed to issue to Mr. Torguson 20,000 shares of Hollywood Park common stock per year during such three-year period and pay him $300,000 per year of such period. In addition, Hollywood Park agreed to grant Mr. Torguson options to acquire 30,000 shares of Hollywood Park common stock at an exercise price equal to the closing price of Hollywood Park common stock on the effective date of the Casino Magic acquisition. The foregoing payments will be made to Mr. Torguson whether or not Hollywood Park or Casino Magic terminates Mr. Torguson's employment (except for a termination for cause).

DESCRIPTION OF CERTAIN INDEBTEDNESS

Bank Credit Facility

In connection with the acquisition of Casino Magic, we entered into the Bank Credit Facility with a group of banks (the "Banks") for whom Bank of America NT&SA acts as Administrative Agent. The Bank Credit Facility provides us with a revolving line of credit of up to $300 million, with a letter of credit sub-facility of $30 million and swing line sub-facility of $10 million provided by the Administrative Agent. Under the terms of the Bank Credit Facility, now that we have been approved to receive the gaming license in Indiana, we may request

that the line of credit be increased to $375 million. The Bank Credit Facility matures December 31, 2003; however, the Banks have the right to terminate the line of credit upon a "Change in Control", as defined in the Bank Credit Facility.

The commitment under the revolving line of credit will be reduced by $15 million, commencing March 31, 2001, and on the last day of each third calendar month thereafter until December 31, 2002. Commencing on March 31, 2003 and on the last day of each third calendar month thereafter, the amount available for borrowing under the line of credit will decrease by $25 million. If the facility has been increased, the reduction amounts are to be increased proportionately.

The annual interest rate under the Bank Credit Facility is determined, at the Company's election, by reference to the "Eurodollar Rate" (for Eurodollar loans) (for interest periods of one, two, three or six months) or the "Alternate Base Rate" (for Base Rate loans), as these terms are defined in the Bank Credit Facility, plus margins that vary depending on the Company's ratio of funded debt to earnings before interest, taxes, depreciation and amortization ("EBITDA"). With a funded debt to EBITDA ratio of less than 2.00 to 1.00, the margin for Eurodollar loans is 1.00% and nothing for Base Rate loans. The margin for each type of loan will increase by 25 basis points (except the initial increase in the margin for Base Rate loans, which increases by 12.5 basis points) for each 50 basis point increase in the funded debt to EBITDA ratio. The maximum margin for Eurodollar loans is 2.25%, and for Base Rate loans is 1.125%. The margin for the period October 15, 1998, through November 30, 1998, for Eurodollar loans was 2.00% and 0.875% for Base Rate loans. Effective December 1, 1998 through February 28, 1999, the margins are 2.25% and 1.125% for Eurodollar and Base Rate loans, respectively. After giving effect to this offering, the margins would continue to be 2.25% and 1.125% for Eurodollar and Base Rate loans, respectively.

The commitment fee for the facility also varies based on the ratio of funded debt to EBITDA, starting from 25 basis points when the ratio is less than 2.00, and increasing by 6.25 basis points for the first two increases in the ratio of 50 basis points, then remaining unchanged for the next 50 basis points increase in the ratio, and thereafter increasing by 6.25 basis points for each 50 basis points increase in the ratio, up to a maximum of 50 basis points.

Our obligations under the Bank Credit Facility are guaranteed by all of our significant subsidiaries (except Casino Magic of Louisiana, Corp. and Casino Magic Neuquen) and are secured by a first lien and security interest on substantially all of our assets and the assets of our significant subsidiaries, except for specified permitted liens incurred in connection with, or existing at the time of, acquisition of property or subsidiaries.

The Bank Credit Facility imposes various customary affirmative covenants on us and our subsidiaries, including among others, reporting covenants, covenants to maintain insurance, comply with laws, maintain properties and other covenants customary in commercial bank financings of this type.

The Bank Credit Facility imposes various negative covenants on us and our subsidiaries including, without limitation: (1) restrictions on the payment of subordinated obligations, (2) disposition of property, (3) mergers, (4) hostile acquisitions, (5) payment of dividends and other distributions, (6) change in the nature of our business, (7) restrictions on the incurrence of additional debt and guaranties of debt, (8) restrictions on capital expenditures and operating leases, (9) restrictions on investments, (10) restrictions on transactions with affiliates, (11) restrictions on liens and negative pledges, and (12) restrictions on amendments and modifications

of subordinated indebtedness. In addition, we must comply with various financial covenants, including interest coverage ratio, and funded debt to EBITDA ratio.

Events of default under the Bank Credit Facility include, among other things: (1) failure to make payments when due, (2) breach of representations or warranties, (3) events of insolvency, (4) failure to pay other debt for borrowed money, or other breach or default under agreements for such other debt allowing the holder or lender to accelerate its maturity, or require such debt to be redeemed or repurchased, (5) final judgment in an amount in excess of $1.0 million which has not been stayed or satisfied within 30 days, (6) revocation of the licenses affecting gaming operations accounting for 5% or more of consolidated gross revenues, and (7) failure to comply with covenants.

Hollywood Park 9 1/2% Senior Subordinated Notes

On August 6, 1997, we and our wholly-owned subsidiary, Hollywood Park Operating Company, jointly issued $125,000,000 aggregate principal amount of 9

1/2% Senior Subordinated Notes. These notes bear interest at 9 1/2% per year, and interest is payable on each February 1 and August 1. The 9 1/2% Notes may be redeemed, at our option and at the option of Hollywood Park Operating Company, in whole or in part, on or after August 1, 2002 at the following premiums over face: (1) on and after August 1, 2002, but before August 1, 2003: 104.75%; (2) on and after August 1, 2003, but before August 1, 2004: 102.375%; (3) on and after August 1, 2004, but before August 1, 2005: 101.188%; and (4) on and after August 1, 2005, and thereafter: 100%. Our obligations and those of Hollywood Park Operating Company on the 9 1/2% Notes are not secured by any of our assets, but are guaranteed by all of our material restricted subsidiaries.

The 9 1/2% Notes are governed by an indenture dated August 1, 1997, as amended, which contains covenants limiting the ability of Hollywood Park and Hollywood Park Operating Company and their respective subsidiaries to incur additional debt, issue preferred stock, pay dividends or make certain distributions, repurchase their stock, grant liens on their property, enter into certain transactions with their affiliates, sell assets or enter into mergers or consolidations, or sell stock in their subsidiaries. The indenture also requires that we and Hollywood Park Operating Company offer to repurchase the 9 1/2% Notes upon a change of control, as defined in the indenture. In a supplemental indenture dated February 5, 1999, the indenture was amended to make changes consented to by holders of the 9 1/2% Notes in the consent solicitation.

Events of default under the indenture include: (1) failure to make payments on the 9 1/2% Notes when due, (2) failure to comply with covenants, (3) failure to pay other debt of $10 million or more, or default under such debt resulting in acceleration of the maturity of such debt, (4) failure to satisfy or discharge any final judgment in excess of $10 million, and (5) occurrence of certain insolvency events.

Casino Magic of Louisiana, Corp. 13% First Mortgage Notes

On August 22, 1996, Casino Magic of Louisiana, Corp., our indirect wholly-owned subsidiary which owns and operates Casino Magic Bossier, issued and sold $115,000,000 aggregate principal amount of 13% First Mortgage Notes due 2003. The Louisiana Notes provide for interest at 13% per year, payable semi-annually on each February 15 and August 15, and at maturity. The Louisiana Notes also provide for contingent interest in the amount of 5% of Casino Magic of Louisiana, Corp.'s "Adjusted Consolidated Cash Flow", as defined in the indenture for the Louisiana Notes, for the "Accrual Period", which is generally the six month period ending December 31 or June 30, as the case may be. The contingent interest is payable on each interest payment date, but may be deferred at the option of Casino Magic of Louisiana, Corp., if and to the extent that: (1) the payment of such contingent interest will cause Casino Magic of Louisiana, Corp.'s "Adjusted Fixed Charge Coverage Ratio" for the most recently completed four full fiscal quarters preceding such interest payment date to be less than 1.5 to 1.0 on a pro forma basis, giving effect to the payment of such contingent interest, and (2) the principal amount of the Louisiana Notes to which such contingent interest relates has not then matured or otherwise become due and payable. "Adjusted Fixed Charge Coverage Ratio" is defined in the indenture as the ratio obtained by dividing the "Adjusted Consolidated Cash Flow" by the "Fixed Charges."

The aggregate contingent interest payable in any Accrual Period is reduced by the portion of such interest that relates to Louisiana Notes that were not outstanding as of the record date, each February 1 and August 1, preceding such interest payment date.

The Louisiana Notes are secured by a first priority lien and security interest in substantially all of the assets of Casino Magic of Louisiana, Corp., including the Bossier riverboat. Jefferson Casino Corporation, the immediate parent of Casino Magic of Louisiana, Corp., guarantees the Louisiana Notes and the guarantee is secured by all of the assets of Jefferson Casino Corporation, including all of the capital stock of Casino Magic of Louisiana, Corp.

The Louisiana Notes are governed by an indenture which contains certain covenants limiting the ability of Casino Magic of Louisiana, Corp. and its subsidiaries to engage in any line of business other than the gaming business and activities incidental to it, to borrow additional moneys or otherwise become liable for additional debt, to pay dividends, issue preferred stock, make investments and certain types of payments, to grant liens in their property or enter into mergers or consolidations, or to enter into certain specified transactions with their affiliates. The covenants also limit the ability of Jefferson Casino Corporation to engage in any business other than owning the stock of Casino Magic of Louisiana, Corp. or to incur any debt or make any investments. The indenture also contains covenants which require Casino Magic of Louisiana, Corp. to make an offer to repurchase the Louisiana

Notes upon certain sales of assets, casualty losses and changes in the control of Casino Magic of Louisiana, Corp. or Jefferson Casino Corporation. Our acquisition of Casino Magic resulted in a change in control. Accordingly, Casino Magic of Louisiana, Corp. offered to repurchase the Louisiana Notes. The offer expired on December 23, 1998 and holders of an aggregate principal amount of approximately $2.1 million principal amount of Louisiana Notes accepted the offer.

The indenture provides for certain events of default which include failure to pay interest or contingent interest due on the Louisiana Notes, failure to pay the principal or premium on the Louisiana Notes at maturity, upon redemption or otherwise, failure to comply with the covenants contained in the indenture, failure to pay certain other indebtedness, failure to satisfy a final judgment, breach of any material representation or warranty in the indenture and related documents, becoming insolvent or seeking relief under any bankruptcy laws, and failure to continue operations.

The Louisiana Notes may only be redeemed at the option of Casino Magic of Louisiana, Corp. after August 14, 2000, at the following redemption prices: (1) after August 14, 2000, and before August 15, 2001: 106.5%; (2) after August 14, 2001, and before August 15, 2002: 104.332%, and (3) after August 14, 2002: 102.166%. Upon any acceleration of the maturity of the Louisiana Notes as a result of an event of default caused by the willful action or inaction of Casino Magic of Louisiana, Corp., the applicable redemption premiums set forth above will also become due and payable in addition to the principal and other amounts otherwise due on the Louisiana Notes. In the event of an acceleration of the maturity of the Louisiana Notes as a result of a willful default before August 15, 2000, when the Louisiana Notes may not be redeemed at the option of Casino Magic of Louisiana, Corp., the following premiums will apply: (1) after August 14, 1998, and before August 15, 1999: 109.750%, and (2) after August 14, 1999, and before August 15, 2000: 108.125%.

THE EXCHANGE OFFER

General

The Company hereby offers, upon the terms and subject to the conditions set forth in this prospectus and in the accompanying Letter of Transmittal (which together constitute the exchange offer (the "Exchange Offer")), to exchange up to $350 million aggregate principal amount of Exchange Notes for a like aggregate principal amount of Old Notes properly tendered on or prior to the Expiration Date (as defined below) and not withdrawn as permitted pursuant to the procedures described below. The Exchange Offer is being made with respect to all of the Old Notes.

As of the date of this prospectus, $350 million aggregate principal amount of the Old Notes is outstanding. This prospectus, together with the Letter of Transmittal, is first being sent on or about March 29, 1999, to all holders of Old Notes known to the Company. The Company's obligation to accept Old Notes for exchange pursuant to the Exchange Offer is subject to certain conditions set forth under "--Certain Conditions to the Exchange Offer" below. The Company currently expects that each of the conditions will be satisfied and that no waivers will be necessary.

Purpose of the Exchange Offer

The Old Notes were issued on February 18, 1999 (the "Issuance Date") in a transaction exempt from the registration requirements of the Securities Act. Accordingly, the Old Notes may not be reoffered, resold, or otherwise transferred unless so registered or unless an applicable exemption from the registration and prospectus delivery requirements of the Securities Act is available.

In connection with the issuance and sale of the Old Notes, the Company entered into the Registration Rights Agreement, which requires that:

- the Company file with the Commission a registration statement relating to the Exchange Offer not later than 45 days after the date of issuance of the Old Notes, and
- the Company use its best efforts to cause the registration statement relating to the Exchange Offer to become effective under the Securities Act not later than 150 days after the date of issuance of the Old Notes, and
- the Exchange Offer be consummated not later than 30 business days after the target date for the effectiveness of the Registration Statement,
- or, if obligated to file a shelf registration statement, that the Company

use its best efforts to file the shelf registration statement with the Commission within 30 days after such filing obligation arises and to cause the shelf registration statement to be declared effective within 90 days after such obligation arises.

A copy of the Registration Rights Agreement has been filed as an exhibit to the Registration Statement.

The Exchange Offer is being made by the Company to satisfy its obligations with respect to the Registration Rights Agreement. The term "holder," with respect to the Exchange Offer, means any person in whose name Old Notes are registered on the books of the Company or any other person who has obtained a properly completed bond power from the registered holder, or any person whose Old Notes are held of record by The Depository Trust Company. Other than pursuant to the Registration Rights Agreement, the Company is not required to file any registration statement to register any outstanding Old Notes. Holders of Old Notes who do not tender their Old Notes or whose Old Notes are tendered but not accepted would have to rely on exemptions to registration requirements under the securities laws, including the Securities Act, if they wish to sell their Old Notes.

The Company is making the Exchange Offer in reliance on the position of the staff of the Commission as set forth in certain interpretive letters addressed to third parties in other transactions. However, the Company

has not sought its own interpretive letter and there can be no assurance that the staff would make a similar determination with respect to the Exchange Offer as it has in such interpretive letters to third parties. Based on these interpretations by the Staff, the Company believes that the Exchange Notes issued pursuant to the Exchange Offer in exchange for Old Notes may be offered for resale, resold and otherwise transferred by a Holder (other than any Holder who is a broker-dealer or an "affiliate" of the Company within the meaning of Rule 405 of the Securities Act) without further compliance with the registration and prospectus delivery requirements of the Securities Act, provided that such Exchange Notes are acquired in the ordinary course of such Holder's business and that such Holder is not participating, and has no arrangement or understanding with any person to participate, in a distribution (within the meaning of the Securities Act) of such Exchange Notes, as to which such Holder must acknowledge. See "--Resale of Exchange Notes". Any holder who is an affiliate of the Company or who tenders in the Exchange Offer for the purpose of participating in a distribution of the Exchange Notes cannot rely on such interpretation by the staff of the Commission and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. Each broker-dealer that receives Exchange Notes for its own account in exchange for Old Notes, where such Old Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. See "Plan of Distribution".

Terms of the Exchange

The Company hereby offers to exchange, subject to the conditions set forth herein and in the Letter of Transmittal accompanying this prospectus, $1,000 in principal amount of Exchange Notes for each $1,000 in principal amount of the Old Notes. The terms of the Exchange Notes are identical in all material respects to the terms of the Old Notes for which they may be exchanged pursuant to this Exchange Offer, except that the Exchange Notes will generally be freely transferable by holders thereof and will not be subject to any covenant regarding registration. The Exchange Notes will evidence the same indebtedness as the Old Notes and will be entitled to the benefits of the Indenture. See "Description of Notes".

The Exchange Offer is not conditioned upon any minimum aggregate principal amount of Old Notes being tendered for exchange.

Tendering holders of the Old Notes will be required to make the acknowledgements referred to in the last paragraph of the heading "--Purpose of the Exchange Offer." Tendering holders of the Old Notes shall not be required to pay brokerage commissions or fees or, subject to the instructions in the Letter of Transmittal, transfer taxes with respect to the exchange of the Old Notes pursuant to the Exchange Offer.

Expiration Date; Extension; Termination; Amendment

The Exchange Offer will expire at 5:00 p.m., New York City time, on May 3, 1999, unless the Company, in its sole discretion, has extended the period of time for which the Exchange Offer is open (such date, as it may be extended, is referred to herein as the "Expiration Date"). The Expiration Date will be at

least 20 business days after the commencement of the Exchange Offer in accordance with Rule 14e-1(a) under the Exchange Act. The Company expressly reserves the right, at any time or from time to time, to extend the period of time during which the Exchange Offer is open, and thereby delay acceptance for exchange of any Old Notes, by giving oral or written notice to the Exchange Agent and by timely public announcement no later than 9:00 a.m. New York City time, on the next business day after the previously scheduled Expiration Date. During any such extension, all Old Notes previously tendered will remain subject to the Exchange Offer unless properly withdrawn.

The Company expressly reserves the right to

- terminate or amend the Exchange Offer and not to accept for exchange any Old Notes not theretofore accepted for exchange upon the occurrence of any of the events specified below under "Certain Conditions to the Exchange Offer" which have not been waived by the Company and

- amend the terms of the Exchange Offer in any manner.

If any such termination or amendment occurs and is determined by the Company to be a material change, the Company will notify the Exchange Agent and will either issue a press release or give oral or written notice to the holders of the Old Notes as promptly as practicable.

For purposes of the Exchange Offer, a "business day" means any day other than Saturday, Sunday or a date on which banking institutions are required or authorized by New York State law to be closed, and consists of the time period from 12:01 a.m. through 12:00 midnight, New York City time. Unless the Company terminates the Exchange Offer prior to 5:00 p.m., New York City time, on the Expiration Date, the Company will exchange the Exchange Notes for the Old Notes as soon as practicable after the Expiration Date (such date is referred to as the "Exchange Date").

Interest on Exchange Notes

The Exchange Notes will bear interest from their date of issuance. Interest will accrue on the Old Notes that are tendered in exchange for the Exchange Notes through the issue date of the Exchange Notes. Holders of Old Notes that are accepted for exchange will not receive interest that is accrued but unpaid on the Old Notes at the time of exchange, but such interest will be payable, together with interest on the Exchange Notes, on the first interest payment date after the Expiration Date. Interest on the Exchange Notes will be payable semi-annually on each February 15 and August 15, commencing on August 15, 1999.

Procedures for Tendering Old Notes

The tender to the Company of Old Notes by a holder thereof as set forth below and the acceptance thereof by the Company will constitute a binding agreement between the tendering holder and the Company upon the terms and subject to the conditions set forth in this prospectus and in the accompanying Letter of Transmittal.

A holder of Old Notes may tender the same by

- properly completing and signing the Letter of Transmittal or a facsimile thereof (all references in this prospectus to the Letter of Transmittal shall be deemed to include a facsimile thereof) and delivering the same, together with the certificate or certificates representing the Old Notes being tendered and any required signature guarantees and any other documents required by the Letter of Transmittal, to the Exchange Agent (as defined below) at its address set forth below on or prior to the Expiration Date (or complying with the procedure for book-entry transfer described below) or

- complying with the guaranteed delivery procedures described below.

The method of delivery of Old Notes, Letters of Transmittal and all other required documents is at the election and risk of the holders. If such delivery is by mail, it is recommended that registered mail properly insured, with return receipt requested, be used. In all cases, sufficient time should be allowed to insure timely delivery. No Old Notes or Letters of Transmittal should be sent to the Company.

If tendered Old Notes are registered in the name of the signer of the Letter of Transmittal and the Exchange Notes to be issued in exchange therefor are to be issued (and any untendered Old Notes are to be reissued) in the name of the registered holder (which term, for the purposes described herein, shall include any participant in The Depository Trust Company (also referred to as a "book-entry transfer facility") whose name appears on a security listing as the owner of Old Notes), the signature of such signer need not be guaranteed. In any

other case, the tendered Old Notes must be endorsed or accompanied by written instruments of transfer in form satisfactory to the Company and duly executed by the registered holder, and the signature on the endorsement or instrument of transfer must be guaranteed by a bank, broker, dealer, credit union, savings association, clearing agency or other institution (each an "Eligible Institution") that is a member of a recognized signature guarantee medallion program within the meaning of Rule 17Ad-15 under the Exchange Act. If the Exchange Notes and/or Old Notes not exchanged are to be delivered to an address other than that of

the registered holder appearing on the note register for the Old Notes, the signature in the Letter of Transmittal must be guaranteed by an Eligible Institution.

The Exchange Agent will make a request within two business days after the date of receipt of this prospectus to establish accounts with respect to the Old Notes at the book-entry transfer facility for the purpose of facilitating the Exchange Offer, and subject to the establishment thereof, any financial institution that is a participant in the book-entry transfer facility's system may make book-entry delivery of Old Notes by causing such book-entry transfer facility to transfer such Old Notes into the Exchange Agent's account with respect to the Old Notes in accordance with the book-entry transfer facility's procedures for such transfer. Although delivery of Old Notes may be effected through book-entry transfer into the Exchange Agent's account at the book-entry transfer facility, an appropriate Letter of Transmittal with any required signature guarantee and all other required documents must in each case be transmitted to and received or confirmed by the Exchange Agent at its address set forth below on or prior to the Expiration Date, or, if the guaranteed delivery procedures described below are complied with, within the time period provided under such procedures.

If a holder desires to accept the Exchange Offer and time will not permit a Letter of Transmittal or Old Notes to reach the Exchange Agent before the Expiration Date or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected if the Exchange Agent has received at its address set forth below on or prior to the Expiration Date, a letter, telegram or facsimile transmission (receipt confirmed by telephone and an original delivered by guaranteed overnight courier) from an Eligible Institution setting forth the name and address of the tendering holder, the names in which the Old Notes are registered and, if possible, the certificate numbers of the Old Notes to be tendered, and stating that the tender is being made thereby and guaranteeing that within three business days after the Expiration Date, the Old Notes in proper form for transfer (or a confirmation of book-entry transfer of such Old Notes into the Exchange Agent's account at the book-entry transfer facility), will be delivered by such Eligible Institution together with a properly completed and duly executed Letter of Transmittal (and any other required documents). Unless Old Notes being tendered by the above-described method are deposited with the Exchange Agent within the time period set forth above (accompanied or preceded by a properly completed Letter of Transmittal and any other required documents), the Company may, at its option, reject the tender. Copies of the notice of guaranteed delivery ("Notice of Guaranteed Delivery") which may be used by Eligible Institutions for the purposes described in this paragraph are available from the Exchange Agent.

A tender will be deemed to have been received as of the date when

- the tendering holder's properly completed and duly signed Letter of Transmittal accompanied by the Old Notes (or a confirmation of book-entry transfer of such Old Notes into the Exchange Agent's account at the book-entry transfer facility) is received by the Exchange Agent, or

- a Notice of Guaranteed Delivery or letter, telegram or facsimile transmission to similar effect (as provided above) from an Eligible Institution is received by the Exchange Agent.

Issuances of Exchange Notes in exchange for Old Notes tendered pursuant to a Notice of Guaranteed Delivery or letter, telegram or facsimile transmission to similar effect (as provided above) by an Eligible Institution will be made only against deposit of the Letter of Transmittal (and any other required documents) and the tendered Old Notes.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance of Old Notes tendered for exchange will be determined by the Company in its sole discretion, which determination shall be final and binding. The Company reserves the absolute right to reject any and all tenders of any particular Old Notes not properly tendered or not to accept any particular Old Notes which acceptance might, in the judgment of the Company or its counsel, be unlawful. The Company also reserves the absolute right to waive

any defects or irregularities or conditions of the Exchange Offer as to any particular Old Notes either before or after the Expiration Date (including the right to waive the ineligibility of any holder who seeks to tender Old Notes in the Exchange Offer). The interpretation of the terms and conditions of the Exchange Offer (including the Letter

of Transmittal and the instructions thereto) by the Company shall be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Old Notes for exchange must be cured within such reasonable period of time as the Company shall determine. Neither the Company, the Exchange Agent nor any other person shall be under any duty to give notification of any defect or irregularity with respect to any tender of Old Notes for exchange, nor shall any of them incur any liability for failure to give such notification.

If the Letter of Transmittal is signed by a person or persons other than the registered holder or holders of Old Notes, such Old Notes must be endorsed or accompanied by appropriate powers of attorney, in either case signed exactly as the name or names of the registered holder or holders appear on the Old Notes.

If the Letter of Transmittal or any Old Notes or powers of attorney are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by the Company, proper evidence satisfactory to the Company of their authority to so act must be submitted.

By tendering, each holder will represent to the Company that, among other things:

- the Exchange Notes acquired pursuant to the Exchange Offer are being acquired in the ordinary course of business of the person receiving such Exchange Notes, whether or not such person is the holder,

- that neither the holder nor any such other person has an arrangement or understanding with any person to participate in the distribution of such Exchange Notes and

- that neither the holder nor any such other person is an "affiliate," as defined under Rule 405 of the Securities Act, of the Company, or if it is an affiliate it will comply with the registration and prospectus requirements of the Securities Act to the extent applicable.

Each broker-dealer that receives Exchange Notes for its own account in exchange for Old Notes where such Old Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. See "Plan of Distribution".

Terms and Conditions of the Letter of Transmittal

The Letter of Transmittal contains, among other things, the following terms and conditions, which are part of the Exchange Offer:

The party tendering Notes for exchange (the "Transferor") exchanges, assigns and transfers the Old Notes to the Company and irrevocably constitutes and appoints the Exchange Agent as the Transferor's agent and attorney-in-fact to cause the Old Notes to be assigned, transferred and exchanged. The Transferor represents and warrants that it has full power and authority to tender, exchange, assign and transfer the Old Notes and to acquire Exchange Notes issuable upon the exchange of such tendered Notes, and that, when the same are accepted for exchange, the Company will acquire good and unencumbered title to the tendered Old Notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim. The Transferor also warrants that it will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or the Company to be necessary or desirable to complete the exchange, assignment and transfer of tendered Old Notes or transfer ownership of such Old Notes on the account books maintained by a book-entry transfer facility and also agrees to comply with its obligations under the Registration Rights Agreement. The Transferor further agrees that acceptance of any tendered Old Notes by the Company and the issuance of Exchange Notes in exchange therefor shall constitute performance in full by the Company of certain of its obligations under the Registration Rights Agreement. All authority conferred by the Transferor will survive the death or incapacity of the Transferor and every obligation of the Transferor shall be binding upon the heirs, legal representatives, successors, assigns, executors and administrators of such Transferor.

The Transferor certifies that it is not an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act and that it is acquiring the Exchange Notes offered hereby in the ordinary course of such Transferor's business and that such Transferor has no arrangement with any person to participate in the distribution of such Exchange Notes.

Each holder, other than a broker-dealer, must acknowledge that it is not engaged in, and does not intend to engage in, a distribution of Exchange Notes. Each Transferor which is a broker-dealer receiving Exchange Notes for its own account must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. By so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

Withdrawal Rights

Tenders of Old Notes may be withdrawn at any time prior to the Expiration Date.

For a withdrawal to be effective, a written notice of withdrawal sent by telegram, facsimile transmission (receipt confirmed by telephone) or letter must be received by the Exchange Agent at the address set forth herein prior to the Expiration Date. Any such notice of withdrawal must:

- specify the name of the person having tendered the Old Notes to be withdrawn (the "Depositor"),
- identify the Old Notes to be withdrawn (including the certificate number or numbers and principal amount of such Old Notes),
- specify the principal amount of Notes to be withdrawn,
- include a statement that such holder is withdrawing his election to have such Old Notes exchanged,
- be signed by the holder in the same manner as the original signature on the Letter of Transmittal by which such Old Notes were tendered or as otherwise described above (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the Trustee under the Indenture register the transfer of such Old Notes into the name of the person withdrawing the tender, and
- specify the name in which any such Old Notes are to be registered, if different from that of the Depositor. The Exchange Agent will return the properly withdrawn Old Notes promptly following receipt of notice of withdrawal. If Old Notes have been tendered pursuant to the procedure for book-entry transfer, any notice of withdrawal must specify the name and number of the account at the book-entry transfer facility to be credited with the withdrawn Old Notes or otherwise comply with the book-entry transfer facility procedure. All questions as to the validity of notices of withdrawals, including time of receipt, will be determined by the Company and such determination will be final and binding on all parties.

Any Old Notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the Exchange Offer. Any Old Notes which have been tendered for exchange but which are not exchanged for any reason will be returned to the holder thereof without cost to such holder (or, in the case of Old Notes tendered by book-entry transfer into the Exchange Agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described above, such Old Notes will be credited to an account with such book-entry transfer facility specified by the holder) as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Old Notes may be retendered by following one of the procedures described under "--Procedures for Tendering Old Notes" above at any time on or prior to the Expiration Date.

Acceptance of Old Notes for Exchange; Delivery of Exchange Notes

Upon satisfaction or waiver of all of the conditions to the Exchange Offer, the Company will accept, promptly on the Exchange Date, all Old Notes properly tendered and will issue the Exchange Notes promptly after such acceptance. See "--Certain Conditions to the Exchange Offer" below. For purposes of the Exchange Offer, the Company shall be deemed to have accepted properly tendered Old Notes for exchange when, as and if the Company has given oral or written

notice thereof to the Exchange Agent.

For each Old Note accepted for exchange, the holder of such Old Note will receive an Exchange Note having a principal amount equal to that of the surrendered Old Note.

In all cases, issuance of Exchange Notes for Old Notes that are accepted for exchange pursuant to the Exchange Offer will be made only after timely receipt by the Exchange Agent of certificates for such Old Notes or a timely book-entry confirmation of such Old Notes into the Exchange Agent's account at the book-entry transfer facility, a properly completed and duly executed Letter of Transmittal and all other required documents. If any tendered Old Notes are not accepted for any reason set forth in the terms and conditions of the Exchange Offer or if Old Notes are submitted for a greater principal amount than the holder desires to exchange, such unaccepted or non-exchanged Old Notes will be returned without expense to the tendering holder thereof (or, in the case of Old Notes tendered by book-entry transfer into the Exchange Agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described above, such non-exchanged Old Notes will be credited to an account maintained with such book-entry transfer facility) as promptly as practicable after the expiration of the Exchange Offer.

Certain Conditions to the Exchange Offer

Notwithstanding any other provision of the Exchange Offer, or any extension of the Exchange Offer, the Company shall not be required to accept for exchange, or to issue Exchange Notes in exchange for, any Old Notes and may terminate or amend the Exchange Offer (by oral or written notice to the Exchange Agent or by a timely press release) if at any time before the acceptance of such Old Notes for exchange or the exchange of the Exchange Notes for such Old Notes, any of the following conditions exist:

(1) any action or proceeding is instituted or threatened in any court or by or before any governmental agency or regulatory authority or any injunction, order or decree is issued with respect to the Exchange Offer which, in the sole judgment of the Company, might materially impair the ability of the Company to proceed with the Exchange Offer or have a material adverse effect on the contemplated benefits of the Exchange Offer to the Company; or

(2) any change (or any development involving a prospective change) shall have occurred or be threatened in the business, properties, assets, liabilities, financial condition, operations, results of operations or prospects of the Company that is or may be adverse to the Company, or the Company shall have become aware of facts that have or may have adverse significance with respect to the value of the Old Notes or the Exchange Notes or that may materially impair the contemplated benefits of the Exchange Offer to the Company; or

(3) any law, rule or regulation or applicable interpretations of the staff of the Commission is issued or promulgated which, in the good faith determination of the Company, do not permit the Company to effect the Exchange Offer; or

(4) the approval of the issuance of the Exchange Notes in the exchange offer has not been obtained from the Indiana Gaming Commission; or

(5) any governmental approval has not been obtained, which approval the Company, in its sole discretion, deems necessary for the consummation of the Exchange Offer; or

(6) there shall have been proposed, adopted or enacted any law, statute, rule or regulation (or an amendment to any existing law statute, rule or regulation) which, in the sole judgment of the Company, might materially impair the ability of the Company to proceed with the Exchange Offer or have a material adverse effect on the contemplated benefits of the Exchange Offer to the Company; or

(7) there shall occur a change in the current interpretation by the staff of the Commission which permits the Exchange Notes issued pursuant to the Exchange Offer in exchange for Old Notes to be offered for resale, resold and otherwise transferred by holders thereof (other than any such holder that is an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act provided that such Exchange Notes are acquired in the ordinary course of such holders' business and such holders have no arrangement with any person to participate in the

distribution of such Exchange Notes; or

(8) there shall have occurred:

- any general suspension of, shortening of hours for, or limitation on prices for, trading in securities on any national securities exchange or in the over-the-counter market (whether or not mandatory),

- any limitation by any governmental agency or authority which may adversely affect the ability of the Company to complete the transactions contemplated by the Exchange Offer,

- a declaration of a banking moratorium or any suspension of payments in respect of banks by Federal or state authorities in the United States (whether or not mandatory),

- a commencement of a war, armed hostilities or other international or national crisis directly or indirectly involving the United States,

- any limitation (whether or not mandatory) by any governmental authority on, or other event having a reasonable likelihood of affecting, the extension of credit by banks or other lending institutions in the United States, or

- in the case of any of the foregoing existing at the time of the commencement of the Exchange Offer, a material acceleration or worsening thereof.

The Company expressly reserves the right to terminate the Exchange Offer and not accept for exchange any Old Notes upon the occurrence of any of the foregoing conditions (which represent all of the material conditions to the acceptance by the Company of properly tendered Old Notes). In addition, the Company may amend the Exchange Offer at any time prior to the Expiration Date in any respect whether or not any of the conditions set forth above occur.

The foregoing conditions are for the sole benefit of the Company and maybe asserted by the Company regardless of the circumstances giving rise to any such condition or may be waived by the Company in whole or in part at any time and from time to time in its sole discretion. The failure by the Company at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed an ongoing right which maybe asserted at any time and from time to time.

If the Company waives or amends the foregoing conditions, it will, if required by law, extend the Exchange Offer for a minimum of five business days from the date that the Company first gives notice, by public announcement or otherwise, of such waiver or amendment, if the Exchange Offer would otherwise expire within such five business-day period. Any determination by the Company concerning the events described above will be final and binding upon all parties.

In addition, the Company will not accept for exchange any Old Notes tendered, and no Exchange Notes will be issued in exchange for any such Old Notes, if at such time any stop order shall be threatened or in effect with respect to the Registration Statement of which this prospectus constitutes apart or the qualification of the Indenture under the Trust Indenture Act of 1939, as amended. In any such event the Company is required to use every reasonable effort to obtain the withdrawal of any stop order at the earliest possible time.

The Exchange Offer is not conditioned upon any minimum principal amount of Old Notes being tendered for exchange.

Exchange Agent

The Bank of New York has been appointed as the "Exchange Agent" for the Exchange Offer. All executed Letters of Transmittal should be directed to the Exchange Agent at one of the addresses set forth below:

<TABLE>
<S> <C>

By Hand/Overnight Courier:	By Mail:
The Bank of New York	The Bank of New York
101 Barclay Street	101 Barclay Street, Floor 7E
Corporate Trust Services Window	New York, New York 10286
Ground Level	Attn: Martha James
New York, New York 10286	Reorganization Section

Attn: Martha James
Reorganization Section
</TABLE>

By Facsimile: (212) 815-6339
Attn.: Reorganization Section
Telephone: (212) 815-6335

Questions and requests for assistance, requests for additional copies of this prospectus or of the Letter of Transmittal and requests for Notices of Guaranteed Delivery should be directed to the Exchange Agent at the address and telephone number set forth in the Letter of Transmittal.

DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ON THE LETTER OF TRANSMITTAL, OR TRANSMISSIONS OF INSTRUCTIONS VIA A FACSIMILE OR TELEX NUMBER OTHER THAN THE ONES SET FORTH ON THE LETTER OF TRANSMITTAL, WILL NOT CONSTITUTE A VALID DELIVERY.

Solicitation of Tenders; Fees and Expenses

The Company has not retained any dealer-manager in connection with the Exchange Offer and will not make any payments to brokers, dealers or others soliciting acceptances of the Exchange Offer. The Company, however, will pay the Exchange Agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses in connection therewith. The Company will also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this and other related documents to the beneficial owners of the Old Notes and in handling or forwarding tenders for their customers.

The Company will pay all expenses incurred in connection with the Exchange Offer, including fees and expenses of the Exchange Agent, Trustee, registration fees, accounting, legal, printing and related fees and expenses.

No person has been authorized to give any information or to make any representations in connection with the Exchange Offer other than those contained in this prospectus. If given or made, such information or representations should not be relied upon as having been authorized by the Company. Neither the delivery of this prospectus nor any exchange made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the respective dates as of which information is given herein. The Exchange Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Old Notes in any jurisdiction in which the making of the Exchange Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. However, the Company may, at its discretion, take such action as it may deem necessary to make the Exchange Offer in any such jurisdiction and extend the Exchange Offer to holders of Old Notes in such jurisdiction. In certain jurisdictions, the Exchange Offer may be made on behalf of the Company by one or more registered brokers or dealers which are licensed under the laws of such jurisdiction.

Transfer Taxes

The Company will pay all transfer taxes, if any, applicable to the exchange of Old Notes pursuant to the Exchange Offer. If, however, certificates representing Exchange Notes or Old Notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the Old Notes tendered, or if tendered Old Notes are registered in the name of any person other than the person signing the Letter of Transmittal, or if a transfer tax is imposed for any reason other than the exchange of Old Notes pursuant to the Exchange Offer, then the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

Accounting Treatment

The Exchange Notes will be recorded at the carrying value of the Old Notes as reflected in the Company's accounting records on the date of the exchange. Accordingly, no gain or loss for accounting purposes will be recognized by the Company upon the exchange of Exchange Notes for Old Notes. Expenses incurred in connection with the issuance of the Exchange Notes will be amortized over the term of the Exchange Notes.

Consequences of Failure to Exchange

Holders of Old Notes who do not exchange their Old Notes for Exchange Notes pursuant to the Exchange Offer will continue to be subject to the restrictions on transfer of such Old Notes as set forth in the legend thereon. Old Notes not exchanged pursuant to the Exchange Offer will continue to remain outstanding in accordance with their terms. In general, the Old Notes may not be offered or sold unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. The Company does not currently anticipate that it will register the Old Notes under the Securities Act.

Participation in the Exchange Offer is voluntary, and holders of Old Notes should carefully consider whether to participate. Holders of Old Notes are urged to consult their financial and tax advisors in making their own decision on what action to take.

As a result of the making of, and upon acceptance for exchange of all validly tendered Old Notes pursuant to the terms of, this Exchange Offer, the Company will have fulfilled a covenant contained in the Registration Rights Agreement to effect the Exchange Offer. Holders of Old Notes who do not tender their Old Notes in the Exchange Offer will continue to hold such Old Notes and will be entitled to all the rights and limitations applicable thereto under the Indenture, except for any such rights under the Registration Rights Agreement that by their terms terminate or cease to have further effectiveness as a result of the making of this Exchange Offer. All untendered Old Notes will continue to be subject to the restrictions on transfer set forth in the Indenture. To the extent that Old Notes are tendered and accepted in the Exchange Offer, the trading market for untendered Old Notes could be adversely affected.

The Company may in the future seek to acquire, subject to the terms of the Indenture, untendered Old Notes in open market or privately negotiated transactions, through subsequent exchange offers or otherwise. The Company has no present plan to acquire any Old Notes which are not tendered in the Exchange Offer.

Resale of Exchange Notes

The Company is making the Exchange Offer in reliance on the position of the staff of the Commission as set forth in certain interpretive letters addressed to third parties in other transactions. However, the Company has not sought its own interpretive letter and there can be no assurance that the Staff would make a similar determination with respect to the Exchange Offer as it has in such interpretive letters to third parties. Based on

these interpretations by the staff, the Company believes that the Exchange Notes issued pursuant to the Exchange Offer in exchange for Old Notes may be offered for resale, resold and otherwise transferred by a Holder (other than any Holder who is a broker-dealer or an "affiliate" of the Company within the meaning of Rule 405 of the Securities Act) without further compliance with the registration and prospectus delivery requirements of the Securities Act, provided that such Exchange Notes are acquired in the ordinary course of such Holder's business and that such Holder is not participating, and has no arrangement or understanding with any person to participate, in a distribution (within the meaning of the Securities Act) of such Exchange Notes. However, any holder who is an "affiliate" of the Company or who has an arrangement or understanding with respect to the distribution of the Exchange Notes to be acquired pursuant to the Exchange Offer, or any broker-dealer who purchased Old Notes from the Company to resell pursuant to Rule 144A or any other available exemption under the Securities Act:

- could not rely on the applicable interpretations of the staff and
- must comply with the registration and prospectus delivery requirements of the Securities Act. A broker-dealer who holds Old Notes that were acquired for its own account as a result of market-making or other trading activities may be deemed to be an "underwriter" within the meaning of the Securities Act and must, therefore, deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of Exchange Notes. Each such broker-dealer that receives Exchange Notes for its own account in exchange for Old Notes, where such Old Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge in the Letter of Transmittal that it will deliver a prospectus in connection with any resale of such Exchange Notes. See "Plan of Distribution".

In addition, to comply with the securities laws of certain jurisdictions, if applicable, the Exchange Notes may not be offered or sold unless they have been registered or qualified for sale in such jurisdiction or an exemption from

registration or qualification is available and is complied with. The Company has agreed, pursuant to the Registration Rights Agreement and subject to certain specified limitations therein, to register or qualify the Exchange Notes for offer or sale under the securities or blue sky laws of such jurisdictions as any holder of the Exchange Notes reasonably requests. Such registration or qualification may require the imposition of restrictions or conditions (including suitability requirements for offers or purchasers) in connection with the offer or sale of any Exchange Notes.

DESCRIPTION OF NOTES

The Old Notes were issued and the Exchange Notes offered hereby will be issued under an indenture dated as of February 18, 1999 (the "Indenture") among the Company, as issuer, the Guarantors named therein and The Bank of New York, as trustee (the "Trustee"). The terms of the Exchange Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The Exchange Notes are subject to all such terms, and holders of the Exchange Notes are referred to the Indenture and the Trust Indenture Act for a statement thereof. The following summary of the material provisions of the Indenture describes the material terms of the Indenture but does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Indenture, including the definitions of certain terms contained therein and those terms made part of the Indenture by reference to the Trust Indenture Act.

You can find the definitions of certain terms used in this description under the subheading "Certain Definitions." In this description, the word "Company" refers only to Hollywood Park, Inc. and not to any of its subsidiaries or affiliates.

On February 18, 1999, the Company issued $350 million aggregate principal amount of Old Notes under the Indenture. The terms of the Exchange Notes are identical in all material respects to the Old Notes, except for certain transfer restrictions and registration and other rights relating to the exchange of the Old Notes for the Exchange Notes. The Trustee will authenticate and deliver Exchange Notes for original issue only in exchange for a like principal amount of Old Notes. Any Old Notes that remain outstanding after the consummation of the Exchange Offer, together with the Exchange Notes, will be treated as a single class of securities under the Indenture. Accordingly, all references herein to specified percentages in aggregate principal amount of the outstanding Notes shall be deemed to mean, at any time after the Exchange Offer is consummated, such percentage in aggregate principal amount of the Old Notes and Exchange Notes then outstanding.

Brief Description of the Notes and the Guarantees

The Notes

These Notes:

- are general unsecured obligations of the Company;
- are subordinated in right of payment to all existing and future Senior Debt of the Company;
- are effectively subordinated to all secured Indebtedness of the Company;
- rank equally with its 9 1/2% Senior Subordinated Notes due 2007 issued by the Company and Hollywood Park Operating Company;
- are senior in right of payment to any future Indebtedness of the Company that is specifically subordinated to the Notes; and
- are unconditionally guaranteed by the Guarantors.

The Guarantees

These Notes are guaranteed by each of the existing and future Material Restricted Subsidiaries of the Company, which are initially all of the subsidiaries of the Company except:

Hollywood Park Kansas, Inc.

Sunflower Racing, Inc. and its subsidiary SR Food & Beverage Company

the following subsidiaries of Casino Magic Corp.:

Jefferson Casino Corporation and its subsidiary Casino Magic of Louisiana, Corp.

Casino Magic Neuquen S.A. and its subsidiary Casino Magic Support Services SA

Casino Magic Management Services Corp.

St. Louis Casino Corp.

Boston Casino Corp.

Casino Advertising, Inc.

the following subsidiaries of Boomtown, Inc.:

Boomtown Missouri, Inc.

Boomtown Council Bluffs, Inc.

Boomtown Iowa, L.C.

Old River Enterprises

Blue Diamond Hotel and Casino, Inc.

Boomtown Las Vegas, Inc.

and the subsidiaries of any of the foregoing.

The Guarantees of these Notes:

. are general unsecured obligations of each Guarantor;

. are subordinated in right of payment to all existing and future Senior Debt of each Guarantor;

. are effectively subordinated to all secured Indebtedness of each Guarantor;

. rank equally with each Guarantor's guarantee of the 9 1/2% Senior Subordinated Notes due 2007 issued by the Company and Hollywood Park Operating Company; and

. are senior in right of payment to any future Indebtedness of each Guarantor that is specifically subordinated to the Guarantees.

Assuming we had completed the offering of these Notes and applied the net proceeds as intended, as of September 30, 1998, the Company and the Guarantors would have had total Senior Debt (including secured Indebtedness) of approximately $31.1 million, plus an aggregate of approximately $15.6 million of accounts payable ranking equally with the Notes. As indicated above and as discussed in detail below under the subheading "Subordination," payments on the Notes and under the Guarantees will be subordinated to the payment of Senior Debt. The Indenture permits us and the Guarantors to incur additional Senior Debt.

As of the date of the Indenture, all of our Subsidiaries were "Restricted Subsidiaries," except for Sunflower Racing, Inc. and its subsidiary SR Food & Beverage Company, Jefferson Casino Corporation and its subsidiary Casino Magic of Louisiana, Corp., Casino Magic Neuquen S.A. and its subsidiary Casino Magic Support Services SA and Casino Magic Management Services Corp. However, under the circumstances described below under the subheading "Certain Covenants--Designation of Restricted and Unrestricted Subsidiaries," we will be permitted to designate certain of our subsidiaries as "Unrestricted Subsidiaries." Unrestricted Subsidiaries are not subject to many of the restrictive covenants in the Indenture. Unrestricted Subsidiaries do not guarantee these Notes.

Not all of our "Restricted Subsidiaries" guarantee these Notes. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor subsidiaries, these non-guarantor subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to us. The

guarantor subsidiaries generated 79.8% of our pro forma consolidated revenues

in the nine-month period ended September 30, 1998 and held 84.4% of our pro forma consolidated assets as of September 30, 1998. See footnote 18 to our Consolidated Financial Statements for year ended December 31, 1997 and footnote 7 to our Consolidated Financial Statements for the nine months ended September 30, 1998, included at the back of this prospectus for more detail about the division of our consolidated revenues and assets between our guarantor and non-guarantor subsidiaries. The issuance of the Exchange Notes in the exchange offer requires the approval of the Indiana Gaming Commission.

Principal, Maturity and Interest

The Notes are limited to a maximum aggregate principal amount of $350 million. The Company issues Notes in denominations of $1,000 and integral multiples of $1,000. The Notes will mature on February 15, 2007.

Interest on these Notes accrues at the rate of 9 1/4% per annum and is payable semi-annually in arrears on February 15 and August 15, commencing on August 15, 1999. The Company will make each interest payment to the Holders of record of these Notes on the immediately preceding February 1 and August 1.

Interest on these Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. The Exchange Notes will bear interest from their date of issuance. Interest will accrue on the Old Notes that are tendered in exchange for the Exchange Notes through the issue date of the Exchange Notes. Holders of Old Notes that are accepted for exchange will not receive interest that is accrued but unpaid on the Old Notes at the time of exchange, but such interest will be payable, together with interest on the Exchange Notes, on the first interest payment date after the Expiration Date. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Notes

If a Holder has given wire transfer instructions to the Company, the Company will make all principal, premium and interest payments on those Notes in accordance with those instructions. All other payments on these Notes will be made at the office or agency of the Company maintained for such purpose within the City and State of New York unless the Company elects to make interest payments by check mailed to the Holders at their address set forth in the register of Holders; provided that all payments with respect to Global Notes, and any definitive Notes the Holder of which has given wire instructions to the Company will be made by wire transfer. Until otherwise designated by the Company, the Company's office or agency in New York will be the office of the Trustee maintained for such purpose.

Optional Redemption

The Company does not have the option to redeem the Notes prior to February 15, 2003. Thereafter, the Company has the option to redeem the Notes, in whole or in part, upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of the principal amount thereof) set forth below plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the applicable redemption date, if redeemed during the twelve-month period beginning on February 15 of the years indicated below:

<TABLE>
<CAPTION>

Year	Percentage
<S>	<C>
2003	104.625%
2004	103.083%
2005	101.542%
2006 and thereafter	100.000%

</TABLE>

Notwithstanding the foregoing, the Company may, during the first 36 months after the Issue Date, redeem up to 25% of the initially outstanding aggregate principal amount of Notes with the net cash proceeds of one or

more Public Equity Offerings of common stock of the Company at a redemption price in cash of 109.25% of the principal amount thereof, plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the redemption date; provided that:

(1) at least 75% of the initially outstanding aggregate principal amount of Notes remains outstanding immediately after the occurrence of such redemption;

(2) notice of any such redemption shall be given by the Company to the Holders and the Trustee within 15 days after the consummation of any such Public Equity Offering; and

(3) such redemption shall occur within 60 days of the date of such notice.

In addition to the foregoing, if any Gaming Authority requires that a holder or beneficial owner of Notes must be licensed, qualified or found suitable under any applicable Gaming Laws and such holder or beneficial owner:

(1) fails to apply for a license, qualification or a finding of suitability within 30 days (or such shorter period as may be required by the applicable Gaming Authority) after being requested to do so by the Gaming Authority, or

(2) is denied such license or qualification or not found suitable,

the Company shall have the right, at its option:

(1) to require any such holder or beneficial owner to dispose of its Notes within 30 days (or such earlier date as may be required by the applicable Gaming Authority) of receipt of such notice or finding by such Gaming Authority, or

(2) to call for the redemption of the Notes of such holder or beneficial owner at a redemption price equal to the least of:

(A) the principal amount thereof,

(B) the price at which such holder or beneficial owner acquired the Notes, in the case of either clause (A) above or this clause (B), together with accrued interest and Liquidated Damages, if any, to the earlier of the date of redemption or the date of the denial of license or qualification or of the finding of unsuitability by such Gaming Authority, or

(C) such other lesser amount as may be required by any Gaming Authority.

The Company shall notify the Trustee in writing of any such redemption as soon as practicable. The holder or beneficial owner applying for license, qualification or a finding of suitability must pay all costs of the licensure or investigation for such qualification or finding of suitability.

Selection and Notice

If less than all of the Notes are to be redeemed at any time, the Trustee will select the Notes to be redeemed among the holders of Notes as follows:

(1) if the Notes are listed, in compliance with the requirements of the principal national securities exchange on which the Notes are listed, or

(2) if the Notes are not so listed, on a pro rata basis, by lot or in accordance with any other method the Trustee considers fair and appropriate.

No Notes of $1,000 or less shall be redeemed in part. Notices of redemption shall be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each holder of Notes to be redeemed at its registered address. Notices of redemption may not be conditional.

If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the

unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption.

The Company may obtain a satisfaction and discharge from all of its obligations under the Indenture and the Notes concurrently with its issuance of any notice to redeem all of the outstanding Notes by (1) depositing cash or Cash Equivalents in an amount sufficient to pay and discharge the entire indebtedness on the outstanding Notes for principal, premium (if any), and interest to the redemption date set forth in the notice of redemption, (2) paying or providing for the payment of all other sums payable under the Indenture or the Notes including, without limitation, the expenses and fees of

the Trustee, and (3) delivering an Officer's Certificate and opinion of counsel, each stating that all conditions precedent herein provided for the satisfaction and discharge of the Indenture have been complied with, and otherwise complying with any additional provisions of Section 314(c) of the Trust Indenture Act in connection with such satisfaction and discharge. Upon compliance with the foregoing, the Trustee shall execute proper instrument(s) acknowledging the satisfaction and discharge of the Indenture.

Mandatory Redemption

Except as described below under "Repurchase at the Option of Holders," the Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Subordination

The payment of principal, Liquidated Damages, if any, and interest on the Old Notes and the related Guaranties are, and on the Exchange Notes and related Guaranties will be, subordinated to the prior payment in full of all Senior Debt, whether outstanding on the Issue Date or thereafter Incurred.

Upon any distribution to creditors of any Obligor in a liquidation or dissolution of such Obligor or in a proceeding under Bankruptcy Law relating to such Obligor or its property, in an assignment for the benefit of creditors or any marshaling of such Obligor's assets and liabilities:

(1) the holders of Senior Debt will be entitled to receive payment in full of all Obligations in respect of such Senior Debt (including Accrued Bankruptcy Interest) and to have all outstanding Letter of Credit Obligations and applicable Hedging Obligations fully cash collateralized before the Trustee or the holders shall be entitled to receive any payment or distribution on Obligations in respect of the Notes (except that the Trustee or the holders may receive payments and other distributions made from the defeasance or redemption trust described under "Legal Defeasance and Covenant Defeasance" or "Selection and Notice" and the issuance of Permitted Junior Securities), and

(2) until all Obligations with respect to Senior Debt (as provided in clause (1) above) are paid in full and all outstanding Letter of Credit Obligations and applicable Hedging Obligations are fully cash collateralized, any distribution to which the Trustee or the holders would be entitled but for this provision, including any such distribution that is payable or deliverable by reason of the payment of any other Indebtedness of such Obligor being subordinated to the payment of the Notes, shall be made to holders of Senior Debt or their representatives, ratably in accordance with the respective amounts of the principal of such Senior Debt, interest (including, without limitation, Accrued Bankruptcy Interest) thereon and all other Obligations with respect thereto (except that holders may receive payments and other distributions made from the defeasance or redemption trust described under "Legal Defeasance and Covenant Defeasance" or "Selection and Notice" and the issuance of Permitted Junior Securities), as their respective interests may appear.

The Obligors will also be restrained from making any payment or distribution to the Trustee or any holder in respect of Obligations arising under or in connection with the Notes, and from acquiring from the Trustee or any holder any Notes for cash or property (other than payments and other distributions made from any defeasance or redemption trust described under "Legal Defeasance and Covenant Defeasance" or "Selection

and Notice" and the issuance of Permitted Junior Securities), until all principal and other Obligations arising under or in connection with the Senior Debt have been paid in full or fully cash-collateralized, if not yet due if:

(1) a default in the payment of any Obligations with respect to Designated Senior Debt occurs and is continuing (including any default in payment upon the maturity of any Designated Senior Debt by lapse of time, acceleration or otherwise), or any judicial proceeding is pending to determine whether any such default has occurred, or

(2) any other default occurs and is continuing with respect to Designated Senior Debt that permits holders of the Designated Senior Debt as to which such default relates to accelerate its maturity and the Trustee receives a notice of such default (a "Payment Blockage Notice") from the affected Obligors or the holders of any Designated Senior Debt.

Payments on the Notes may and shall be resumed:

(1) in the case of a payment default, upon the date on which such default

is cured or waived, and

(2) in case of a nonpayment default, the earlier of the date on which such nonpayment default is cured or waived or 179 days after the date on which the applicable Payment Blockage Notice is received by the Trustee, unless the maturity of any Designated Senior Debt has been accelerated.

No new period of payment blockage predicated on a nonpayment default may be commenced unless and until 360 days have elapsed since the effectiveness of the immediately prior Payment Blockage Notice. No nonpayment default that existed or was continuing on the date of delivery of any Payment Blockage Notice to the Trustee shall be, or be made, the basis for a subsequent Payment Blockage Notice unless such default shall have been waived for a period of not less than 180 days.

Notwithstanding the foregoing, the Company will be permitted to repurchase, redeem, repay or prepay any or all of the Notes to the extent required to do so by any Gaming Authority having authority over any Obligor.

The Indenture provides that the Trustee or any holder that has received any payment or distribution in violation of the foregoing provisions will be required to hold the same without commingling and deliver the same, in the form received, together with any necessary endorsements, to the holders of Senior Debt or their representatives. The Indenture further requires that each affected Obligor promptly notify holders of Senior Debt if payment of the Notes is accelerated because of an Event of Default.

As a result of the subordination provisions described above, in the event of a liquidation or insolvency, holders of Notes may recover less ratably than creditors of the affected Obligors who are holders of Senior Debt. See "Risk Factors--The Notes are Subordinated to Senior Debt and Effectively Subordinated to Debt of Our Non-Guarantor Subsidiaries."

Repurchase at the Option of Holders

Change of Control

Upon the occurrence of a Change of Control, each holder of Notes will have the right to require the Company to repurchase all or any part (equal to $1,000 or an integral multiple thereof) of such holder's Notes pursuant to the offer described below (the "Change of Control Offer") at an offer price in cash (the "Change of Control Payment") equal to 101% of the aggregate principal amount of Notes plus accrued and unpaid interest thereon, if any, to the date of repurchase. Within 30 days following any Change of Control, the Company will mail a notice to the Trustee and each holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the date specified in such notice, which date shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), pursuant to the procedures required by the Indenture and described in such notice. The Company will comply with all applicable laws, including, without limitation, Section 14(e) of the Exchange Act and the rules thereunder and all applicable federal and state securities laws, and will include all instructions and materials necessary to enable holders to tender their Notes.

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer,

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered, and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted, together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

The Paying Agent will promptly mail to each holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered by such holder, if any; provided that each such new Note will be in a principal amount of $1,000 or an integral multiple thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The Indenture provides that, prior to complying with the provisions of this covenant, but in any event within 90 days following a Change of Control, the Company will either:

(1) repay all outstanding obligations with respect to Senior Debt,

(2) obtain the requisite consents, if any, from the holders of Senior Debt to permit the repurchase of the Notes required by this covenant, or

(3) deliver to the Trustee an Officer's Certificate to the effect that no action of the kind described in clause (1) or (2) is necessary.

The Change of Control provisions described above will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the holders of the Notes to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Bank Credit Facility contains, and any future Credit Facilities or other agreements relating to Indebtedness to which the Company becomes a party may contain, restrictions on the ability of the Company to purchase any Notes, and also may provide that certain change of control events with respect to the Company would constitute a default thereunder. In the event a Change of Control occurs at a time when the Company is prohibited from purchasing Notes, the Company could seek the consents of its lenders to the purchase of Notes or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain all such requisite consents or repay such borrowings, the Company will remain prohibited from purchasing Notes. In such case, the Company's failure to purchase tendered Notes would constitute an Event of Default under the Indenture. In such circumstances, the subordination provisions in the Indenture would likely restrict payments to the holders of Notes. Thus, there can be no assurance that in the event of a Change of Control the Company will have sufficient funds, or that it will be permitted under the terms of the Bank Credit Facility, to satisfy its obligations with respect to any or all of the tendered Notes.

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the assets of the Company and its Restricted Subsidiaries taken as a whole. Although there is a developing body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of

Notes to require the Company to repurchase such Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company or the Company and its Restricted Subsidiaries, taken as a whole, to another Person or group may be uncertain.

The presence of the Company's Note repurchase obligation in the event of a Change of Control may deter potential bidders from attempting to acquire the Company, whether by merger, tender offer or otherwise. Such deterrence may have an adverse effect on the market price for the Company's securities, particularly its common stock, which would presumably reflect the market's perception of the likelihood of any takeover attempt at a premium to the market price.

Asset Sales

The Indenture provides that no Obligor will, directly or indirectly, consummate or enter into a binding commitment to consummate an Asset Sale unless:

(1) such Obligor, as the case may be, receives consideration at the time of such Asset Sale at least equal to the fair market value of the assets sold or of which other disposition is made (as determined reasonably and in good faith by the Board of such Obligor), and

(2) at least 75% of the consideration received by such Obligor from such Asset Sale will be cash or Cash Equivalents and will be received at the time of the consummation of any such Asset Sale. For purposes of this provision, each of the following shall be deemed to be cash:

(A) any liabilities as shown on the Obligors' most recent balance sheet (or in the notes thereto) (other than (i) Indebtedness subordinate in right of payment to the Notes, (ii) contingent liabilities, (iii) liabilities or Indebtedness to Affiliates of the Company and (iv) Non-Recourse Indebtedness) that are assumed by the transferee of any such assets, and

(B) to the extent of the cash received, any notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by such Obligor into cash within 60 days of receipt.

Notwithstanding the foregoing, an Obligor will be permitted to consummate an Asset Sale without complying with the foregoing provisions if:

(1) such Obligor receives consideration at the time of such Asset Sale at least equal to the fair market value of the assets or other property sold, issued or otherwise disposed of (as evidenced by a resolution of the Board of such Obligor) as set forth in an Officers' Certificate delivered to the Trustee,

(2) the transaction constitutes a "like-kind exchange" of the type contemplated by Section 1031 of the Internal Revenue Code, and

(3) the consideration for such Asset Sale constitutes Productive Assets; provided that any non-cash consideration not constituting Productive Assets received by such Obligor in connection with such Asset Sale that is converted into or sold or otherwise disposed of for cash or Cash Equivalents at any time within 360 days after such Asset Sale and any Productive Assets constituting cash or Cash Equivalents received by such Obligor in connection with such Asset Sale shall constitute Net Cash Proceeds subject to the provisions set forth above.

Upon the consummation of an Asset Sale, the Company or the affected Obligor will be required to apply all Net Cash Proceeds that are received from such Asset Sale within 360 days of the receipt thereof either:

(1) to reinvest (or enter into a binding commitment to invest, if such investment is effected within 360 days after the date of such commitment) in Productive Assets or in Asset Acquisitions not otherwise prohibited by the Indenture, or

(2) to permanently prepay or repay Indebtedness of any Obligor other than Indebtedness that is subordinate in right of payment to the Notes.

Pending the final application of any such Net Cash Proceeds, the Obligors may temporarily reduce revolving Indebtedness or otherwise invest such Net Cash Proceeds in any manner not prohibited by the Indenture.

On the 361st day after an Asset Sale or such earlier date, if any, as the Board of the Company or the affected Obligor determines not to apply the Net Cash Proceeds relating to such Asset Sale as set forth in clauses (1) or (2) of the preceding paragraph (each a "Net Proceeds Offer Trigger Date"), such aggregate amount of Net Cash Proceeds which have not been applied on or before such Net Proceeds Offer Trigger Date as permitted in clauses (1) or (2) of the preceding paragraph (each a "Net Proceeds Offer Amount"), will be applied by the Company to make an offer to purchase (the "Net Proceeds Offer"), on a date (the "Net Proceeds Offer Payment Date") not less than 30 nor more than 60 days following the applicable Net Proceeds Offer Trigger Date, on a pro rata basis (A) Notes at a purchase price in cash equal to 100% of the aggregate principal amount of Notes, in each case, plus accrued and unpaid interest and Liquidated Damages, if any, thereon on the Net Proceeds Offer Payment Date and (B) 9 1/2% Senior Subordinated Notes due 2007 issued by the Company and Hollywood Park Operating Company to the extent required by the terms thereof; provided that if at any time within 360 days after an Asset Sale any non-cash consideration received by the Company or the affected Obligor in connection with such Asset Sale is converted into or sold or otherwise disposed of for cash, then such conversion or disposition will be deemed to constitute an Asset Sale hereunder and the Net Cash Proceeds thereof will be applied in accordance with this covenant. To the extent that the aggregate principal amount of Notes tendered pursuant to the Net Proceeds Offer is less than the Net Proceeds Offer Amount, the Obligors may use any remaining proceeds of such Asset Sales for general corporate purposes (but subject to the other terms of the Indenture). Upon completion of a Net Proceeds Offer, the Net Proceeds Offer Amount relating to such Net Proceeds Offer will be deemed to be zero for purposes of any subsequent Asset Sale. In the event that a Restricted Subsidiary consummates an Asset Sale, only that portion of the Net Cash Proceeds therefrom (including any Net Cash Proceeds received upon the sale or other disposition of any non-

cash proceeds received in connection with an Asset Sale) that are distributed to or received by any Obligor will be required to be applied by the Obligors in accordance with the provisions of this paragraph.

Notwithstanding the foregoing, if a Net Proceeds Offer Amount is less than $10 million the application of the Net Cash Proceeds constituting such Net Proceeds Offer Amount to a Net Proceeds Offer may be deferred until such time as such Net Proceeds Offer Amount plus the aggregate amount of all Net Proceeds Offer Amounts arising subsequent to the Issue Date of the Notes from all Asset Sales by the Obligors in respect of which a Net Proceeds Offer has not been made aggregate at least $10 million at which time the affected Obligor will apply all Net Cash Proceeds constituting all Net Proceeds Offer Amounts that have been so deferred to make a Net Proceeds Offer (each date on which the aggregate of all such deferred Net Proceeds Offer Amounts is equal to $10 million or more will be deemed to be a Net Proceeds Offer Trigger Date). In connection with any Asset Sale with respect to assets having a book value in excess of $10 million or as to which it is expected that the aggregate consideration therefor to be received by the affected Obligor will exceed $10 million in value, such Asset Sale will be approved, prior to the consummation thereof, by the Board of the applicable Obligor.

Certain Covenants

Restricted Payments

The Indenture provides that neither the Company nor any Restricted Subsidiary will, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution (other than dividends or distributions payable solely in Qualified Capital Stock of the Company or dividends or distributions payable to the Company or a Restricted Subsidiary) in respect of the Company's or any Restricted Subsidiary's Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or such Restricted Subsidiary, as applicable) or to the direct or indirect holders of the Company's or such Restricted Subsidiary's Equity Interests in their capacity as such,

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any Restricted Subsidiary) Equity Interests of the Company or any Restricted Subsidiary or of any direct or indirect parent or Affiliate of the Company or any Restricted Subsidiary (other than any such Equity Interests owned by the Company or any Restricted Subsidiary),

(3) make any payment on or with respect to, or purchase, defease, redeem, prepay, decrease or otherwise acquire or retire for value any Indebtedness that is subordinate in right of payment to the Notes, except a payment at Stated Maturity, or

(4) make any Investment (other than Permitted Investments) (each of the foregoing prohibited actions set forth in clauses (1), (2), (3) and (4) being referred to as a "Restricted Payment"),

if at the time of such proposed Restricted Payment or immediately after giving effect thereto,

(1) a Default or an Event of Default has occurred and is continuing or would result therefrom,

(2) the Company is not, or would not be, able to Incur at least $1.00 of additional Indebtedness under the Consolidated Coverage Ratio test described in the second paragraph of the covenant described below under the caption "Incurrence of Indebtedness and Issuance of Preferred Stock", or

(3) the aggregate amount of Restricted Payments (including such proposed Restricted Payment) made subsequent to the Issue Date (the amount expended for such purposes, if other than in cash, being the fair market value of such property as determined reasonably and in good faith by the Board of the Company) exceeds or would exceed the sum, without duplication, of:

(A) 50% of the cumulative Consolidated Net Income (or if cumulative Consolidated Net Income shall be a loss, minus 100% of such loss) of the Company and the Restricted Subsidiaries during the period (treating such period as a single accounting period) beginning on the Issue Date and ending on the last day of the most recent fiscal quarter of the Company ending immediately prior to the date of the making of such Restricted Payment for which internal financial statements are

available ending not more than 135 days prior to the date of determination, plus

(B) 100% of the aggregate net cash proceeds received by the Company from any Person (other than from a Subsidiary of the Company) from the issuance and sale of Qualified Capital Stock of the Company or the conversion of debt securities or Disqualified Capital Stock into Qualified Capital Stock (to the extent that proceeds of the issuance of such Qualified Capital Stock would have been includable in this clause if such Qualified Capital Stock had been initially issued for cash) subsequent to the Issue Date and on or prior to the date of the making of such Restricted Payment (excluding any Qualified Capital Stock of the Company the purchase price of which has been financed directly or indirectly using funds (i) borrowed from the Company or any Restricted Subsidiary, unless and until and to the extent such borrowing is repaid, or (ii) contributed, extended, guaranteed or advanced by the Company or any Restricted Subsidiary (including, without limitation, in respect of any employee stock ownership or benefit plan)), plus

(C) 100% of the aggregate cash received by the Company subsequent to the Issue Date and on or prior to the date of the making of such Restricted Payment upon the exercise of options or warrants (whether issued prior to or after the Issue Date) to purchase Qualified Capital Stock of the Company, plus

(D) to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or Cash Equivalents or otherwise liquidated or repaid for cash or Cash Equivalents, or any dividends, distributions, principal repayments, or returns of capital are received by the Company or any Restricted Subsidiary in respect of any Restricted Investment, in each such case (i) reduced by the amount of any Amount Limitation Restoration (as defined below) for such Restricted Investment and (ii) valued at the cash or marked-to-market value of Cash Equivalents received with respect to such Restricted Investment (less the cost of disposition, if any), plus

(E) to the extent that any Person becomes a Restricted Subsidiary or an Unrestricted Subsidiary is redesignated as a Restricted Subsidiary after the date of the Indenture, the lesser of (i) the fair market value of the Restricted Investment of the Company and its Restricted Subsidiaries in such Person as of the date it becomes a Restricted Subsidiary or in such Unrestricted Subsidiary on the date of redesignation as a Restricted Subsidiary or (ii) the fair market value of such Restricted Investment as of the date such Restricted Investment was originally made in such Person or, in the case of the redesignation of an Unrestricted Subsidiary into a Restricted Subsidiary which Subsidiary was designated as an Unrestricted Subsidiary after the date of the Indenture, the amount of the Company's Restricted Investment therein as determined under the last paragraph of this covenant, plus the aggregate fair market value of any additional Restricted Investments (each valued as of the date made) by the Company and its Restricted Subsidiaries in such Unrestricted Subsidiary after the date of the Indenture; provided that any amount so determined in (i) or (ii) shall be reduced to the extent that such Investment shall have been recouped as an Amount Limitation Restoration to the Amount Limitations of clause (4) (including (4)(A)) or (6) below.

Notwithstanding the foregoing, the provisions set forth in the immediately preceding paragraph will not prohibit:

(1) the payment of any dividend or the making of any distribution within 60 days after the date of declaration of such dividend or distribution if the making thereof would have been permitted on the date of declaration; provided such dividend will be deemed to have been made as of its date of declaration or the giving of such notice for purposes of this clause (1);

(2) the redemption, repurchase, retirement or other acquisition of Capital Stock of the Company or warrants, rights or options to acquire Capital Stock of the Company either (A) solely in exchange for shares of Qualified Capital Stock of the Company or warrants, rights or options to acquire Qualified Capital Stock of the Company, or (B) through the application of net proceeds of a substantially concurrent sale for cash (other than to a Subsidiary of the Company) of shares of Qualified Capital Stock of the Company or warrants, rights or options to acquire Qualified Capital Stock of the Company; provided that no Default or Event of Default shall have occurred and be continuing at the time of such Restricted Payment or would result therefrom;

(3) the redemption, repurchase, retirement, defeasance or other

acquisition of Indebtedness of any Obligor that is subordinate or junior in right of payment to the Notes or the Guaranties either (A) solely in exchange for shares of Qualified Capital Stock of the Company or for Permitted Refinancing Indebtedness, or (B) through the application of the net proceeds of a substantially concurrent sale for cash (other than to an Obligor) of (i) shares of Qualified Capital Stock of the Company or warrants, rights or options to acquire Qualified Capital Stock of the Company or (ii) Permitted Refinancing Indebtedness; provided that no Default or Event of Default shall have occurred and be continuing at the time of such Restricted Payment pursuant to this clause (3) and would not result therefrom;

(4) Restricted Payments in an amount not in excess of $50 million in the aggregate for all such Restricted Payments made in reliance upon this clause (4), for the purpose of (A) Limited Real Estate Development not to exceed $25 million or (B) developing, constructing, improving or acquiring (i) a Casino or Casinos or, if applicable, any Related Business in connection with such Casino or Casinos or (ii) a Related Business to be used primarily in connection with an existing Casino or Casinos;

(5) redemptions, repurchases or repayments to the extent required by any Gaming Authority having jurisdiction over the Company or any Restricted Subsidiary or deemed necessary by the Board of the Company in order to avoid the suspension, revocation or denial of a gaming license by any Gaming Authority;

(6) other Restricted Payments not to exceed $20 million in the aggregate; provided no Default or Event of Default then exists or would result therefrom;

(7) repurchases by the Company of its common stock, options, warrants or other securities exercisable or convertible into such common stock from employees and directors of the Company or any

of its respective Subsidiaries upon death, disability or termination of employment or directorship of such employees or directors;

(8) the payment of any amounts in respect of Equity Interests by any Restricted Subsidiary organized as a partnership or a limited liability company or other pass-through entity:

(A) to the extent of capital contributions made to such Restricted Subsidiary (other than capital contributions made to such Restricted Subsidiary by the Company or any Restricted Subsidiary),

(B) to the extent that they constitute dividends or other distributions on minority interests in Equity Interests of Restricted Subsidiaries pursuant to requirements under partnership agreements or organizational or membership agreements of other pass-through entities,

(C) to the extent required by applicable law, or

(D) to the extent necessary for holders thereof to pay taxes with respect to the net income of such Restricted Subsidiary, the payment of which amounts under this clause (D) is required by the terms of the relevant partnership agreement, limited liability company operating agreement or other governing document;

provided, that except in the case of clause (C), no Default or Event of Default has occurred and is continuing at the time of such Restricted Payment or would result therefrom, and provided further that, except in the case of clause (C) or (D), such distributions are made pro rata with the distributions paid contemporaneously to the Company or a Restricted Subsidiary or their Affiliates holding an interest in such Equity Interests;

(9) Investments in Unrestricted Subsidiaries, joint ventures, partnerships or limited liability companies consisting of conveyances of substantially undeveloped real estate in a number of acres which, after giving effect to any such conveyance, would not exceed in the aggregate for all such conveyances after the Issue Date, 50% of the sum of (A) the acres of undeveloped real estate held by the Company and its Restricted Subsidiaries on the date of such conveyance plus (B) the acres of undeveloped real estate previously so conveyed by the Company and its Restricted Subsidiaries after the Issue Date; provided, that no Default or Event of Default has occurred and is continuing at the time of such Restricted Payment or would result therefrom; or

(10) Investments, not to exceed $15 million in the aggregate, in any

combination of (A) readily marketable equity securities and (B) assets of the kinds described in the definition of "Cash Equivalents"; provided, that for the purposes of this clause (10), such Investments may be made without regard to the rating requirements or the maturity limitations set forth in such definition.

In determining the aggregate amount of Restricted Payments made subsequent to the Issue Date, Restricted Payments made pursuant to clauses (2), (3), (4), (6), (8) and (9) of this paragraph shall, in each case, be excluded from such calculation; provided, that any amounts expended or liabilities incurred in respect of fees, premiums or similar payments in connection therewith shall be included in such calculation. Restricted Payments under clauses (4), (4)(A), (6) and (10) shall be limited to the respective amounts of $50 million, $25 million, $20 million and $15 million set forth in such clauses (each, an "Amount Limitation") The Amount Limitation for each clause shall be permanently reduced at the time of any Restricted Payment made under such clause; provided, however, that to the extent that a Restricted Investment made under such clause is sold for cash or Cash Equivalents or otherwise liquidated or repaid for cash or Cash Equivalents, or principal repayments or returns of capital are received by the Company or any Restricted Subsidiary in respect of such Restricted Investment, valued, in each such case at the cash or marked-to-market value of Cash Equivalents received with respect to such Restricted Investment (less the cost of disposition, if any), then the Amount Limitation for such clause shall be increased by the amount so received by the Company or a Restricted Subsidiary (an "Amount Limitation Restoration"). In no event shall the aggregate Amount Limitation Restorations for a Restricted Investment exceed the original amount of such Restricted Investment.

With respect to clauses (4), (4)(A) and (6) above, the respective Amount Limitation under each such clause, as applicable, shall also be increased when any Person becomes a Restricted Subsidiary or an

Unrestricted Subsidiary is redesignated as a Restricted Subsidiary (each such increase also referred to as an "Amount Limitation Restoration") by the lesser of (i) the fair market value of the Restricted Investment made under clause (4), (4)(A) or (6) in such Person as of the date it becomes a Restricted Subsidiary or in such Unrestricted Subsidiary as of the date of redesignation, as the case may be, or (ii) the fair market value of such Restricted Investment as of the date such Restricted Investment was originally made in such Person or, in the case of the redesignation of an Unrestricted Subsidiary into a Restricted Subsidiary which Subsidiary was designated as an Unrestricted Subsidiary after the date of the Indenture, the amount of the Company's Restricted Investment therein as determined under the last paragraph of this covenant, plus the aggregate fair market value of any additional Investments (each valued as of the date made) made under clause (4), (4)(A) or (6) in such Unrestricted Subsidiary after the date of the Indenture.

Not less than once each fiscal quarter, the Company shall deliver to the Trustee an Officers' Certificate stating that each Restricted Payment (and any Amount Limitation Restoration relied upon in making such Restricted Payment) made during the prior fiscal quarter complies with the Indenture and setting forth in reasonable detail the basis upon which the required calculations were computed (upon which the Trustee may conclusively rely without any investigation whatsoever), which calculations may be based upon the Company's latest available internal quarterly financial statements. In the event that the Company makes one or more Restricted Payments in an amount exceeding $3 million that have not been covered by an Officers' Certificate issued pursuant to the immediately preceding sentence, the Company shall deliver to the Trustee an Officers' Certificate stating that such Restricted Payments (and any Amount Limitation Restoration relied upon in making such Restricted Payment) comply with the Indenture and setting forth in reasonable detail the basis upon which the required calculations were computed (upon which the Trustee may conclusively rely without any investigation whatsoever), which calculations may be based upon the Company's latest available internal quarterly financial statements.

The Board of the Company may designate any of its Restricted Subsidiaries to be Unrestricted Subsidiaries if such designation would not cause a Default. For purposes of making such determination, all outstanding Investments by the Obligors (except to the extent repaid in cash or in kind) in the Subsidiary so designated will be deemed to be Restricted Payments at the time of such designation and will reduce the amount available for Restricted Payments under the first paragraph of this covenant. All such outstanding Investments will be deemed to constitute Investments in an amount equal to the greatest of:

(1) the net book value of such Investments at the time of such designation,

(2) the fair market value of such Investments at the time of such

designation, and

(3) the original fair market value of such Investments at the time they were made.

Such designation will only be permitted if such Restricted Payment would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

Incurrence of Indebtedness and Issuance of Preferred Stock

The Indenture provides that the Company will not, directly or indirectly:

(1) Incur any Indebtedness or issue any Disqualified Capital Stock, other than Permitted Indebtedness, or

(2) cause or permit any of its Subsidiaries to Incur any Indebtedness or issue any Disqualified Capital Stock or preferred stock, in each case, other than Permitted Indebtedness.

Notwithstanding the foregoing limitations, the Company may issue Disqualified Capital Stock, and any Obligor may Incur Indebtedness (including, without limitation, Acquired Debt) or issue preferred stock, if:

(1) no Default or Event of Default shall have occurred and be continuing on the date of the proposed Incurrence or issuance or would result as a consequence of such proposed Incurrence or issuance, and

(2) immediately after giving pro forma effect to such proposed Incurrence or issuance and the receipt and application of the net proceeds therefrom, the Company's Consolidated Coverage Ratio would not be less than 2.00:1.00.

Any Indebtedness of any Person existing at the time it becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition of capital stock or otherwise) shall be deemed to be Incurred as of the date such Person becomes a Restricted Subsidiary.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described in clauses (1) through (11) of such definition or is entitled to be Incurred pursuant to the second paragraph of this covenant, the Company will, in its sole discretion, classify such item of Indebtedness in any manner that complies with this covenant and such item of Indebtedness will be treated as having been Incurred pursuant to only one of such clauses or pursuant to the second paragraph hereof. The Company may reclassify such Indebtedness from time to time in its sole discretion. Accrual of interest and the accretion of principal amount will not be deemed to be an Incurrence of Indebtedness for purposes of this covenant.

Liens

The Indenture provides that no Obligor will, directly or indirectly, create, Incur or assume any Lien, except a Permitted Lien, securing Indebtedness that is pari passu with or subordinate in right of payment to the Notes or the Guaranties, on or with respect to any of its property or assets including any shares of stock or Indebtedness of any Restricted Subsidiary, whether owned on the Issue Date or thereafter acquired, or any income, profits or proceeds therefrom, unless:

(1) in the case of any Lien securing Indebtedness that is pari passu in right of payment with the Notes or the Guaranties, the Notes or the Guaranties are secured by a Lien on such property, assets or proceeds that is senior in priority to or pari passu with such Lien, and

(2) in the case of any Lien securing Indebtedness that is subordinate in right of payment to the Notes or the Guaranties, the Notes or the Guaranties are secured by a Lien on such property, assets or proceeds that is senior in priority to such Lien.

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Indenture provides that no Obligor will, directly or indirectly, create or otherwise cause or permit or suffer to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock,

(2) make loans or advances to or pay any Indebtedness or other obligations owed to any Obligor or to any Restricted Subsidiary, or

(3) transfer any of its property or assets to any Obligor or to any Restricted Subsidiary (each such encumbrance or restriction in clause (1), (2) or (3), a "Payment Restriction").

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(A) applicable law or required by any Gaming Authority;

(B) the Indenture;

(C) customary non-assignment provisions of any purchase money financing contract or lease of any Restricted Subsidiary entered into in the ordinary course of business of such Restricted Subsidiary;

(D) any instrument governing Acquired Debt Incurred in connection with an acquisition by any Obligor or Restricted Subsidiary in accordance with the Indenture as the same was in effect on the date of such Incurrence; provided that such encumbrance or restriction is not, and will not be, applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries or the property or assets, including directly-related assets, such as accessions and proceeds so acquired or leased;

(E) any restriction or encumbrance contained in contracts for the sale of assets to be consummated in accordance with the Indenture solely in respect of the assets to be sold pursuant to such contract;

(F) any restrictions of the nature described in clause (3) above with respect to the transfer of assets secured by a Lien that was permitted by the Indenture to be Incurred;

(G) any encumbrance or restriction contained in Permitted Refinancing Indebtedness; provided that the provisions relating to such encumbrance or restriction contained in any such Permitted Refinancing Indebtedness are no less favorable to the holders of the Notes in any material respect in the good faith judgment of the Board of the Company than the provisions relating to such encumbrance or restriction contained in the Indebtedness being refinanced; or

(H) Indebtedness or Investments existing on the Issue Date, as in effect on the Issue Date.

Merger, Consolidation, or Sale of Assets

The Indenture provides that no Obligor may, in a single transaction or a series of related transactions, consolidate or merge with or into any Person, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of such Obligor's properties or assets whether as an entirety or substantially as an entirety to any Person or adopt a Plan of Liquidation unless:

(1) either

(A) in the case of a consolidation or merger, such Obligor shall be the surviving or continuing corporation, or

(B) the Person (if other than such Obligor) formed by such consolidation or into which such Obligor is merged or the Person which acquires by sale, assignment, transfer, lease, conveyance or other disposition of the properties and assets of such Obligor and of such Obligor's Subsidiaries substantially as an entirety, or in the case of a Plan of Liquidation, the Person to which assets of such Obligor and such Obligor's Subsidiaries have been transferred (i) shall be a corporation organized and validly existing under the laws of the United States or any State thereof or the District of Columbia and (ii) shall expressly assume, by supplemental indenture (in form and substance satisfactory to the Trustee), executed and delivered to the Trustee, the due and punctual payment of the principal of, and premium, if any, and interest on all of the Notes and, if applicable, the Guaranties and the performance of every covenant of the Notes, the Indenture and the Registration Rights Agreement on the part of such Obligor to be performed or observed;

(2) immediately after giving effect to such transaction and the assumption contemplated by clause (1)(B)(ii) above (including giving effect to any Indebtedness and Acquired Debt Incurred or anticipated to be Incurred in connection with or in respect of such transaction), the Obligors, including any such other Person becoming an Obligor through the operation of clause (1)(B) above would have a Consolidated Net Worth

immediately after the transaction equal to or greater than the Consolidated Net Worth of such Obligor immediately preceding the transaction;

(3) in the event that such transaction involves (A) the incurrence by the Company or any Restricted Subsidiary, directly or indirectly, of additional Indebtedness (and treating any Indebtedness not previously an obligation of the Company or any of its Restricted Subsidiaries incurred in connection with or as a result of such transaction as having been incurred at the time of such transaction) and/or (B) the assumption contemplated by clause (1)(B)(ii) above (including giving effect to any Indebtedness and Acquired Debt Incurred or anticipated to be Incurred in connection with or in respect of such transaction),

then immediately after giving effect to such incurrence and/or assumption under clauses (A) and (B), (i) the Obligors, including any such other Person becoming an Obligor through the operation of clause (1)(B) above could Incur at least $1.00 of Indebtedness (other than Permitted Indebtedness) pursuant to the Consolidated Coverage Ratio test described above under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock" or (ii) any other Person which would, as a result of the applicable transaction, properly classify such Obligor as a consolidated subsidiary in accordance with GAAP, satisfied the conditions set forth in clause (1)(B)(i) above and either (a) also satisfied the condition set forth in clause (1)(B)(ii) above and caused each acquired Person to become a Guarantor or (b) became a Guarantor, and, in either such case, after giving effect to such assumption of the Notes or Incurrence of Obligations under the Guaranty, such assuming or guarantying Person would be able to Incur at least $1.00 of Indebtedness pursuant to the Consolidated Coverage Ratio test described above under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock";

(4) immediately before and immediately after giving effect to such transaction and the assumption contemplated by clause (1)(B)(ii) above (including, without limitation, giving effect to any Indebtedness and Acquired Debt Incurred or anticipated to be Incurred and any Lien granted in connection with or in respect of the transaction) no Default and no Event of Default shall have occurred or be continuing; and

(5) such Obligor or such other Person shall have delivered to the Trustee (A) an Officers' Certificate and an opinion of counsel, each stating that such consolidation, merger, sale, assignment, transfer, lease, conveyance, other disposition or Plan of Liquidation and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with the applicable provisions of the Indenture and that all conditions precedent in the Indenture relating to such transaction have been satisfied and (B) a certificate from the Company's independent certified public accountants stating that such Obligor has made the calculations required by clause (2) above in accordance with the terms of the Indenture and the Notes after the consummation of such transaction.

Notwithstanding clauses (2) and (3) above:

(A) any Restricted Subsidiary may consolidate with, or merge with or into, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its assets to the Company or to a Restricted Subsidiary, and

(B) any Obligor may consolidate with or merge with or into any Person that has conducted no business and Incurred no Indebtedness or other liabilities if such transaction is solely for the purpose of effecting a change in the state of incorporation of such Obligor.

For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise, in a single transaction or series of transactions) of all or substantially all of the properties and assets of one or more Subsidiaries of the Company, the Capital Stock of which constitutes all or substantially all of the properties and assets of the Company, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

Transactions With Affiliates

The Indenture provides that no Obligor will make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless:

(1) such Affiliate Transaction is, considered in light of any series of

related transactions of which it comprises a part, on terms that are fair and reasonable and no less favorable to such Obligor than those that might reasonably have been obtained at such time in a comparable transaction or series of related transactions on an arms-length basis from a Person that is not such an Affiliate;

(2) with respect to any Affiliate Transaction involving aggregate consideration of $5 million or more, a majority of the disinterested members of the Board of the Company (and of any other affected Obligor,

where applicable) shall, prior to the consummation of any portion of such Affiliate Transaction, have reasonably and in good faith determined, as evidenced by a resolution of its Board, that such Affiliate Transaction meets the requirements of the foregoing clause; and

(3) with respect to any Affiliate Transaction involving value of $15 million or more, the Board of the applicable Obligor shall have received prior to the consummation of any portion of such Affiliate Transaction, a written opinion from an independent investment banking, accounting or appraisal firm of recognized national standing that such Affiliate Transaction is on terms that are fair to such Obligor from a financial point of view.

The foregoing restrictions will not apply to:

(1) reasonable fees and compensation (including any such compensation in the form of Equity Interests not derived from Disqualified Capital Stock, together with loans and advances, the proceeds of which are used to acquire such Equity Interests) paid to, and indemnity provided on behalf of, officers, directors, employees or consultants of the Obligors as determined in good faith by the Board or senior management,

(2) any transaction solely between or among Obligors and Restricted Subsidiaries to the extent any such transaction is otherwise in compliance with, or not prohibited by, the Indenture,

(3) any Restricted Payment permitted by the terms of the covenant described above under the heading "--Restricted Payments" or

(4) provision of management services (including any agreements therefor) to an Unrestricted Subsidiary in connection with the development, construction and operation of gaming facilities, provided the Obligor is reimbursed for all costs and expenses it incurs in providing such services.

No Subordinated Debt Senior to The Notes or Guaranties

The Indenture provides that no Obligor will Incur any Indebtedness that is subordinate or junior in right of payment to any Senior Debt and senior in any respect in right of payment to the Notes or the Guaranties.

Amendments to Subordination Provisions

The Indenture provides that, without the consent of the holders of 66 2/3% of the principal amount of the outstanding Notes, the Obligors will not amend, modify or alter the terms of any indebtedness subordinated to the Notes or the Guaranties in any way that will:

(1) increase the rate of or change the time for payment of interest on such subordinated indebtedness,

(2) increase the principal of, advance the final maturity date of or shorten the Weighted Average Life to Maturity of any such subordinated indebtedness,

(3) alter the redemption provisions or the price or terms at which any Obligor is required to offer to purchase such subordinated indebtedness, or

(4) amend the subordination provisions of any documents, instruments or agreements governing any such subordinated indebtedness, except to the extent that any of the foregoing would be required to permit any Obligor to make a Restricted Payment permitted by the covenant described above under the heading "--Restricted Payments."

Lines of Business

The Indenture provides that the Obligors will not engage in any lines of business other than the Core Businesses.

Reports

The Indenture provides that, whether or not required by the rules and regulations of the Securities and Exchange Commission (the "Commission"), so long as any Notes are outstanding, the Company will furnish to the Trustee for mailing to the holders of Notes:

(1) all quarterly and annual financial information that would be required to be contained in a filing or filings by the Company with the Commission on Forms 10-Q and 10-K if the Company was required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report thereon by the Company's certified independent accountants, and

(2) all current reports that would be required to be filed by the Company with the Commission on Form 8-K if the Company was required to file such reports,

in each case within 15 days of the time periods specified in the SEC's rules and regulations.

In addition, whether or not required by the rules and regulations of the Commission, the Company will file a copy of all such information and reports with the Commission for public availability (unless the Commission will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. In addition, the Company has agreed that, for so long as any Notes remain outstanding, it will furnish to the holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. The Indenture permits the Company to deliver the consolidated reports or financial information of the Company to comply with the foregoing requirements.

Events of Default and Remedies

The Indenture provides that each of the following constitutes an Event of Default:

(1) default for 30 days in the payment when due of interest on, or Liquidated Damages with respect to, the Notes or the Guaranties (whether or not prohibited by the subordination provisions of the Indenture);

(2) default in payment of the principal of or premium, if any, on the Notes or the Guaranties when due and payable, at maturity, upon acceleration, redemption or otherwise (whether or not prohibited by the subordination provisions of the Indenture);

(3) failure by any Obligor for 60 days after written notice to comply with any of its other agreements in the Indenture, the Notes or the Guaranties;

(4) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by any Obligor (or the payment of which is guaranteed by any Obligor) whether such Indebtedness or guarantee now exists, or is created after the Issue Date, which default:

(A) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "Payment Default"), or

(B) results in the acceleration of such Indebtedness prior to its express maturity

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $10 million or more;

(5) failure by any Obligor to pay final judgments aggregating in excess of $10 million, net of any applicable insurance, the carrier or underwriter with respect to which has acknowledged liability in writing, which judgments are not paid, discharged or stayed for a period of 60 days; and

(6) certain events of bankruptcy or insolvency with respect to any Obligor.

If an Event of Default (other than an Event of Default with respect to certain events of bankruptcy, insolvency or reorganization) occurs and is continuing, then and in every such case, the Trustee or the holders of not less than 25% in aggregate principal amount of the then outstanding Notes may declare the principal amount, together with any accrued and unpaid interest, premium and Liquidated Damages on all the Notes and Guaranties then outstanding to be due and payable, by a notice in writing to the Company (and to the Trustee, if given by holders) specifying the Event of Default and that it is a "notice of acceleration" and on the fifth Business Day after delivery of such notice the principal amount, in either case, together with any accrued and unpaid interest, premium and Liquidated Damages on all the Notes or the Guaranties then outstanding will become immediately due and payable, notwithstanding anything contained in the Indenture, the Notes or the Guaranties to the contrary. Upon the occurrence of specified Events of Default relating to bankruptcy, insolvency or reorganization, the principal amount, together with any accrued and unpaid interest, premium and Liquidated Damages, will immediately and automatically become due and payable, without the necessity of notice or any other action by any Person. Holders of the Notes may not enforce the Indenture, the Notes or the Guaranties except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in their interest.

In the case of any Event of Default occurring by reason of any willful action (or inaction) taken (or not taken) by or on behalf of any Obligor with the intention of avoiding payment of the premium that the Company would have had to pay if the Company then had elected to redeem the Notes pursuant to the optional redemption provisions of the Indenture, an equivalent premium shall also become and be immediately due and payable to the extent permitted by law upon the acceleration of the Notes. If an Event of Default occurs prior to February 15, 2003 by reason of any willful action (or inaction) taken (or not taken) by or on behalf of the Company with the intention of avoiding the prohibition on redemption of the Notes prior to February 15, 2003, then the additional premium specified in the Indenture shall also become immediately due and payable to the extent permitted by law upon the acceleration of the Notes and Guaranties.

The holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of principal of, premium and Liquidated Damages, if any, or interest on the Notes or the Guaranties.

The Company will be required to deliver to the Trustee annually statements regarding compliance with the Indenture, and the Company is required upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No past, present or future director, officer, employee, agent, manager, partner, member, incorporator or stockholder of any Obligor, in such capacity, will have any liability for any obligations of any Obligor under the Notes, the Indenture or the Guaranties or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes and the Guaranties. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the Commission that such a waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The Company may, at its option and at any time, elect to have all of its obligations discharged with respect to the outstanding Notes and all obligations of the Guarantors discharged with respect to their Guarantees ("Legal Defeasance") except for:

(1) the rights of holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, and interest on such Notes when such payments are due from the trust referred to below;

(2) the Company's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost

or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Company's obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have the obligations of the Company and the Guarantors released with respect to certain covenants that are described in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with those covenants shall not constitute a Default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under "Events of Default and Remedies" will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the Notes, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest and Liquidated Damages on the outstanding Notes on the stated maturity or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee confirming that:

(A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or

(B) since the date of the Indenture, there has been a change in the applicable federal income tax law,

in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee confirming that the holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing either:

(A) on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit); or

(B) insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound;

(6) the Company must have delivered to the Trustee an opinion of counsel to the effect that after the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable Bankruptcy Law;

(7) the Company must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the holders of Notes over the other creditors of the Company

with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others; and

(8) the Company must deliver to the Trustee an Officers' Certificate and an opinion of counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Transfer and Exchange

A holder may transfer or exchange Notes in accordance with the Indenture. The Registrar and the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a holder to pay any taxes and fees required by law or permitted by the Indenture. The Company is not required to transfer or exchange any Note selected for redemption. Also, the Company is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed. The registered holder of a Note will be treated as the owner of it for all purposes.

Amendment, Supplement and Waiver

Except as provided in the next three succeeding paragraphs, the Indenture or the Notes may be amended or supplemented with the consent of the holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), and any existing default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the holders of a majority in principal amount of the then outstanding Notes (including consents obtained in connection with a tender offer or exchange offer for Notes).

Without the consent of each holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting holder):

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver,

(2) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than provisions relating to the covenants described above under the caption "--Repurchase at the Option of Holders"),

(3) reduce the rate of or change the time for payment of interest on any Note,

(4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration),

(5) make any Note payable in money other than that stated in the Notes,

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of or premium, if any, or interest on the Notes,

(7) waive a redemption payment with respect to any Note (other than a payment required by one of the conditions described above under the caption "--Repurchase at the Option of Holders"), or

(8) make any change in the foregoing amendment and waiver provisions.

Notwithstanding the foregoing, without notice to or the consent of any holder of Notes, the Obligors and the Trustee may amend or supplement the Indenture or the Notes to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Obligors' obligations to holders of Notes in the case of a merger or consolidation, to make any change that would provide any additional rights or benefits to the holders of Notes or that does not adversely affect the legal rights under the Indenture of any such holder, to provide for the issuance of registered notes in exchange for the Notes pursuant to the Registration Rights Agreement or to comply with requirements of the Commission in order to effect or maintain the qualification of the Indenture under the TIA.

In addition, any amendment (1) to the provisions of the article of the Indenture which governs subordination or (2) which releases any Guarantor from its obligations under any Guaranty, in either case will require the consent of

the holders of at least 66 2/3% in aggregate principal amount of the Notes then outstanding, if such amendment would adversely affect the rights of holders of Notes.

Concerning The Trustee

The Indenture contains certain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue or resign. The holders of a majority in principal amount of the then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default shall occur (which shall not be cured), the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. However, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

The Trustee also serves as trustee under the indenture governing the 9 1/2% Notes.

Additional Information

Anyone who receives this prospectus may obtain a copy of the Indenture without charge by writing to Hollywood Park, Inc., 1050 South Prairie Avenue, Inglewood CA 90301, Attn: Assistant Treasurer.

Book-Entry, Delivery and Form

Exchange Notes exchanged for Old Notes through the book-entry transfer facility may be represented by one or more Global Notes (the "Global Exchange Notes"). The Global Exchange Notes will be deposited upon issuance with the Trustee as custodian for The Depository Trust Company ("DTC"), in New York, New York, and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below. Beneficial interests in the Global Exchange Notes may also be held through the Euroclear System ("Euroclear") and Cedel, S.A. ("Cedel") (as indirect participants in DTC).Transfers of beneficial interests in the Global Exchange Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Cedel), which may change from time to time.

Exchange Notes exchanged for Old Notes which are in the form of registered definitive certificates will be issued in the form of certificated Exchange Notes. Such certificated Exchange Notes may, unless the Global Exchange Notes previously have been exchanged for certificated Exchange Notes, be exchanged for an interest in the Global Exchange Notes representing the principal amount at maturity of Exchange Notes being transferred.

Initially, the Trustee will act as Paying Agent and Registrar. The Notes may be presented for registration of transfer and exchange at the offices of the Registrar.

Depository Procedures

The following description of the operations and procedures of DTC, Euroclear and Cedel are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them from time to time. The Company takes no responsibility for these operations and procedures and urges investors to contact the system or their participants directly to discuss these matters.

DTC has advised the Company that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "Participants") and to facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the Initial Purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially

own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

Purchases of Notes under the DTC system must be made by or through Participants, who will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Participants' and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued. To facilitate subsequent transfers, all Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Participants, by Participants to Indirect Participants, and by Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to Cede & Co. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Participant in such issue to be redeemed. Neither DTC nor Cede & Co. will consent or vote with respect to Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Company as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Participants to whose accounts the Notes are credited on the record date identified in a listing attached to the Omnibus Proxy.

Investors in the Global Exchange Notes may hold their interests therein directly through DTC, if they are Participants in such system, or indirectly through organizations (including Euroclear and Cedel) which are Participants in such system. Euroclear and Cedel will hold interests in the Global Exchange Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories, which are Morgan Guaranty Trust Company of New York, Brussels office, as operator of Euroclear, and Citibank, N.A., as operator of Cedel. All interests in a Global Exchange Note, including those held through Euroclear or Cedel, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Cedel may also be subject to the procedures and requirements of such systems. The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Exchange Note to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants and certain banks, the ability of a person having beneficial interests in a Global Exchange Note to pledge such interests to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interest in the Global Exchange Notes will not have Exchange Notes registered in their names, will not receive physical delivery of Exchange Notes in certificated form and will not be considered the registered owners or "Holders" thereof under the Indenture for any purpose.

Payments in respect of the principal of, and premium, if any, Liquidated Damages, if any, and interest on a Global Exchange Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered Holder under the Indenture. Under the terms of the Indenture, the Company and the Trustee will treat the persons in whose names the Exchange Notes, including the Global Exchange Notes, are registered as the owners thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. Consequently, neither the Company, the Trustee nor any agent of the Company or the Trustee has or will have any responsibility or liability for (i) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interest in the

Global Exchange Notes, or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Exchange Notes or (ii) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants. DTC has advised the Company that its current practice, upon receipt of any payment in respect of securities such as the Exchange Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date, in amounts proportionate to their respective holdings in the principal amount of beneficial interest in the relevant security as shown on the records of DTC unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants to the beneficial owners of Exchange Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee or the Company. Neither the Company nor the Trustee will be liable for any delay by DTC or any of its Participants in identifying the Beneficial Owners of the Exchange Notes, and the Company and the Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving only Euroclear and Cedel participants, interest in the Global Exchange Notes are expected to be eligible to trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in such interests will, therefore, settle in immediately available funds, subject in all cases to the rules and procedures of DTC and its Participants. See "--Same Day Settlement and Payment."

Transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same day funds, and transfers between participants in Euroclear and Cedel will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Cross-market transfers between the Participants in DTC, on the one hand, and Euroclear or Cedel participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Cedel, as the case may be, by its respective depositary; however, such cross-market transactions will require delivery of instructions to Euroclear or Cedel, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Cedel, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Exchange Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Cedel participants may not deliver instructions directly to the depositories for Euroclear or Cedel.

DTC has advised the Company that it will take any action permitted to be taken by a Holder of Exchange Notes only at the direction of one or more Participants to whose account DTC has credited the interests in the Global Exchange Notes and only in respect of such portion of the aggregate principal amount of the Exchange Notes as to which such Participant or Participants has or have given such direction. However, if there is an Event of Default under the Exchange Notes, DTC reserves the right to exchange the Global Exchange Notes for Exchange Notes in certificated form, and to distribute such Exchange Notes to its Participants.

Although DTC, Euroclear and Cedel have agreed to the foregoing procedures to facilitate transfers of interests in the Global Exchange Notes among Participants in DTC, Euroclear and Cedel, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Company nor the Trustee nor any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Cedel or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Company believes to be reliable, but the Company takes no responsibility for the accuracy thereof.

Exchange of Book-Entry Notes for Certificated Notes

A Global Exchange Note is exchangeable for definitive Exchange Notes in registered certificated form ("Certificated Notes") if (i) DTC (x) notifies the Company that it is unwilling or unable to continue as depositary for the Global Exchange Notes and the Company thereupon fails to appoint a successor depositary or (y) has ceased to be a clearing agency registered under the

Exchange Act, (ii) the Company, at its option, notifies the Trustee in writing that it elects to cause the issuance of the Certificated Notes or (iii) there shall have occurred and be continuing a Default or Event of Default with respect to the Exchange Notes. In addition, beneficial interests in a Global Exchange Note may be exchanged for Certificated Notes upon request but only upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indenture. In all cases, Certificated Notes delivered in exchange for any Global Exchange Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its customary procedures).

Same Day Settlement and Payment

The Indenture requires that payments in respect of the Notes represented by the Global Exchange Notes (including principal, premium, if any, interest and Liquidated Damages, if any) be made by wire transfer of immediately available funds to the accounts specified by the Global Note Holder. With respect to Exchange Notes in certificated form, the Company will make all payments of principal, premium, if any, interest and Liquidated Damages, if any, by wire transfer of immediately available funds to the accounts specified by the Holders thereof or, if no such account is specified, by mailing a check to each such Holder's registered address. The Notes represented by the Global Exchange Notes are expected to be eligible to trade in the PORTAL

market and to trade in the Depositary's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such Exchange Notes will, therefore, be required by the Depositary to be settled in immediately available funds. The Company expects that secondary trading in any certificated Exchange Notes will also be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Cedel participant purchasing an interest in a Global Exchange Note from a Participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Cedel participant, during the securities settlement processing day (which must be a business day for Euroclear and Cedel) immediately following the settlement date of DTC. DTC has advised the Company that cash received in Euroclear or Cedel as a result of sales of interests in a Global Exchange Note by or through a Euroclear or Cedel participant to a Participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Cedel cash account only as of the business day for Euroclear or Cedel following DTC's settlement date.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"Accrued Bankruptcy Interest" means, with respect to any Senior Debt, all interest accruing thereon after the filing of a petition or commencement of any other proceeding by or against any Obligor under any Bankruptcy Law, in accordance with and at the rate (including any rate applicable upon any default or event of default, to the extent lawful) specified in the documents evidencing or governing such Indebtedness or Hedging Obligations, whether or not the claim for such interest is allowed as a claim after such filing in any proceeding under such Bankruptcy Law.

"Acquired Debt" means, with respect to any specified Person, Indebtedness of another Person and any of such other Person's Subsidiaries existing at the time such other Person becomes a Subsidiary of such Person or at the time it merges or consolidates with such Person or any of such Person's Subsidiaries or is assumed by such Person or any Subsidiary of such Person in connection with the acquisition of assets from such other Person and in each case not Incurred by such Person or any Subsidiary of such Person or such other Person in connection with, or in anticipation or contemplation of, such other Person becoming a Subsidiary of such Person or such acquisition, merger or consolidation.

"Affiliate" means, when used with reference to any Person:

(1) any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, the referent Person or such other Person, as the case may be, or

(2) any director, officer or partner of such Person or any Person specified in clause (1) above.

For the purposes of this definition, the term "control" when used with respect to any specified Person means the power to direct or cause the direction of management or policies of such Person, directly or indirectly, whether through

the ownership of voting securities, by contract or otherwise; and the terms "affiliated," "controlling," and "controlled" have meanings correlative of the foregoing. None of the Initial Purchasers nor any of their respective Affiliates shall be deemed to be an Affiliate of any Obligor or of any of their respective Affiliates.

"Asset Acquisition" means:

(1) an Investment by any Obligor in any other Person pursuant to which such Person shall become an Obligor or a Restricted Subsidiary of an Obligor or shall be merged into, or with any Obligor or Restricted Subsidiary of an Obligor, or

(2) the acquisition by any Obligor of assets of any Person comprising a division or line of business of such Person or all or substantially all of the assets of such Person.

"Asset Sale" means any direct or indirect sale, issuance, conveyance, transfer, lease (other than operating leases entered into in the ordinary course of business), assignment or other disposition (for purposes of this definition, each a "disposition") by any Obligor (including, without limitation, pursuant to any sale and leaseback transaction or any merger or consolidation of any Restricted Subsidiary of the Company with or into another Person (other than another Obligor) whereby such Restricted Subsidiary shall cease to be a Restricted Subsidiary of the Company) to any Person of:

(1) any property or assets of any Obligor to the extent that any such disposition is not in the ordinary course of business of such Obligor, or

(2) any Capital Stock of any Restricted Subsidiary,

other than, in both cases:

(A) any disposition to the Company,

(B) any disposition to any Obligor or Restricted Subsidiary,

(C) any disposition that constitutes a Restricted Payment or a Permitted Investment that is made in accordance with the covenant described above under the caption "--Restricted Payments",

(D) any transaction or series of related transactions resulting in Net Cash Proceeds to such Obligor of less than $1 million,

(E) any transaction that is consummated in accordance with the covenant described above under the caption "--Merger, Consolidation or Sale of Assets,"

(F) the sale or discount, in each case without recourse (direct or indirect), of accounts receivable arising in the ordinary course of business of the Company or such Restricted Subsidiary, as the case may be, but only in connection with the compromise or collection thereof,

(G) any pledge, assignment by way of collateral security, grant of security interest, hypothecation or mortgage, permitted by the Indenture or any foreclosure, judicial or other sale, public or private, by the pledgee, assignee, mortgagee or other secured party of the subject assets,

(H) a disposition of assets constituting a Permitted Investment, or

(I) any disposition of undeveloped or substantially undeveloped real estate, provided that in such disposition:

(i) the Obligor making such disposition receives consideration at the time of such disposition at least equal to the fair market value of the real estate assets disposed of (as determined reasonably and in good faith by the Board of such Obligor), and

(ii) at least 60% of the consideration received from such disposition by the Obligor making such disposition is cash or Cash Equivalents and is received at the time of the consummation of such disposition. (For purposes of this provision, each of the following shall be deemed to be cash: (A) any liabilities as shown on such Obligors' most recent balance sheet (or in the notes thereto) (other than (i) Indebtedness subordinate in right of payment to the Notes, (ii) contingent liabilities, (iii) liabilities or Indebtedness to Affiliates of the Company and (iv) Non-Recourse Indebtedness) that are assumed by the transferee of any such assets, and (B) to the extent of the cash received, any notes or other obligations received by the Obligor making

the disposition from such transferee that are converted by such Obligor into cash within 60 days of receipt.)

"Bank Credit Facility" means the Credit Facility provided to the Company pursuant to the Amended and Restated Reducing Revolving Loan Agreement, dated as of October 14, 1998, by and among the Company, the financial institutions from time to time named therein (the "Banks"), Bank of Scotland and Societe General, as Managing Agents, First National Bank of Commerce, as Co-Agent, and Bank of America NT&SA, as Administrative Agent, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time by the same or different institutional lenders.

"Bankruptcy Law" means the United States Bankruptcy Code and any other bankruptcy, insolvency, receivership, reorganization, moratorium or similar law providing relief to debtors, in each case, as from time to time amended and applicable to the relevant case.

"Board" means the Board of Directors or similar governing entity of an Obligor, the members of which are elected by the holders of Capital Stock of such Obligor or, if applicable, a duly-appointed committee of such Board of Directors or similar governing body, having jurisdiction over the subject matter at issue.

"Capital Stock" means:

(1) with respect to any Person that is a corporation, any and all shares, rights, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, including each class of common stock and preferred stock of such Person, and

(2) with respect to any Person that is not a corporation, any and all partnership, membership or other equity interests of such Person.

"Capitalized Lease Obligation" means, as to any Person, the discounted rental stream payable by such Person that is required to be classified and accounted for as a capital lease obligation under GAAP and, for purposes of this definition, the amount of such obligation at any date shall be the capitalized amount of such obligation at such date, determined in accordance with GAAP. The final maturity of any such obligation shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without penalty.

"Cash Equivalents" means:

(1) Government Securities;

(2) certificates of deposit, eurodollar time deposits and bankers acceptances maturing within 12 months from the date of acquisition thereof by any Obligor and issued by any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia or any U.S. branch of foreign bank having, at the date of acquisition of the applicable Cash Equivalent, (A) combined capital and surplus of not less than $500 million and (B) a commercial paper rating of at least A-1 from S&P or at least P-1 from Moody's;

(3) repurchase obligations with a term of not more than seven days after the date of acquisition thereof by any Obligor for underlying securities of the types described in clauses (1), (2) and (4) hereof, entered into with any financial institution meeting the qualifications specified in clause (2) above;

(4) commercial paper having a rating of at least P-1 from Moody's or a rating of at least A-1 from S&P on the date of acquisition thereof by any Obligor;

(5) debt obligations of any corporation maturing within 12 months after the date of acquisition thereof by any Obligor, having a rating of at least P-1 or aaa from Moody's or A-1 or AAA from S&P on the date of such acquisition; and

(6) mutual funds and money market accounts investing at least 90% of the funds under management in instruments of the types described in clauses (1) through (5) above and, in each case, maturing within the period specified above for such instrument after the date of acquisition thereof by any Obligor.

"Change of Control" means the occurrence of any of the following:

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one transaction or a series of related transactions, of all or substantially all of the assets of the Company, or the Company and its Restricted Subsidiaries taken as a whole, to any "person" (as such term is used in Section 13(d)(3) of the Exchange Act) (as defined below),

(2) the adoption, or, if applicable, the approval of any requisite percentage of the Company's stockholders of a plan relating to the liquidation or dissolution of the Company,

(3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), other than a Principal, becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that a person shall be deemed to have "beneficial ownership" of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition), directly or indirectly, of more than 50% of the Voting Stock of the Company (measured by voting power rather than number of shares), or

(4) during any consecutive two-year period, individuals who at the beginning of such period constituted the Board of the Company (together with any new directors whose election to such Board or whose nomination for election by the stockholders of the Company was approved by a vote of a majority of the directors of the Company then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of the Company then in office.

"Casino" means any gaming establishment and other property or assets directly ancillary thereto or used in connection therewith, including any building, restaurant, hotel, theater, parking facilities, retail shops, land, golf courses and other recreation and entertainment facilities, marina, vessel, barge, ship and equipment.

"Consolidated Coverage Ratio" means, with respect to any Person on any date of determination, the ratio of:

(1) Consolidated EBITDA for the period of four fiscal quarters most recently ended prior to such date for which internal financial reports are available, ended not more than 135 days prior to such date, to

(2)(A) Consolidated Interest Expense during such period plus (B) dividends on or in respect of any Capital Stock of any such Person paid in cash during such period; provided that the Consolidated Coverage Ratio shall be calculated giving pro forma effect, as of the beginning of the applicable period, to any acquisition, Incurrence or redemption of Indebtedness (including the Notes), issuance or redemption of Disqualified Capital Stock, acquisition, Asset Sale, purchases of assets that were previously leased or re-designation of a Restricted Subsidiary as an Unrestricted Subsidiary, at any time during or subsequent to such period, but on or prior to the applicable Determination Date.

In making such computation, Consolidated Interest Expense:

(1) attributable to any Indebtedness bearing a floating interest rate shall be computed on a pro forma basis as if the rate in effect on the date of computation had been the applicable rate for the entire period, or

(2) attributable to interest on any Indebtedness under a revolving Credit Facility shall be computed on a pro forma basis based upon the average daily balance of such Indebtedness outstanding during the applicable period.

For purposes of calculating Consolidated EBITDA of the Company for the most recently completed period of four full fiscal quarters ending on the last day of the last quarter for which internal financial statements are available (such period of four fiscal quarters, the "Measurement Period"), not more than 135 days prior to the transaction or event giving rise to the need to calculate the Consolidated EBITDA,

(1) any Person that is a Restricted Subsidiary on such Determination Date (or would become a Restricted Subsidiary on such Determination Date in connection with the transaction that requires the determination of the Consolidated Coverage Ratio) shall be deemed to have been a Restricted Subsidiary at all times during such Measurement Period,

(2) any Person that is not a Restricted Subsidiary on such Determination Date (or would cease to be a Restricted Subsidiary on such Determination Date in connection with the transaction that requires the determination of the Consolidated Coverage Ratio) will be deemed not to have been a Restricted Subsidiary at any time during such Measurement Period,

(3) if the Company or any Restricted Subsidiary shall have in any manner

(A) acquired (including through an Asset Acquisition or the commencement of activities constituting such operating business) or

(B) disposed of (including by way of an Asset Sale or the termination or discontinuance of activities constituting such operating business)

any operating business during such Measurement Period or after the end of such Measurement Period and on or prior to the Determination Date, such calculation shall be made on a pro forma basis in accordance with GAAP as if, in the case of an Asset Acquisition or the commencement of activities constituting such operating business, all such transactions had been consummated on the first day of such Measurement Period and, in the case of an Asset Sale or termination or discontinuance of activities constituting such operating business, all such transactions had been consummated prior to the first day of such Measurement Period; provided, however, that such pro forma adjustment shall not give effect to the Consolidated EBITDA of any acquired Person to the extent that such Person's net income would be excluded pursuant to clause (6) of the definition of Consolidated Net Income and

(4) any Indebtedness Incurred and proceeds thereof received and applied as a result of the transaction giving rise to the need to calculate the Consolidated Coverage Ratio will be deemed to have been so Incurred, received and applied on the first day of such Measurement Period.

"Consolidated EBITDA" means, with respect to any Person for any period, the sum (without duplication) of:

(1) the Consolidated Net Income of such Person for such period, plus

(2) to the extent that any of the following shall have been taken into account in determining such Consolidated Net Income, and without duplication:

(A) all income taxes of such Person and its Restricted Subsidiaries paid or accrued in accordance with GAAP for such period (other than income taxes attributable to extraordinary, unusual or nonrecurring gains or losses or taxes attributable to sales or dispositions of assets outside the ordinary course of business),

(B) the Consolidated Interest Expense of such Person for such period,

(C) the amortization expense (including the amortization of deferred financing charges) and depreciation expense for such Person and its Restricted Subsidiaries for such period,

(D) other non-cash items (other than non-cash interest) of such Person or any of its Restricted Subsidiaries (including any non-cash compensation expense attributable to stock option or other equity compensation arrangements), other than any non- cash item for such period that requires the accrual of or a reserve for cash charges for any future period (except as otherwise provided in clause (E) below) and other than any non-cash charge for such period constituting an extraordinary item of loss, and

(E) any non-recurring costs or expenses of an acquired company or business incurred in connection with the purchase or acquisition of such acquired company or business by such Person and any non-recurring adjustments necessary to conform the accounting policies of the acquired company or business to those of such Person, less

(3)(A) all non-cash items of such Person or any of its Restricted Subsidiaries increasing such Consolidated Net Income for such period and (B) all cash payments during such period relating to non-cash items that were added back in determining Consolidated EBITDA in any prior period.

"Consolidated Interest Expense" means, with respect to any Person for any period, the sum of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued (including, without

limitation, amortization of original issue discount, non- cash

interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capitalized Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments (if any) pursuant to Hedging Obligations) and

(2) the consolidated interest of such Person and its Restricted Subsidiaries that was capitalized during such period, and

(3) any interest expense on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (whether or not such Support Obligation or Lien is called upon) and

(4) the product of:

(A) all dividend payments on any series of preferred stock of such Person or any of its Restricted Subsidiaries, times

(B) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, on a consolidated basis and in accordance with GAAP.

"Consolidated Net Income" means, with respect to any Person for any period, the aggregate net income (or loss) of such Person and its Restricted Subsidiaries for such period on a consolidated basis, determined in accordance with GAAP; provided, however, that there shall be excluded therefrom:

(1) net after-tax gains and losses from all sales or dispositions of assets outside of the ordinary course of business,

(2) net after-tax extraordinary or non-recurring gains or losses,

(3) the net income of any Person acquired in a "pooling of interests" transaction accrued prior to the date it becomes a Restricted Subsidiary of such Person or is merged or consolidated with or into such Person or any Restricted Subsidiary,

(4) the cumulative effect of a change in accounting principles,

(5) any net income of any other Person if such other Person is not a Restricted Subsidiary and is accounted for by the equity method of accounting, except that such Person's equity in the net income of any such other Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such other Person during such period to such Person or a Restricted Subsidiary as a dividend or other distribution, (subject, in case of a dividend or other distribution to a Restricted Subsidiary, to the limitation that such amount so paid to a Restricted Subsidiary shall be excluded to the extent that such amount could not at that time be paid to the Company due to the restrictions set forth in clause (6) below (regardless of any waiver of such conditions)),

(6) any net income of any Restricted Subsidiary if such Restricted Subsidiary is subject to restrictions, directly or indirectly, by contract, operation of law, pursuant to its charter or otherwise on the payment of dividends or the making of distributions by such Restricted Subsidiary to such Person except that:

(A) such Person's equity in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash that could have been paid or distributed during such period to such Person as a dividend or other distribution (provided that such ability is not due to a waiver of such restriction) and

(B) such Person's equity in a net loss of any such Restricted Subsidiary for such period shall be included in determining such Consolidated Net Income regardless of any such restriction,

(7) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of Consolidated Net Income accrued at any time following the Issue Date,

(8) income or loss attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or

not such operations were classified as discontinued),

(9) in the case of a successor to such Person by consolidation or merger or as a transferee of such Person's assets, any net income or loss of the successor corporation prior to such consolidation, merger or transfer of assets and

(10) the net income (but not loss) of any Unrestricted Subsidiary, except that the Company's or any Restricted Subsidiary's equity in the net income of any Unrestricted Subsidiary or other Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Unrestricted Subsidiary or Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution.

"Consolidated Net Worth" means, with respect to any Person as of any date, the sum of:

(1) the consolidated equity of the common stockholders of such Person and its consolidated Subsidiaries as of such date, plus

(2) the respective amounts reported on such Person's consolidated balance sheet as of such date with respect to any series of preferred stock (other than Disqualified Capital Stock) that by its terms is not entitled to the payment of dividends unless such dividends may be declared and paid only out of net earnings in respect of the year of such declaration and payment, but only to the extent of any cash received by such Person upon issuance of such preferred stock,

less:

(1) all write-ups (other than write-ups resulting from foreign currency translations and write-ups of tangible assets of a going concern business made within 12 months after the acquisition of such business) subsequent to the Issue Date in the book value of any asset owned by such Person or a consolidated Subsidiary of such Person,

(2) all investments as of such date in unconsolidated Subsidiaries and in Persons that are not Subsidiaries (except, in each case, Permitted Investments), and

(3) all unamortized debt discount and expense and unamortized deferred charges as of such date, all of the foregoing determined in accordance with GAAP.

"Core Businesses" means the gaming, card club, racing, sports, entertainment, lodging, restaurant, riverboat operations, real estate development and all other businesses and activities necessary for or reasonably related or incident thereto, including, without limitation, related acquisition, construction, development or operation of related truck stop, transportation, retail and other facilities designed to enhance any of the foregoing.

"Credit Facilities" means, with respect to any Obligor, one or more debt facilities or commercial paper facilities with any combination of banks, other institutional lenders and other Persons extending financial accommodations or holding corporate debt obligations in the ordinary course of their business, providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time by the same or different institutional lenders.

"Default" means any event that is or with the passage of time or the giving of notice or both would be an Event of Default.

"Determination Date" means, with respect to any calculation, the date on or as of which such calculation is made in accordance with the terms hereof.

"Designated Senior Debt" means any Indebtedness under the Bank Credit Facility (which is outstanding or which the lenders thereunder have a commitment to extend) and, if applicable, any other Senior Debt permitted under the Indenture, the principal amount (committed or outstanding) of which is $25 million or more and that has been designated by the Company as "Designated Senior Debt."

"Disqualified Capital Stock" means any Capital Stock which by its terms (or by the terms of any security into which it is, by its terms, convertible or for which it is, by its terms, exchangeable at the option of the holder thereof), or upon the happening of any specified event, is required to be redeemed or is redeemable (at the option of the holder thereof) at any time prior to the earlier of the repayment of all Notes or the stated maturity of the Notes or is exchangeable at the option of the holder thereof for Indebtedness at any time prior to the earlier of the repayment of all Notes or the stated maturity of the Notes.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Event of Default" means the occurrence of any of the events described under the caption "--Events of Default and Remedies", after giving effect to any applicable grace periods or notice requirements.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are in effect as of the Issue Date.

"Gaming Approval" means any governmental approval relating to any gaming business or enterprise.

"Gaming Authority" means any governmental authority with regulatory oversight of, authority to regulate or jurisdiction over any gaming businesses or enterprises, including the State Gaming Control Board of Nevada, Washoe County, Nevada gaming authorities, the Nevada Gaming Commission, Mississippi Gaming Commission, Indiana Gaming Commission, California Gambling Control Commission, Louisiana Gaming Control Board, California Horse Racing Board and the Arizona Racing Commission, with regulatory oversight of, authority to regulate or jurisdiction over any gaming operation (or proposed gaming operation) owned, managed or operated by any Obligor.

"Gaming Laws" means all applicable provisions of all:

(1) constitutions, treaties, statutes or laws governing gaming operations (including without limitation card club casinos and pari mutuel race tracks) and rules, regulations and ordinances of any Gaming Authority,

(2) Gaming Approvals and

(3) orders, decisions, judgments, awards and decrees of any Gaming Authority.

"Global Note" means a permanent global note in registered form deposited with the Trustee, as a custodian for The Depositary Trust Company or any other designated depositary.

"Government Securities" means marketable direct obligations issued by, or unconditionally guaranteed by, the United States government or issued by any agency or instrumentality thereof and backed by the full faith and credit of the United States, in each case maturing within 12 months from the date of acquisition thereof by any Obligor.

"Guarantor" means any existing or future Material Restricted Subsidiary of the Company, which has guaranteed the obligations of the Company arising under or in connection with the Notes, as required by the Indenture.

"Guaranty" means a guaranty by a Guarantor of the Obligations of the Company arising under or in connection with the Notes.

"Hedging Obligations" means all obligations of the Obligors arising under or in connection with any rate or basis swap, forward contract, commodity swap or option, equity or equity index swap or option, bond, note or bill option, interest rate option, foreign currency exchange transaction, cross currency rate swap, currency

option, cap, collar or floor transaction, swap option, synthetic trust product, synthetic lease or any similar transaction or agreement.

"Incur" means, with respect to any Indebtedness of any Person or any Lien, to create, issue, incur (by conversion, exchange or otherwise), assume, guarantee or otherwise become liable in respect of such Indebtedness or Lien

or the recording, as required pursuant to GAAP or otherwise, of any such Indebtedness on the balance sheet of such Person (and "Incurrence," "Incurred," "Incurrable" and "Incurring" shall have meanings correlative to the foregoing).

"Indebtedness" means with respect to any Person, without duplication, whether contingent or otherwise,

(1) any obligations for money borrowed,

(2) any obligation evidenced by bonds, debentures, notes, or other similar instruments,

(3) Letter of Credit Obligations and obligations in respect of other similar instruments,

(4) any obligations to pay the deferred purchase price of property or services, including Capitalized Lease Obligations,

(5) the maximum fixed redemption or repurchase price of Disqualified Capital Stock,

(6) Indebtedness of other Persons of the types described in clauses (1) through (5) above, secured by a Lien on the assets of such Person or its Restricted Subsidiaries, valued, in such cases where the recourse thereof is limited to such assets, at the lesser of the principal amount of such Indebtedness or the fair market value of the subject assets,

(7) indebtedness of other Persons of the types described in clauses (1) through (5) above, guaranteed by such Person or any of its Restricted Subsidiaries and

(8) the net obligations of such Person under Hedging Obligations; provided that the amount of any Indebtedness at any date shall be calculated as the outstanding balance of all unconditional obligations and the maximum liability supported by any contingent obligations at such date.

Notwithstanding the foregoing, "Indebtedness" shall not be construed to include trade payables, credit on open account, accrued liabilities, provisional credit, daylight overdrafts or similar items. For purposes of this definition, the "maximum fixed redemption or repurchase price" of any Disqualified Capital Stock that does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Capital Stock as if such Disqualified Capital Stock were repurchased on the date on which Indebtedness shall be required to be determined pursuant to the Indenture, and if such price is based upon, or measured by, the fair market value of such Disqualified Capital Stock, such fair market value shall be determined reasonably and in good faith by the Board of the issuing Person. Unless otherwise specified in the Indenture, the amount outstanding at any time of any Indebtedness issued with original issue discount is the full amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP.

"Interest Swap Obligations" means the net obligations of any Person under any interest rate protection agreement, interest rate future, interest rate option, interest rate swap, interest rate cap, collar or floor transaction or other interest rate Hedging Obligation.

"Investment" by any Person means any direct or indirect:

(1) loan, advance or other extension of credit or capital contribution (valued at the fair market value thereof as of the date of contribution or transfer) (by means of transfers of cash or other property or services for the account or use of other Persons, or otherwise);

(2) purchase or acquisition of Capital Stock, bonds, notes, debentures or other securities or evidences of Indebtedness issued by any other Person (whether by merger, consolidation, amalgamation or otherwise and whether or not purchased directly from the issuer of such securities or evidences of Indebtedness);

(3) guarantee or assumption of any Indebtedness or any other obligation of any other Person (except for an assumption of Indebtedness for which the assuming Person receives consideration at the time of such assumption in the form of property or assets with a fair market value at least equal to the principal amount of the Indebtedness assumed); and

(4) all other items that would be classified as investments (including,

without limitation, purchases of assets outside the ordinary course of business) on a balance sheet of such Person prepared in accordance with GAAP.

Notwithstanding the foregoing, the purchase or acquisition of any securities, Indebtedness or Productive Assets of any other Person solely with Qualified Capital Stock shall not be deemed to be an Investment. The term "Investments" shall also exclude extensions of trade credit and advances to customers and suppliers to the extent made in the ordinary course of business on ordinary business terms. The amount of any non-cash Investment shall be the fair market value of such Investment, as determined conclusively in good faith by management of the Company or the affected Restricted Subsidiary, as applicable, unless the fair market value of such Investment exceeds $5 million, in which case the fair market value shall be determined conclusively in good faith by the Board of such Person as of the time such Investment is made or such other time as specified in the Indenture. Unless otherwise required by the Indenture, the amount of any Investment shall not be adjusted for increases or decreases in value, or write-ups, write-downs or write-offs subsequent to the date such Investment is made with respect to such Investment.

"Issue Date" means February 18, 1999.

"Letter of Credit Obligations" means Obligations of an Obligor arising under or in connection with letters of credit.

"Lien" means, with respect to any assets, any mortgage, lien, pledge, charge, security interest or other similar encumbrance (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof, any option or other agreement to sell, and any filing of or agreement to give, any security interest).

"Limited Real Estate Development" means the development or improvement of (1) any undeveloped or substantially undeveloped real estate held by the Company or a Subsidiary on the date of the Indenture or (2) any undeveloped or substantially undeveloped real estate that is acquired by the Company or a Subsidiary in an acquisition of a company that is primarily in the Casino business.

"Material Restricted Subsidiary" means any Subsidiary which is both a Material Subsidiary and a Restricted Subsidiary.

"Material Subsidiary" means any Subsidiary of the Company other than a Non-Material Subsidiary.

"Moody's" means Moody's Investors Services, Inc., and its successors.

"Net Cash Proceeds" means with respect to any Asset Sale, the proceeds in the form of cash or Cash Equivalents including payments in respect of deferred payment obligations when received in the form of cash or Cash Equivalents received by any Obligor from such Asset Sale, net of:

(1) reasonable out-of- pocket expenses, fees and other direct costs relating to such Asset Sale (including, without limitation, brokerage, legal, accounting and investment banking fees and sales commissions),

(2) taxes paid or payable after taking into account any reduction in tax liability due to available tax credits or deductions and any tax sharing arrangements,

(3) repayment of Indebtedness (other than any intercompany Indebtedness) that is required by the terms thereof to be repaid or pledged as cash collateral, or the holders of which otherwise have a

contractual claim that is legally superior to any claim of the holders (including a restriction on transfer) to the proceeds of the subject assets, in connection with such Asset Sale, and

(4) appropriate amounts to be provided by any applicable Obligor, as a reserve, in accordance with GAAP, against any liabilities associated with such Asset Sale and retained by limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale and any reserve for adjustment to the sale price received in such Asset Sale for so long as such reserve is held.

"Non-Material Subsidiaries" means all Subsidiaries not designated as Material Subsidiaries by the Company; provided, that all such Subsidiaries (other than Unrestricted Subsidiaries) may not, in the aggregate at any time have assets (attributable to the Company's and its Restricted Subsidiaries'

equity interest in such entity) constituting more than 5% of the Company's total assets on a consolidated basis based on the Company's most recent internal financial statements. As of the Issue Date, the Non-Material Subsidiaries shall be all the Company's Subsidiaries existing as of the Issue Date other than the Guarantors as of the Issue Date and the Unrestricted Subsidiaries as of the Issue Date.

"Non-Recourse Indebtedness" means Indebtedness of an Unrestricted Subsidiary

(1) as to which none of the Obligors:

(A) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness),

(B) is directly or indirectly liable (as a guarantor or otherwise), or

(C) constitutes the lender;

(2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness (other than the Notes being offered hereby) of any Obligor to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity, and

(3) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of any Obligor.

The foregoing notwithstanding, if an Obligor or a Restricted Subsidiary makes a loan to an Unrestricted Subsidiary that is permitted under the covenant described under the caption "Restricted Payments" and is otherwise permitted to be incurred under the Indenture, such loan shall constitute Non-Recourse Indebtedness.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, whether absolute or contingent, payable under the documentation governing any Indebtedness.

"Obligor" means the Company or any Guarantor.

"Paying Agent" means the Person so designated by the Company in accordance with the Indenture, initially the Trustee.

"Permitted Indebtedness" means, without duplication, each of the following:

(1) Indebtedness of the Company or any Restricted Subsidiary outstanding on the Issue Date and reflected in the financial statements set forth in the offering memorandum relating to the Old Notes as in effect on the Issue Date as reduced by the amount of any scheduled amortization payments or mandatory prepayments when actually paid or permanent reductions thereof;

(2) Indebtedness Incurred by the Company under the Notes and by the Guarantors under the Guaranties;

(3) Indebtedness Incurred by the Company or any Restricted Subsidiary pursuant to the Bank Credit Facility; provided that the aggregate principal amount of Indebtedness outstanding thereunder as of any date of Incurrence shall not exceed $350 million, to be reduced dollar-for-dollar by the amount of (A) any increase to the face amount of Support Obligations permitted to be Incurred pursuant to clause (11) of this definition and (B) the aggregate amount of all Net Cash Proceeds of Asset Sales applied by an Obligor to permanently prepay or repay Indebtedness under the Bank Credit Facility pursuant to the covenant described above under the caption "--Asset Sales."

(4) Indebtedness of the Company to any Obligor or of any Guarantor to any other Obligor for so long as such Indebtedness is held by the Company or by another Obligor; provided that:

(A) any Indebtedness of the Company to any other Obligor is unsecured and evidenced by an intercompany promissory note that is subordinated, pursuant to a written agreement, to the Company's obligations under the Indenture and the Notes and the Registration Rights Agreement, and

(B) if as of any date any Person other than the Company or a Guarantor owns or holds any such Indebtedness or holds a Lien in

respect of such Indebtedness, such date shall be deemed to be an Incurrence of Indebtedness not constituting Permitted Indebtedness under this clause (4) by the issuer of such Indebtedness;

(5) Indebtedness of a Restricted Subsidiary to the Company for so long as such Indebtedness is held by an Obligor; provided that if as of any date any Person other than an Obligor acquires any such Indebtedness or holds a Lien in respect of such Indebtedness, such acquisition shall be deemed to be an Incurrence of Indebtedness not constituting Permitted Indebtedness under this clause (5) by the issuer of such Indebtedness;

(6) Permitted Refinancing Indebtedness;

(7) the Incurrence by Unrestricted Subsidiaries of Non-Recourse Indebtedness; provided that, if any such Indebtedness ceases to be Non-Recourse Indebtedness of an Unrestricted Subsidiary, such event shall be deemed to constitute an Incurrence of Indebtedness that is not permitted by this clause (7);

(8) Indebtedness Incurred by the Company or any Restricted Subsidiary solely to finance the construction or acquisition or improvement of, or consisting of Capitalized Leased Obligations Incurred to acquire rights of use in, capital assets useful in the Company's or such Subsidiary's business, as applicable, and, in any such case, Incurred prior to or within 180 days after the construction, acquisition, improvement or leasing of the subject assets, not to exceed in aggregate principal amount outstanding at any time:

(A) $15 million for each of the Company or any Restricted Subsidiary, or

(B) $60 million in the aggregate for all of the Company and its Restricted Subsidiaries, and additional Indebtedness of the kind described in this clause (8) with respect to which neither the Company nor any Restricted Subsidiary is directly or indirectly liable, and which is expressly made non-recourse to all of such Person's assets, except the asset so financed;

(9) Interest Swap Obligations entered into not as speculative Investments but as hedging transactions designed to protect the Company and its Restricted Subsidiaries against fluctuations in interest rates in connection with Indebtedness otherwise permitted hereunder;

(10) Indebtedness of the Company or any Restricted Subsidiary arising in respect of performance bonds and completion guaranties (to the extent that the Incurrence thereof does not result in the Incurrence of any obligation for the payment of borrowed money of others), in the ordinary course of business, in amounts and for the purposes customary in such Person's industry; provided, that such Indebtedness shall be Incurred solely in connection with the development, construction, improvement or enhancement of assets useful in such Person's business; and

(11) other Indebtedness consisting of Support Obligations not exceeding $25 million in aggregate principal amount at any time, which may be increased by the Company in its discretion, subject to

availability under, and a corresponding reduction to, the principal amount of Indebtedness permitted to be Incurred under the Bank Credit Facility pursuant to clause (3) of this definition.

"Permitted Investments" means, without duplication, each of the following:

(1) Investments in cash (including deposit accounts with major commercial banks) and Cash Equivalents;

(2) Investments by the Company or a Restricted Subsidiary in the Company or any Restricted Subsidiary or any Person that is or will immediately become upon giving effect to such Investment, or as a result of which, such Person is merged, consolidated or liquidated into, or conveys substantially of all its assets to, an Obligor or a Restricted Subsidiary; provided that Investments in any such Person (other than the Company or any Restricted Subsidiary) made prior to such Investment shall not be "Permitted Investments"; and provided further that for purposes of calculating at any date the aggregate amount of Investments made since the Issue Date pursuant to the covenant described above under the caption "--Restricted Payments," such Investment shall be a Permitted Investment only so long as any Subsidiary in which any such Investment has been made continues to be an Obligor or a Restricted Subsidiary;

(3) Investments existing on the Issue Date, each such Investment to be:

(A) in an amount less than $1 million,

(B) listed on a schedule to the Indenture, or

(C) an existing Investment by any one or combination of the Company and its consolidated subsidiaries in any other such Person;

(4) accounts receivable created or acquired in the ordinary course of business of the Company or any Restricted Subsidiary on ordinary business terms;

(5) Investments arising from transactions by the Company or a Restricted Subsidiary with trade creditors or customers in the ordinary course of business (including any such Investment received pursuant to any plan of reorganization or similar arrangement pursuant to the bankruptcy or insolvency of such trade creditors or customers or otherwise in settlement of a claim);

(6) Investments made as the result of non-cash consideration received from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "--Assets Sales"; and

(7) Investments consisting of advances to officers, directors and employees of the Company or a Restricted Subsidiary for travel, entertainment, relocation, purchases of Capital Stock of the Company or a Restricted Subsidiary permitted by the Indenture and analogous ordinary business purposes.

"Permitted Junior Securities" means Equity Interests in the Obligors or debt securities that are subordinated to all Senior Debt (and any debt securities issued in exchange for Senior Debt) to substantially the same extent as, or to a greater extent than, the Notes and the Guaranties are subordinated to Senior Debt pursuant to the Indenture.

"Permitted Liens" means:

(1) Liens in favor of the Company or Liens on the assets of any Guarantor so long as such Liens are held by another Obligor;

(2) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Company or a Restricted Subsidiary; provided that such Liens were not Incurred in anticipation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Company or such Restricted Subsidiary, as applicable;

(3) Liens on property existing at the time of acquisition thereof by any Obligor or Restricted Subsidiary; provided that such Liens were not Incurred in anticipation of such acquisition;

(4) Liens Incurred to secure Indebtedness permitted by clause (8) of the definition of Permitted Indebtedness, attaching to or encumbering only the subject assets and directly related property such as proceeds and products thereof and accessions and replacements thereto;

(5) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(6) Liens created by "notice" or "precautionary" filings in connection with operating leases or other transactions pursuant to which no Indebtedness is Incurred by the Company or any Restricted Subsidiary;

(7) Liens existing on the Issue Date;

(8) Liens for taxes, assessments or governmental charges or claims (including, without limitation, Liens securing the performance of workers compensation, social security, or unemployment insurance obligations) that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(9) Liens on shares of any equity security or any warrant or option to purchase an equity security or any security which is convertible into an equity security issued by any Obligor that holds, directly or indirectly through a holding company or otherwise, a license under any applicable

Gaming Laws; provided that this clause (9) shall apply only so long as such Gaming Laws provide that the creation of any restriction on the disposition of any of such securities shall not be effective and, if such Gaming Laws at any time cease to so provide, then this clause (9) shall be of no further effect;

(10) Liens on securities constituting "margin stock" within the meaning of Regulation T, U or X promulgated by the Board of Governors of the Federal Reserve System, to the extent that (i) prohibiting such Liens would result in the classification of the obligations of the Company under the Notes as a "purpose credit" and (ii) the Investment by any Obligor in such margin stock is permitted by the Indenture;

(11) Liens securing Permitted Refinancing Indebtedness; provided that any such Lien attaches only to the assets encumbered by the predecessor Indebtedness, unless the Incurrence of such Liens is otherwise permitted under the Indenture;

(12) Liens securing stay and appeal bonds or judgment Liens in connection with any judgment not giving rise to an Event of Default under paragraph (5) of the Events of Default;

(13) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, suppliers, materialmen, repairmen and other Liens imposed by law incurred in the ordinary course of business, in respect of obligations not constituting Indebtedness and not past due; provided that adequate reserves shall have been established therefor in accordance with GAAP;

(14) easements, rights-of-way, zoning restrictions, reservations, encroachments and other similar charges or encumbrances in respect of real property which do not individually or in the aggregate, materially interfere with the conduct of business by any Obligor;

(15) any interest or title of a lessor under any Capitalized Lease Obligation permitted to be incurred hereunder;

(16) Liens upon specific items of inventory or equipment and proceeds thereof, Incurred to secure obligations in respect of bankers' acceptances issued or created for the account of any Obligor or Restricted Subsidiary in the ordinary course of business to facilitate the purchase, shipment, or storage of such inventory or equipment;

(17) Liens securing Letter of Credit Obligations permitted to be Incurred hereunder Incurred in connection with the purchase of inventory or equipment by an Obligor or Restricted Subsidiary in the ordinary course of the business and secured only by such inventory or equipment, the documents issued in connection therewith and the proceeds thereof and

(18) Liens in favor of the Trustee arising under the Indenture.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Company or any Restricted Subsidiary issued in exchange for, or the net proceeds of which are used to repay, redeem, extend, refinance, renew, replace, defease or refund other Permitted Indebtedness of such Person arising under clauses (1), (2), (6), (8), (10) or (11) of the definition of "Permitted Indebtedness" or Indebtedness Incurred under the Consolidated Coverage Ratio test in the covenant described above under the heading "--Incurrence of Indebtedness and Issuance of Preferred Stock" (any such Indebtedness, "Existing Indebtedness"); provided that:

(1) the principal amount of such Permitted Refinancing Indebtedness does not exceed the principal amount of such Existing Indebtedness (plus the amount of prepayment penalties, premiums and expenses incurred or paid in connection therewith), except to the extent that the Incurrence of such excess is otherwise permitted by the Indenture;

(2) if such Indebtedness is subordinated to, or pari passu in right of payment with, the Notes, such Permitted Refinancing Indebtedness has a final maturity date on or later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, such Existing Indebtedness;

(3) if such Existing Indebtedness is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness has a final maturity date on or later than the final maturity date of, and is subordinated in right of payment to, the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being repaid, redeemed, extended, refinanced, renewed, replaced, defeased or refunded; and

(4) such Permitted Refinancing Indebtedness shall be Indebtedness solely of the Obligor or Restricted Subsidiary originally obligated thereunder, unless otherwise permitted by the Indenture.

"Plan of Liquidation" means, with respect to any Person, a plan (including by operation of law) that provides for, contemplates or the effectuation of which is preceded or accomplished by (whether or not substantially contemporaneously):

(1) the sale, lease or conveyance of all or substantially all of the assets of such Person otherwise than as an entirety or substantially as an entirety, and

(2) the distribution of all or substantially all of the proceeds of such sale, lease, conveyance, or other disposition and all or substantially all of the remaining assets of such Person to holders of Capital Stock of such Person.

"Principals" means:

(1) R.D. Hubbard,

(2) any spouse, parent or child of such Principal, or

(3) any trust, corporation, partnership or other Person, the beneficiaries, stockholders, partners, owners or other Persons holding an 80% or more controlling interest in which are Persons described in clause (1) or (2) of this definition.

"Productive Assets" means assets (including assets owned directly or indirectly through Capital Stock of a Restricted Subsidiary) of a kind used or usable in the businesses of the Obligors as they are conducted on the date of the Asset Sale.

"Public Equity Offering" means a public equity offering, underwritten by a nationally recognized underwriter pursuant to an effective registration statement under the Securities Act of Qualified Capital Stock.

"Qualified Capital Stock" means any Capital Stock that is not Disqualified Capital Stock.

"Related Business" means the gaming (including pari-mutuel betting) business and any and all reasonably related businesses necessary for, in support or anticipation of and ancillary to or in preparation for, the gaming business including, without limitation, the development, expansion or operation of any Casino (including any land-based, dockside, riverboat or other type of Casino), owned, or to be owned, by the Company or one of its Subsidiaries.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary. If no referent Person is specified, "Restricted Subsidiary" means a Subsidiary of the Company.

"S&P" means Standard & Poors Rating Group, a division of The McGraw-Hill Industries, Inc., and its successors.

"Senior Debt" means:

(1) all Indebtedness outstanding under Credit Facilities and all Hedging Obligations with respect thereto,

(2) any other Indebtedness permitted to be Incurred by the Company under the terms of the Indenture, unless the instrument under which such Indebtedness is Incurred expressly provides that it is on a parity with or subordinated in right of payment to the Notes, and

(3) all Obligations with respect to the foregoing.

Notwithstanding anything to the contrary in the foregoing, Senior Debt will not include:

(1) any liability for federal, state, local or other taxes owed or owing by the Company,

(2) any Indebtedness of any Obligor to any of its Restricted Subsidiaries or other Affiliates,

(3) any trade payables,

(4) any Indebtedness that is incurred in violation of the Indenture, and

(5) Indebtedness which, when Incurred and without respect to any election under Section 1111(b) of Title 11, United States Code, is without recourse to any Obligor.

Notwithstanding anything in the Indenture to the contrary Senior Debt shall not include the 9 1/2% Notes. The Indenture will expressly provide that the Obligations in respect of the Notes and the Guarantees will be on a parity with the Obligations in respect of the 9 1/2% Notes and the guarantees thereof in right of payment.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Subsidiary," with respect to any Person, means:

(1) any corporation or comparably organized entity, a majority of whose voting stock (defined as any class of capital stock having voting power under ordinary circumstances to elect a majority of the Board of such Person) is owned, directly or indirectly, by any one or more of the Obligors, and

(2) any other Person (other than a corporation) in which any one or more of the Obligors, directly or indirectly, has at least a majority ownership interest entitled to vote in the election of directors, managers or trustees thereof or of which such Obligor is the managing general partner.

"Support Obligation" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), or

(2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided that the term "Support Obligation" shall not include:

(A) endorsements for collection or deposit in the ordinary course of business, or

(B) commitments to make Permitted Investments in Obligors or their Restricted Subsidiaries.

"Unrestricted Subsidiary" means any Subsidiary of the Company that is designated by the Board of the Company as its Unrestricted Subsidiary pursuant to a Board resolution; but only to the extent that such Subsidiary:

(A) has, or will have after giving effect to such designation, no Indebtedness other than Non-Recourse Indebtedness,

(B) is not party to any agreement, contract, arrangement or understanding with any Obligor unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to such Obligor than those that might be obtained at the time from Persons who are not Affiliates of such Obligor,

(C) is a Person with respect to which none of the Obligors has any direct or indirect obligation (i) to subscribe for additional equity interests or (ii) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results,

(D) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of any Obligor, and

(E) has at least one director on its Board who is not a director or executive officer of any Obligor and has at least one executive officer who is not a director or executive officer of any Obligor.

Any such designation by the Board of the Company shall be evidenced to the Trustee by filing with the Trustee a certified copy of the Board resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions and was permitted by the covenant described above under "--Restricted Payments." If at any time any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary shall be deemed to be Incurred by a Restricted Subsidiary as of such time (and, if such Indebtedness is not permitted to be Incurred as of such date under the covenant described above under "--Incurrence of Indebtedness and Issuance of Preferred Stock," the Company shall be in default of such covenant). The Board of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation shall be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if

(1) such Indebtedness is permitted under the covenant described above under the heading "--Incurrence of Indebtedness and Issuance of Preferred Stock," calculated on a pro forma basis as if such designation had occurred at the beginning of the reference period, and

(2) no Default or Event of Default would be in existence following such designation.

As of the Issue Date, the following entities shall be Unrestricted Subsidiaries: Jefferson Casino Corporation, Casino Magic of Louisiana, Corp., Casino Magic Management Services Corp., Sunflower Racing, Inc., SR Food & Beverage Company, Casino Magic Neuquen S.A. and Casino Magic Support Services S.A.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the Company's calculations of the number of years obtained by dividing:

(1) the then outstanding aggregate principal amount of such Indebtedness into:

(2) the total of the products obtained by multiplying:

(A) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect thereof, by

(B) the number of years (calculated to the nearest one-twelfth) which will elapse between such date and the making of such payment.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of the material federal income tax consequences resulting from the Exchange Offer and from the ownership of the Notes. This discussion is a general summary only and does not address all tax aspects of ownership of the Notes that may be relevant to a prospective investor's particular circumstances. This discussion deals only with Notes held as capital assets and does not deal with the consequences to special classes of holders of the Notes, such as dealers in securities or currencies, life insurance companies, tax exempt entities, financial institutions, persons with a functional currency other than the U.S. dollar, or investors in pass-through entities such as partnerships. It does not deal with the effects of any arrangement entered into by a holder of the Notes that partially or completely hedges the Notes, or otherwise holding the Notes as part of a synthetic security or other integrated investment. The discussion is based upon the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations, rulings, and judicial decisions thereunder as of the date hereof, any of which may be repealed or modified in a manner resulting in federal income tax consequences that differ from those described below. In addition, the

discussion relies upon the description provided to the Company by the DTC, Euroclear, and Cedel of their depository procedures and the procedures of their Participants and Indirect Participants in maintaining a book-entry system reflecting the beneficial ownership of the Notes.

Holders tendering their Old Notes or prospective purchasers of Exchange Notes should consult their own tax advisors concerning the federal income tax consequences resulting from their particular situations, and concerning the state or local income or franchise tax consequences, gift and estate tax consequences, or the consequences under the laws of any other taxing jurisdiction.

U.S. Holders

The following discussion addresses the United States federal income tax consequences to a U.S. Holder of a Note. For purposes of this discussion, a U.S. Holder is a Holder that is (i) a citizen or resident of the United States, (ii) a corporation, partnership, or other entity organized under the laws of the United States or any political subdivision of the United States, (iii) an estate taxed by the United States without regard to the source of its income, or (iv) a trust if a court within the United States can exercise primary supervision over its administration and one or more United States persons have authority to control all of its substantial decisions.

Payments of Interest

Payments of stated interest on a Note will be taxable as ordinary interest income at the time it is received or accrued, depending upon the method of accounting applicable to the holder of the Note.

Exchange Offer in Connection with Registration of the Notes

The exchange of the Old Notes for the Exchange Notes (with substantially identical terms) in connection with the registration of the Exchange Notes should not be a taxable event for federal income tax purposes, and a Holder should have the same tax basis and holding period in the Exchange Notes that the Holder had in the Old Notes.

Market Discount

Any gain or loss on a disposition of a Note would generally be capital gain or loss. However, a subsequent purchaser of a Note who did not acquire the Note at its original issue, and who acquires such Note at a price that is less than the stated redemption price of the Note at its maturity (that is, its face amount if issued at par), may be required to treat the Note as a "market discount bond". Any recognized gain on a disposition of the Note would then be treated as ordinary income to the extent that it does not exceed the "accrued market discount" on the Note. In general, accrued market discount is that amount that bears the same ratio to the excess of the stated redemption price of the Note over the purchaser's basis in the Note immediately after its acquisition, as the number of days the purchaser holds the Note bears to the number of days after the date the purchaser acquired the Note up to (and including) the date of its maturity. In addition, there are rules deferring the deduction of all or part of the interest expense on indebtedness incurred or continued to purchase or carry such bond, and permitting a holder to elect to include accrued market discount in income on a current basis.

Backup Withholding and Information Reporting

In general, a U.S. Holder of a Note will be subject to backup withholding at the rate of 31% with respect to interest, principal and premium, if any, paid on a Note, unless the holder (a) is an entity (including corporations, tax-exempt organizations and certain qualified nominees) that is exempt from withholding and, when required, demonstrates this fact, or (b) provides the Company with its Taxpayer Identification Number ("TIN") (which, for an individual, would be the holder's Social Security number), certifies that the TIN provided to the Company is correct and that the holder has not been notified by the Internal Revenue Service that it is subject to backup withholding due to underreporting of interest or dividends, and otherwise complies with applicable requirements of the backup withholding rules. In addition, such payments of interest, principal and premium to U.S. Holders that are not corporations, tax-exempt organizations or qualified nominees will generally be subject to information reporting requirements.

The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against such holder's federal income tax liability and may entitle such holder to a refund, provided that the required information is furnished to the Internal Revenue Service.

Non-U.S. Holders

The following discussion addresses the principal U.S. federal income tax consequences to a Holder of a Note that is not a U.S. Holder--referred to in this discussion as a Non-U.S. Holder. As discussed above, this discussion does not address all tax aspects of ownership of the Notes that may be relevant to a prospective investor's particular circumstances, including holding the Notes through a partnership or holding the Notes through a hybrid entity (an entity that is a pass-through entity for U.S. tax purposes but not for foreign tax purposes).

Payments of Interest

Generally, payments of stated interest on a Note will not be subject to U.S. federal income tax if the interest qualifies as portfolio interest. Interest on the Notes will qualify as portfolio interest if the Non-U.S. Holder (i) does not actually or constructively own 10 percent of more of the total combined voting power of all voting stock of the Company, (ii) is not a "controlled foreign corporation" with respect to which the Company is a "related person" as such terms are defined in the Code, and (iii) provides the required certifications that the beneficial owner of the Notes is not a U.S. person. However, the interest on the Notes will be taxed at regular U.S. federal income tax rates if the interest constitutes income that is effectively connected with the conduct of a U.S. trade or business and, if the Non-U.S. Holder can claim the benefit of an income tax treaty, is attributable to a U.S. permanent establishment or fixed base. Such income is referred to in this discussion as U.S. trade or business income. If the Non-U.S. Holder is a corporation, interest that constitutes U.S. trade or business income may also be subject to the "branch profits tax" at 30 percent or, if applicable, a lower rate determined by an income tax treaty.

Interest that neither qualifies as portfolio interest nor constitutes U.S. trade or business income will be subject to U.S. withholding tax at the rate of 30 percent, unless such withholding tax is reduced or eliminated by an applicable income tax treaty. To claim the protection of an income tax treaty, a Non-U.S. Holder must provide a properly executed Form 1001 prior to the payment of interest, and must periodically update the filing. New regulations scheduled to take effect on January 1, 2000, will replace these forms with new forms and procedures, and may require a Non-U.S. Holder to obtain a taxpayer identification number and to provide documentary evidence of residence in order to claim a treaty benefit.

Sale, Exchange or Redemption of Notes

Gain realized by a Non-U.S. Holder on the sale, exchange, redemption or other disposition of a Note will generally not be subject to U.S. federal income tax, unless (i) such gain constitutes U.S. trade or business income, (ii) the Non-U.S. Holder is an individual who holds the Note as a capital asset and is present in the United States for 183 days or more in the taxable year of the disposition, or (iii) the Non-U.S. Holder is a former citizen or resident of the United States subject to certain rules related to that status.

Federal Estate Tax

Notes held by an individual who is not a citizen or resident of the United States for federal estate tax purposes at the time of his or her death will not be subject to U.S. federal estate tax if the interest on the Notes qualifies for the portfolio interest exemption from U.S. federal income tax under the rules described above.

Information Reporting and Backup Withholding

The Company must report to the Internal Revenue Service and to each Non-U.S. Holder any interest that is subject to U.S. withholding tax or that is exempt from withholding tax pursuant to either a tax treaty or the portfolio interest exemption. Copies of these information returns may also be available to the tax authorities of the country in which the Non-U.S. Holder resides under the provisions of various treaties or agreements for the exchange of information.

Non-U.S. Holders other than corporations may be subject to backup withholding and additional information reporting. Neither backup withholding nor information reporting will apply to payments of portfolio interest by the Company to a Non-U.S. Holder, if the Non-U.S. Holder properly certifies that it is not a U.S. Holder or otherwise establishes an exemption. However, such certification or exemption is not effective if the Company or its paying agent has actual knowledge that the Holder is a U.S. Holder or that the conditions of another exemption relied upon by the Non-U.S. Holder are not satisfied.

Payments of principal on the Notes by the Company to a Non-U.S. Holder may

be subject to backup withholding and information reporting unless the Non-U.S. Holder properly certifies as to those items described below in connection with payments made by brokers or otherwise establishes an exemption (provided that neither the Company nor its paying agent has actual knowledge that the Holder is a U.S. Holder or that the conditions of another exemption relied upon by the Non-U.S. Holder are not satisfied).

Neither backup withholding nor information reporting will apply to the payment of the proceeds from the disposition of the Notes to or through the United States office of any broker if the Non-U.S. Holder (i) properly certifies (A) that he is not a U.S. Holder, (B) that he does not expect to be present within the U.S. for 183 days or more during the calendar year and (C) none of his gains from transactions effected with the payor during the calendar year are expected to be effectively connected with a U.S. trade or business; or (ii) otherwise establishes an exemption, and neither the Company nor its paying agent has actual knowledge that the conditions of any claimed exemption are not satisfied. If proceeds from the disposition of the Notes are paid to or through the foreign office of a U.S. broker, information reporting (but not backup withholding) is required unless the broker has documentary evidence that the owner is a foreign person and the broker has no actual knowledge to the contrary. Similar rules apply to the foreign office of a foreign broker if either (i) the foreign broker is a controlled foreign corporation within the meaning of the Code, or (ii) 50 percent or more of the gross income of the foreign broker during a specified testing period was effectively connected with the conduct of a trade or business within the United States. If proceeds from the disposition of the Notes are paid to or through the foreign office of a foreign broker that does not have these characteristics, neither information reporting nor backup withholding is required.

Any amounts withheld under the backup withholding rules from a payment to a Non-U.S. Holder will be allowed as a refund or credit against such Non-U.S. Holder's federal income tax liability.

New regulations revising the information and reporting rules will become effective on January 1, 2000. In general, these new regulations will not materially change the withholding and information reporting requirements, but will change various forms and certification procedures.

PLAN OF DISTRIBUTION

Each broker-dealer that receives Exchange Notes for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Notes received in exchange for Old Notes where such Old Notes were acquired as a result of market-making activities or other trading activities (other than Old Notes acquired directly from the Company). To the extent any such broker-dealer participates in the Exchange Offer and so notifies the Company, or causes the Company to be so notified in writing, the Company has agreed that, subject to certain exceptions, a period of 180 days after the date of this prospectus, it will make this prospectus, as amended or supplemented, available to such broker-dealer for use in connection with any such resale, and will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the Letter of Transmittal.

The Company will not receive any proceeds from any sale of Exchange Notes by broker-dealers. Exchange Notes received by broker-dealers for their own account pursuant to the Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the Exchange Notes or a combination of such methods of resale, at prevailing market prices at the time of resale, at prices related to such prevailing market prices or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers or any such Exchange Notes. Any broker-dealer that resells Exchange Notes that were received by it for its own account pursuant to the Exchange Offer and any broker or dealer that participates in a distribution of such Exchange Notes may be deemed to be an "underwriter" within the meaning of the Securities Act, and any profit on any such resale of Exchange Notes and any commissions or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The Letter of Transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

By its acceptance of the Exchange Offer, any broker-dealer that receives Exchange Notes pursuant to the Exchange Offer hereby agrees to notify the Company prior to using the prospectus in connection with the sale or transfer

of Exchange Notes, and acknowledges and agrees that, upon receipt of notice from the Company of the happening of any event which makes any statement in this prospectus untrue in any material respect or which requires the making of any changes in this prospectus in order to make the statements therein not misleading or which may impose upon the Company disclosure obligations that the Company determines in good faith may not be in the best interests of the Company (which notice the Company agrees to deliver promptly to such broker-dealer), such broker-dealer will suspend use of this prospectus until the Company has notified such broker-dealer that delivery of this prospectus may resume and has furnished copies of any amendment or supplement to this prospectus to such broker-dealer.

LEGAL MATTERS

The validity of the Exchange Notes offered hereby will be passed upon for Hollywood Park by Irell & Manella LLP, Los Angeles, California.

EXPERTS

Hollywood Park's consolidated financial statements as of December 31, 1997 and 1996, and for each of the three years in the period ended December 31, 1997, included in this prospectus, to the extent and for the periods indicated in their report with respect thereto have been audited by Arthur Andersen LLP, independent public accountants, as stated in their report appearing herein, and are included herein, in reliance upon authority of said firm as experts in giving said report.

Casino Magic's consolidated financial statements as of December 31, 1997 and 1996, and for each of the three years in the period ended December 31, 1997, appearing in this prospectus, to the extent and for the periods indicated in their report with respect thereto, have been audited by Arthur Andersen LLP, independent public accountants, as stated in their report appearing herein and are included herein in reliance upon the authority of said firm as experts in giving said report.

The consolidated financial statements (including schedule) of Boomtown as of September 30, 1996 and 1995 and for each of the three years in the period ended September 30, 1996, incorporated by reference into this prospectus and Registration Statement from Amendment No. 4 to the Registration Statement (Form S-4 No. 333-34471) of Hollywood Park have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon included therein. Such consolidated financial statements (including schedule) are incorporated herein by reference, in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

INDEX TO FINANCIAL STATEMENTS

<TABLE>
<CAPTION>

</TABLE>

HOLLYWOOD PARK, INC.

CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	As of	
	September 30, 1998	December 31, 1997
	(unaudited)	
	(in thousands)	
<S>	<C>	<C>
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 20,126	$ 23,749
Restricted cash	798	407
Short term investments	3,459	0
Other receivables, net	7,061	9,417
Prepaid expenses and other assets	16,160	10,948
Deferred tax assets	10,250	8,118
Current portion of notes receivable	2,340	42
Total current assets	60,194	52,681
Notes receivable	18,250	9,548
Property, plant and equipment, net	301,125	300,666
Goodwill, net	50,341	33,017
Other assets	23,009	23,117
	$452,919	$419,029
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 8,848	$ 11,277
Accrued lawsuit settlement	0	2,750

Accrued compensation	7,620	7,627
Accrued liabilities	26,986	19,105
Accrued interest	2,642	5,175
Gaming liabilities	3,698	3,853
Racing liabilities	263	4,093
Current portion of notes payable	2,058	3,437
Total current liabilities	52,115	57,317
Notes payable	168,574	132,102
Deferred tax liabilities	6,606	6,310
Total liabilities	227,295	195,729
Minority interests	0	1,946
Stockholders' Equity:		
Capital stock--		
Preferred--$1.00 par value, authorized 250,000 shares; none issued and outstanding	0	0
Common--$.10 par value, authorized 40,000,000 shares; 25,800,069 issued and outstanding in 1998, and 26,220,528 in 1997	2,580	2,622
Capital in excess of par value	218,023	222,350
Retained earnings (accumulated deficit)	5,338	(3,532)
Accumulated other comprehensive loss	(317)	(86)
Total stockholders' equity	225,624	221,354
	$452,919	$419,029

</TABLE>

See accompanying notes to consolidated financial statements.

HOLLYWOOD PARK, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	For the three months ended September 30,		For the nine months ended September 30,	
	1998	1997	1998	1997
	(in thousands, except per share data--unaudited)			
<S>	<C>	<C>	<C>	<C>
Revenues:				
Gaming	$ 58,846	$ 57,143	$ 173,552	$ 83,990
Racing	11,371	12,216	48,085	48,084
Food and beverage	7,383	6,156	21,245	13,016
Hotel and recreational vehicle park	637	581	1,362	581
Truck stop and service station	4,525	4,897	11,071	4,897
Other income	4,705	4,217	13,434	7,781
	87,467	85,210	268,749	158,349
Expenses:				
Gaming	30,604	29,956	93,920	45,117
Racing	5,562	6,206	21,244	21,615
Food and beverage	10,065	8,101	27,601	16,920
Hotel and recreational vehicle park	212	199	499	199
Truck stop and service station	4,177	4,461	10,164	4,461
Administration	20,088	20,091	62,209	38,622
Other	2,011	1,823	5,586	3,262
REIT restructuring	0	609	469	609
Depreciation and amortization	6,825	6,159	19,874	11,939
	79,544	77,605	241,566	142,744
Operating income	7,923	7,605	27,183	15,605
Loss on write off of assets	1,586	0	1,586	0
Interest expense	4,112	3,653	11,827	3,782
Income before minority interests and income taxes	2,225	3,952	13,770	11,823
Minority interests	0	17	0	80

Income tax expense.....	253	1,524	4,903	4,624
Net income.....	$ 1,972	$ 2,411	$ 8,867	$ 7,119
Dividend requirements on convertible preferred stock.....	$ 0	$ 558	$ 0	$ 1,520
Net income available to common shareholders.....	$ 1,972	$ 1,853	$ 8,867	$ 5,599
Per common share:				
Net income--basic.....	$ 0.08	$ 0.08	$ 0.34	$ 0.27
Net income--diluted.....	$ 0.08	$ 0.08	$ 0.34	$ 0.27
Number of shares--basic.....	26,101	24,706	26,115	20,596
Number of shares--diluted.....	26,101	24,706	26,277	20,596

</TABLE>

HOLLYWOOD PARK, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	For the nine months ended September 30,	
	1998	1997
	(in thousands--unaudited)	
<S>	<C>	<C>
Cash flows from operating activities:		
Net income.....	$ 8,867	$ 7,119
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization.....	19,874	11,939
Minority interests.....	0	17
Loss on sale or disposal of property, plant and equipment.....	985	488
(Increase) decrease in restricted cash.....	(391)	3,277
Decrease (increase) in other receivables, net.....	2,356	(944)
(Increase) decrease in prepaid expenses and other assets.....	(5,648)	894
Increase in deferred tax assets.....	(2,132)	(1,681)
Decrease in accounts payable.....	(2,429)	(2,151)
Decrease in accrued lawsuit settlement.....	(2,750)	0
Decrease in accrued compensation.....	(7)	(1,788)
Increase (decrease) in accrued liabilities.....	2,287	(10,381)
(Decrease) increase in gaming liabilities.....	(155)	1,197
Decrease in racing liabilities.....	(3,830)	(3,496)
Decrease in accrued interest payable.....	(2,533)	0
Increase in deferred tax liabilities.....	296	1,569
Net cash provided by operating activities.....	14,790	6,059
Cash flows from investing activities:		
Additions to property, plant and equipment.....	(34,981)	(23,059)
Receipts from sale of property, plant and equipment.....	650	114
Principal collected on notes receivable.....	2,071	31
Note receivable, Paul Alanis.....	(3,232)	0
Note receivable, HP Yakama investment.....	(8,012)	0
Purchase of short term investments.....	(3,690)	(1,946)
Proceeds from short term investments.....	0	6,712
Payment to buy-out minority interest in Crystal Park LLC.....	(1,946)	0
Cash acquired in the purchase of a business, net of transaction and other costs.....	0	12,264
Net cash used in investing activities.....	(49,140)	(5,884)
Cash flows from financing activities:		
Proceeds from secured Bank Credit Facility.....	40,000	112,000
Payment of secured Bank Credit Facility.....	0	(112,000)
Redemption of Boomtown 11.5% First Mortgage Notes.....	(1,253)	(110,924)
Proceeds from issuance of 9.5% Notes.....	0	125,000
Payment of secured notes payable.....	0	(4,282)
Payment of unsecured notes payable.....	(3,654)	(31)
Common stock options exercised.....	1,174	1,667
Purchase and retirement of Hollywood Park common stock...	(5,540)	0
Dividends paid to preferred stockholders.....	0	(1,520)

Net cash provided by financing activities.....	30,727	9,910
(Decrease) increase in cash and cash equivalents.....	(3,623)	10,085
Cash and cash equivalents at the beginning of the period.....	23,749	11,922
Cash and cash equivalents at the end of the period.....	$ 20,126	$ 22,007

</TABLE>

See accompanying notes to consolidated financial statements.

HOLLYWOOD PARK, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1--Summary of Significant Accounting Policies

General Hollywood Park, Inc. (the "Company" or "Hollywood Park") is a diversified gaming, sports and entertainment company engaged in the ownership and operation of casinos (including card club casinos), pari-mutuel racing facilities, and the development of other gaming and sports related opportunities. Hollywood Park owns and operates, through its Boomtown, Inc. ("Boomtown") subsidiary, land-based, riverboat and dockside gaming operations in Verdi, Nevada ("Boomtown Reno"), Harvey, Louisiana ("Boomtown New Orleans") and Biloxi, Mississippi ("Boomtown Biloxi"), respectively. As of October 15, 1998, the Company expanded its gaming operations through the acquisition of Casino Magic Corp. ("Casino Magic"). Casino Magic operates dockside gaming in Bay St. Louis, Mississippi ("Casino Magic Bay St. Louis") and in Biloxi, Mississippi ("Casino Magic Biloxi"); riverboat gaming in Bossier City, Louisiana ("Casino Magic Bossier"); and is 51% owner of two land-based casinos in Argentina ("Casino Magic Argentina"). Hollywood Park also owns two card club casinos located in the Los Angeles metropolitan area. The Hollywood Park-Casino is operated by the Company, and is located on the same property as the Hollywood Park Race Track. The Company also owns the Crystal Park Hotel and Casino (the "Crystal Park Casino"), which is leased to an unaffiliated operator. Presently, Hollywood Park is the only company that owns and operates both California card club casinos and traditional casinos in Nevada, Louisiana and Mississippi. The Company's premier thoroughbred racing facilities are, the Hollywood Park Race Track, which the Company has owned for 60 years, and Turf Paradise, Inc. ("Turf Paradise"), located in Phoenix, Arizona.

The financial information included herein has been prepared in conformity with generally accepted accounting principles as reflected in Hollywood Park's consolidated Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, for the year ended December 31, 1997.

The information furnished herein is unaudited; however, in the opinion of management it reflects all normal and recurring adjustments necessary to present a fair statement of the financial results for the interim periods. It should be understood that accounting measurements at interim dates inherently involve greater reliance on estimates than at year end. The interim racing results of operations are not indicative of the results for the full year, due to the seasonality of the Company's horse racing business.

Consolidation The consolidated financial statements presented herein, include the accounts of Hollywood Park and its wholly owned subsidiaries: (a) Boomtown, and Boomtown's six active subsidiaries; (1) Boomtown Hotel & Casino, Inc., (2) Bayview Yacht Club, Inc., (3) Mississippi--I Gaming, L.P., (4) Louisiana Gaming Enterprises, Inc., (5) Louisiana--I Gaming, and (6) Boomtown Hoosier, Inc.; (b) Hollywood Park Operating Company and its two wholly owned subsidiaries, Hollywood Park Food Services, Inc. and Hollywood Park Fall Operating Company; (c) Turf Paradise, Inc.; (d) HP Yakama, Inc.; and (e) HP/Compton, Inc. and HP Casino, Inc., which own 89.8% and 10.2%, respectively, of the Crystal Park Hotel and Casino Development Company LLC ("Crystal Park LLC"). The Hollywood Park-Casino is a division of Hollywood Park, Inc.

As of October 15, 1998, the consolidated financial statements will also include Casino Magic's thirteen active subsidiaries: (1) Mardi Gras Casino Corp., (2) Biloxi Casino Corp., (3) Casino Magic Finance Corp., (4) Jefferson Casino Corp., (5) Casino Magic of Louisiana, Corp., (6) Casino Magic Neuquen, (7) Casino Magic Support Services SA, (8) Casino Magic American Corp., (9) Casino Magic Management Services Corp., (10) Bay St. Louis Casino Corp., (11) Boston Casino Corp., (12) Casino One Corporation, and (13) St. Louis Casino Corp.

Restricted Cash Restricted cash as of September 30, 1998 and December 31, 1997, was for amounts due to horsemen for purses, stakes and awards.

Capitalized Interest During the three and nine months ended September 30, 1998, the Company capitalized interest related to construction projects of approximately $295,000 and $802,000, respectively. Capitalized interest for both the three and nine months ended September 30, 1997 was $15,000.

Comprehensive Income Statement of Financial Accounting Standards No. 130, ("SFAS 130") Reporting Comprehensive Income, requires that the Company disclose comprehensive income and its components. The objective of SFAS 130 is to report a measure of all changes in equity of an enterprise that result from transactions and other economic events of the period other than transactions with owners. Comprehensive income is the sum of the following; net income (loss) and other comprehensive income (loss), which is defined as all other nonowner changes in equity.

The Company has recorded unrealized gain (loss) on securities as other comprehensive income (loss) in the accompanying financial statements. Comprehensive income was computed as follows:

<TABLE>
<CAPTION>

	For the Three Months Ended September 30,	
	1998	1997
	(in thousands, unaudited)	
<S>	<C>	<C>
Net income	$1,972	$2,411
Other comprehensive income (loss):		
Unrealized loss on securities	(315)	0
Less reclassification adjustment for realized (gain) loss	0	0
Comprehensive income	$1,657	$2,411

</TABLE>

<TABLE>
<CAPTION>

	For the Nine Months Ended September 30,	
	1998	1997
	(in thousands, unaudited)	
<S>	<C>	<C>
Net income	$8,867	$7,119
Other comprehensive income (loss):		
Unrealized loss on securities	(231)	0
Less reclassification adjustment for realized loss	0	1
Comprehensive income	$8,636	$7,120

</TABLE>

Estimates Financial statements prepared according to generally accepted accounting principles require the use of management estimates, including estimates used to evaluate the recoverability of property, plant and equipment, to determine the fair value of financial instruments, to account for the valuation allowance for deferred tax assets and to determine litigation related obligations. Actual results could differ from these estimates.

Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed of Whenever there are recognized events or changes in circumstances that indicate the carrying amount of an asset may not be recoverable, management

reviews the asset for possible impairment. In accordance with current accounting standards, management uses estimated expected future net cash flows (undiscounted and excluding interest

costs, and grouped at the lowest level for which there are identifiable cash flows that are as independent as possible of other asset groups) to measure the recoverability of the asset. If the expected future net cash flows are less than the carrying amount of the asset, an impairment loss would be recognized. An impairment loss would be measured as the amount by which the carrying amount of the asset exceeded the fair value of the asset, with fair value measured as the amount at which the asset could be bought or sold in a current transaction between willing parties, other than in a forced liquidation sale. The estimation of expected future net cash flows is inherently uncertain and relies to a considerable extent on assumptions regarding current and future net cash flows, market conditions, and the availability of capital. If, in future periods, there are changes in the estimates or assumptions incorporated into the impairment review analysis, the changes could result in an adjustment to the carrying amount of the asset, but at no time would previously recognized impairment losses be restored.

Earnings Per Share Basic earnings per share were computed by dividing net income available to common shareholders (net income less preferred dividend requirements) by the weighted average number of common shares outstanding during the period. Diluted per share amounts were similarly computed, but include the effect, when dilutive, of the conversion of the convertible preferred shares (which is applicable to the three and nine months ended September 30, 1997, only), and the assumed exercise of stock options.

Redemption of Depositary Shares As of August 28, 1997, the Company's 2,749,900 outstanding depositary shares were converted into 2,291,492 shares of the Company's common stock, thereby, eliminating future annual preferred stock cash dividend payments of approximately $1,925,000.

Cash Flows Cash and cash equivalents included certificates of deposit and short term investments with maturities of 90 days or less.

Racing Revenues and Expenses The Company records pari-mutuel revenues, admissions, food and beverage and other income associated with racing on a daily basis, except for seasonal admissions, which are recorded ratably over the racing season. Expenses associated with racing revenues were charged against income in those periods in which racing revenues were recognized.

Gaming Revenue and Promotional Allowances Gaming revenues at the Boomtown properties consisted of the difference between gaming wins and losses, or net win from gaming activity, and at the Hollywood Park-Casino consisted of fees collected from patrons on a per seat or per hand basis. Revenues in the accompanying statements of operations excluded the retail value of food and beverage provided to players on a complimentary basis. The estimated cost of providing these promotional allowances during the three months ended September 30, 1998 and 1997, was $3,206,000 and $2,745,000, respectively, and for the nine months ended September 30, 1998 and 1997, was $10,683,000 and $3,410,000, respectively. (The amount for the nine months ended September 30, 1997, is exclusive of the costs associated with Boomtown's operations, prior to June 30, 1997.)

Reclassifications Certain reclassifications have been made to the 1997 balances to be consistent with the 1998 financial statement presentation.

Note 2--Acquisition of Casino Magic Corp.

On October 15, 1998, Hollywood Park acquired Casino Magic, pursuant to the February 19, 1998 Agreement of Merger among Casino Magic Corp., Hollywood Park, Inc., and HP Acquisition II, Inc. (a wholly owned subsidiary of Hollywood Park), pursuant to which HP Acquisition II, Inc., was merged into Casino Magic, with Casino Magic surviving and becoming a wholly owned subsidiary of Hollywood Park. The Casino Magic Merger will be accounted for under the purchase method of accounting for a business combination. Hollywood Park paid $2.27 per Casino Magic common share outstanding, or approximately $81,100,000.

Casino Magic owns and operates dockside gaming properties in Bay St. Louis, Mississippi, and Biloxi, Mississippi, riverboat gaming in Bossier City, Louisiana, and is a 51% partner in two land-based casinos in Argentina.

Note 3--Acquisition of Boomtown, Inc.

On June 30, 1997, pursuant to the Agreement and Plan of Merger dated as of April 23, 1996, by and among Hollywood Park, HP Acquisition, Inc., a wholly owned subsidiary of the Company, and Boomtown, HP Acquisition, Inc. was merged with and into Boomtown (the "Boomtown Merger"). As a result of the Boomtown Merger, Boomtown became a wholly owned subsidiary of the Company and each share of Boomtown common stock was converted into the right to receive 0.625 of a share of Hollywood Park's common stock. Approximately 5,362,850 shares of Hollywood Park common stock, valued at $9.8125 per share (excluding shares repurchased from Edward P. Roski, Jr. ("Roski") and subsequently retired) were issued in the Boomtown Merger.

The Boomtown Merger was accounted for under the purchase method of accounting for a business combination. The purchase price of the Boomtown Merger was allocated to the identifiable assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. Based on financial analyses which considered the impact of general economic, financial and market conditions on the assets acquired and liabilities assumed, it was determined that the estimated fair values approximated their carrying value. The Boomtown Merger generated approximately $21,136,000 of excess acquisition cost over the recorded value of the net assets acquired, all of which was allocated to goodwill, to be amortized over 40 years. The amortization of the goodwill is not deductible for income tax purposes. As of June 30, 1997, the excess acquisition cost over the recorded value of the assets was estimated at approximately $2,683,000. As of June 30, 1998, the Company revised its initial estimates of the excess acquisition cost over the recorded value to $21,136,000, due primarily to a reduction in the valuation of certain gaming fixed assets and provisions for additional liabilities.

The Company acquired three of the four Boomtown properties; Boomtown Reno, Boomtown New Orleans, and Boomtown Biloxi. In connection with the Boomtown Merger, Boomtown's Las Vegas property was divested on July 1, 1997.

Note 4--Short Term Investments

As of September 30, 1998, short term investments consisted of investments in equity securities. These investments were recorded at fair value in the accompanying financial statements, as determined by the quoted market price, and are classified as available-for-sale. As of September 30, 1998, the Company recorded an unrealized loss on these investments of approximately $231,000. Included in the portfolio of equity securities were 792,900 shares of Casino Magic common stock, for which the Company paid approximately $2.00 per common share, or a total cost of approximately $1,615,000 (inclusive of commissions).

Note 5--Property, Plant and Equipment

Property, plant and equipment held as of September 30, 1998, and December 31, 1997, consisted of the following:

<TABLE>
<CAPTION>

	September 30, 1998	December 31, 1997
	(unaudited)	
	(in thousands)	
<S>	<C>	<C>
Land and land improvements	$ 50,349	$ 50,945
Buildings and building improvements	279,451	270,271
Equipment	88,561	77,337
Vessels	16,690	18,925
Construction in progress	15,875	21,896
	450,926	439,374
Less accumulated depreciation	149,801	138,708
	$301,125	$300,666

	========	========

</TABLE>

Note 6--Secured and Unsecured Notes Payable

Notes payable as of September 30, 1998, and December 31, 1997, consisted of the following:

<TABLE>
<CAPTION>

	September 30, 1998	December 31, 1997
	(unaudited)	
	(in thousands)	
<S>	<C>	<C>
Secured notes payable, Bank Credit Facility.....	$ 40,000	$ 0
Secured notes payable, other.....	2,500	3,750
Unsecured 9.5% Notes.....	125,000	125,000
Boomtown 11.5% First Mortgage Notes.....	0	1,253
Unsecured notes payable.....	3,031	4,009
Capital lease obligations.....	101	1,527
	170,632	135,539
Less current maturities.....	2,058	3,437
	$168,574	$132,102

</TABLE>

Secured Notes Payable, Bank Credit Facility On October 15, 1998, the Company executed the Amended and Restated Reducing Revolving Loan Agreement with a bank syndicate led by Bank of America National Trust and Savings Association (the "Bank Credit Facility") for up to $300,000,000, with an option to increase this amount to $375,000,000. The Bank Credit Facility also provides for sub-facilities for letters of credit up to $30,000,000, and swing line loans of up to $10,000,000. Prior to the execution of the Bank Credit Facility, the Company was operating with a previous bank credit facility, which was initially for $225,000,000, and was reduced to $100,000,000 with the August 1997 issuance of the 9.5% Hollywood Park Notes. The Bank Credit Facility extended the maturity of the Bank Credit Facility to December 31, 2003, reduced interest and commitment fee rates, and amended certain covenants, as compared to the previous bank credit facility.

Unsecured 9.5% Notes On August 6, 1997, Hollywood Park, Inc. and Hollywood Park Operating Company, co-issued $125,000,000 of Series A 9 1/2% Senior Subordinated Notes due 2007 (the "Series A 9 1/2% Notes"). On March 20, 1998, the Company completed a registered exchange offer for the Series A 9 1/2% Notes, pursuant to which all $125,000,000 principal amount of the Series A 9 1/2% Notes were exchanged by the holders for $125,000,000 aggregate principal amount of Series B 9 1/2% Senior Subordinated Notes due 2007, of the Company and Hollywood Park Operating Company (the "Series B 9 1/2% Notes") and, together with the Series A 9 1/2% Notes, (the "9 1/2% Notes") were registered under the Securities Act on Form S-4. Interest on the 9 1/2% Notes is payable semi-annually, on February 1st and August 1st. The Company paid Liquidated Damages at an annual rate of 0.5% of the principal amount of the 9 1/2% Notes for the period January 27, 1998 to March 20, 1998 (the date of consummation of the exchange offer). The 9 1/2% Notes are redeemable, at the option of Hollywood Park and Hollywood Park Operating Company, in whole or in part, on or after August 1, 2002, at a premium to face amount, plus accrued interest, as follows: (a) August 1, 2002 at 104.75%; (b) August 1, 2003 at 102.375%; (c) August 1, 2004 at 101.188%; and (d) August 1, 2005 and thereafter at 100%. The 9 1/2% Notes are unsecured obligations of Hollywood Park and Hollywood Park Operating Company, guaranteed by all other material restricted subsidiaries of either Hollywood Park or Hollywood Park Operating Company.

The indenture governing the 9 1/2% Notes contains certain covenants that, among other things, limit the ability of Hollywood Park, Hollywood Park Operating Company and their restricted subsidiaries to incur additional indebtedness and issue preferred stock, pay dividends or make other distributions, repurchase equity interests or subordinated indebtedness, create certain liens, enter into certain transactions with affiliates, sell assets, issue or sell equity interests in their respective subsidiaries or enter into

certain mergers and consolidations. The Casino Magic Merger and the execution of the Bank Credit Facility, were permitted under the terms of the indenture, given the redemption of the $135,000,000 Casino Magic Notes and establishing certain Casino Magic subsidiaries as Unrestricted Subsidiaries, as defined in the indenture.

Boomtown 11.5% First Mortgage Notes As permitted in the indenture (the "Boomtown Indenture") governing the Boomtown 11.5% First Mortgage Notes (the "Boomtown Notes") in June 1998, Boomtown elected to satisfy and discharge its obligation regarding the $1,253,000 of Boomtown Notes. As of June 9, 1998, Boomtown had satisfied all conditions required to discharge its obligations under the Boomtown Indenture. The total cost to redeem the Boomtown Notes was $1,378,000.

Note 7--Consolidating Condensed Financial Information

Hollywood Park's subsidiaries (excluding non-material subsidiaries) have fully and unconditionally guaranteed the payment of all obligations under the 9 1/2% Notes. Hollywood Park's subsidiaries (excluding certain subsidiaries) have fully and unconditionally guaranteed the payment of all obligations under Hollywood Park's 9 1/4% Senior Subordinated Notes (the "Notes"). Hollywood Park Operating Company co-issued the 9 1/2% Notes and is a guarantor on the Notes. The following is the consolidating information for the issuers of the 9 1/2% Notes and the Notes and their respective subsidiaries:

Hollywood Park, Inc.

Consolidating Condensed Financial Information

For the Three and Nine Months Ended September 30, 1998 and 1997 and Balance Sheets as of September 30, 1998 and December 31, 1997

<TABLE>
<CAPTION>

	Hollywood Park, Inc. (Parent obligor)	Hollywood Park Operating Co. (co-obligor 9 1/2% Notes/ Guarantor on the Notes)	(a) Wholly Owned Guarantor Subsidiaries	(b) Majority Owned Guarantor Subsidiaries	(c) Wholly Owned Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Hollywood Park, Inc. Consolidated
<S>	<C>	<C>	<C>	(in thousands) <C>	<C>	<C>	<C>
Balance Sheet							
As of September 30, 1998							
Current assets.....	$ 16,057	$ 4,670	$ 33,143	$ 6,272	$ 69	$ (17)	$ 60,194
Property, plant and equipment, net.....	65,513	22,010	169,060	44,542	0	0	301,125
Other non-current assets.....	33,683	4,564	39,662	2,061	1,294	10,336	91,600
Investment in subsidiaries.....	207,061	15,373	97,687	0	0	(320,121)	0
Inter-company.....	129,610	142,200	128,587	13	0	(400,410)	0
	$451,924	$188,817	$468,139	$52,888	$1,363	$(710,212)	$452,919
Current liabilities.....	$ 12,730	$ 10,509	$ 21,350	$ 5,485	$ 0	$ (17)	$ 50,057
Notes payable, current..	693	32	67	1,266	0	0	2,058
Notes payable, long term.....	42,079	125,228	17	1,250	0	0	168,574
Other non-current liabilities.....	13,312	0	3,853	0		(10,559)	6,606
Inter-company.....	142,174	21,004	188,551	48,681	0	(400,410)	0
Equity (deficit).....	240,936	32,044	254,301	(3,794)	1,363	(299,226)	225,624
	$451,924	$188,817	$468,139	$52,888	$1,363	$(710,212)	$452,919
Statement of Operations For the three months ended September 30, 1998							
Revenues:							
Gaming.....	$ 11,542	$ 0	$ 33,977	$13,327	$ 0	$ 0	$ 58,846
Racing.....	0	10,112	1,259	0	0	0	11,371
Food and beverage.....	1,228	0	4,817	1,338	0	0	7,383

Equity in subsidiaries.....	6,408	4	8,370	0	0	(14,782)	0
Inter-company interest.....	0	0	1,352	0	0	(1,352)	0
Other.....	939	240	7,874	814	0	0	9,867
	20,117	10,356	57,649	15,479	0	(16,134)	87,467
Expenses:							
Gaming.....	6,617	0	16,934	7,053	0	0	30,604
Racing.....	0	4,807	755	0	0	0	5,562
Food and beverage.....	2,857	0	5,488	1,720	0	0	10,065
Administrative and other.....	3,985	4,420	13,155	4,561	367	0	26,488
REIT restructuring....	0	0	0	0	0	0	0
Depreciation and amortization.....	1,041	993	3,710	945	0	136	6,825
	14,500	10,220	40,042	14,279	367	136	79,544
Operating income (loss).....	5,617	136	17,607	1,200	(367)	(16,270)	7,923
Loss on write off of assets.....	1,586	0	0	0	0		1,586
Interest expense.....	1,050	3,194	(211)	79	0	0	4,112
Inter-company interest..	0	0	0	1,352	0	(1,352)	0
Income (loss) before taxes.....	2,981	(3,058)	17,818	(231)	(367)	(14,918)	2,225
Income tax expense (benefit).....	973	0	(720)	0	0	0	253
Net income (loss).....	$ 2,008	$ (3,058)	$ 18,538	$ (231)	$ (367)	$ (14,918)	$ 1,972

</TABLE>

HOLLYWOOD PARK, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Hollywood Park, Inc.

Consolidating Condensed Financial Information--(Continued)

For the Three and Nine Months Ended September 30, 1998 and 1997
and Balance Sheets as of September 30, 1998 and December 31, 1997

<TABLE>
<CAPTION>

	Hollywood Park, Inc. (Parent obligor)	Hollywood Park Operating Co. (co-obligor 9 1/2% Notes/ Guarantor on the Notes)	(a) Wholly Owned Guarantor Subsidiaries	(b) Majority Owned Guarantor Subsidiaries	(c) Wholly Owned Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Hollywood Park, Inc. Consolidated
				(in thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
For the nine months ended September 30, 1998							
Revenues:							
Gaming.....	$34,659	$ 0	$ 97,296	$41,597	$ 0	$ 0	$173,552
Racing.....	0	37,984	10,101	0	0	0	48,085
Food and beverage.....	3,527	0	13,894	3,824	0	0	21,245
Equity in subsidiaries.....	22,688	240	7,031	0	0	(29,959)	0
Inter-company interest.....	0	0	4,053	0	0	(4,053)	0
Other.....	2,836	1,706	19,040	2,285	0	0	25,867
	63,710	39,930	151,415	47,706	0	(34,012)	268,749
Expenses:							
Gaming.....	20,078	0	51,906	21,936	0	0	93,920
Racing.....	0	16,588	4,656	0	0	0	21,244

Food and beverage.....	7,608	0	15,201	4,792	0	0	27,601
Administrative and other.....	13,505	13,179	38,154	13,160	460	0	78,458
REIT restructuring....	469	0	0	0	0	0	469
Depreciation and amortization.....	3,248	2,981	10,709	2,727	0	209	19,874
	44,908	32,748	120,626	42,615	460	209	241,566
Operating income (loss).....	18,802	7,182	30,789	5,091	(460)	(34,221)	27,183
Loss on write off of assets.....	1,586	0	0	0	0	0	1,586
Interest expense.....	2,598	9,377	(412)	264	0	0	11,827
Inter-company interest..	0	0	0	4,053	0	(4,053)	0
Income (loss) before taxes.....	14,618	(2,195)	31,201	774	(460)	(30,168)	13,770
Income tax expense (benefit).....	5,613	0	(710)	0	0	0	4,903
Net income (loss).....	$ 9,005	$(2,195)	$ 31,911	$ 774	$(460)	$(30,168)	$ 8,867
Statement of Cash Flows: For the nine months ended September 30, 1998							
Net cash provided by (used in) operating activities.....	$(2,921)	$ 2,053	$ 35,132	$ 2,110	$(460)	$(21,124)	$ 14,790
Net cash used in investing activities...	(9,020)	(1,266)	(37,139)	(1,715)	0	0	(49,140)
Net cash provided by (used in) financing activities.....	34,909	0	(2,902)	(745)	0	(535)	30,727

</TABLE>

Hollywood Park, Inc.

Consolidating Condensed Financial Information

For the Three and Nine Months Ended September 30, 1998 and 1997
and Balance Sheets as of September 30, 1998 and December 31, 1997

<TABLE>
<CAPTION>

	Hollywood Park, Inc. (Parent obligor)	Hollywood Park Operating Co. (co-obligor 9 1/2% Notes/ Guarantor on the Notes)	(a) Wholly Owned Guarantor Subsidiaries	(b) Majority Owned Guarantor Subsidiaries	(c) Wholly Owned Non Guarantor Subsidiaries	Consolidating and Eliminating Entries	Hollywood Park, Inc. Consolidated
				(in thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Statement of Operations For the three months ended September 30, 1997							
Revenues:							
Gaming.....	$12,676	$ 0	$30,460	$14,007	$ 0	$ 0	$57,143
Racing.....	0	10,791	1,425	0	0	0	12,216
Food and beverage.....	1,129	0	4,112	915	0	0	6,156
Equity in subsidiaries.....	9,108	(167)	7,911	0	0	(16,852)	0
Inter-company interest.....	0	0	2,354	0	0	(2,354)	0
Other.....	1,282	92	7,513	808	0	0	9,695
	24,195	10,716	53,775	15,730	0	(19,206)	85,210
Expenses:							
Gaming.....	6,600	0	16,163	7,193	0	0	29,956

Racing.....	0	5,357	849	0	0	0	6,206
Food and beverage.....	2,316	0	4,591	1,194	0	0	8,101
Administrative and other.....	4,900	4,266	13,340	4,280	0	0	26,786
REIT restructuring.....	397	0	0	0	0	0	397
Depreciation and amortization.....	1,118	950	2,733	1,341	0	17	6,159
	15,331	10,573	37,676	14,008	0	17	77,605
Operating income.....	8,864	143	16,099	1,722	0	(19,223)	7,605
Interest expense.....	1,252	2,080	232	89	0	0	3,653
Inter-company interest..	102	0	974	1,278	0	(2,354)	0
Income (loss) before taxes.....	7,510	(1,937)	14,893	355	0	(16,869)	3,952
Minority interests.....	0	0	0	0	0	17	17
Income tax expense (benefit).....	(1,085)	0	2,609	0	0	0	1,524
Net income (loss).....	$ 8,595	$(1,937)	$12,284	$ 355	$ 0	$(16,886)	$ 2,411

</TABLE>

HOLLYWOOD PARK, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Hollywood Park, Inc.

Consolidating Condensed Financial Information--(Continued)

For the Three and Nine Months Ended September 30, 1998 and 1997
and Balance Sheets as of September 30, 1998 and December 31, 1997

<TABLE>
<CAPTION>

	Hollywood Park, Inc. (Parent obligor)	Hollywood Park Operating Co. (co-obligor 9 1/2% Notes/ Guarantor on the Notes)	(a) Wholly Owned Guarantor Subsidiaries	(b) Majority Owned Guarantor Subsidiaries	(c) Wholly Owned Non Guarantor Subsidiaries	Consolidating and Eliminating Entries	Hollywood Park, Inc. Consolidated
				(in thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
For the nine months ended September 30, 1997							
Revenues:							
Gaming.....	$38,023	$ 0	$30,460	$15,507	$ 0	$ 0	$ 83,990
Racing.....	0	38,195	9,889	0	0	0	48,084
Food and beverage.....	3,376	0	8,725	915	0	0	13,016
Equity in subsidiaries..	11,961	126	8,505	0	0	(20,592)	0
Inter-company interest..	0	0	2,354	0	0	(2,354)	0
Other.....	3,428	1,274	7,749	808	0	0	13,259
	56,788	39,595	67,682	17,230	$ 0	(22,946)	158,349
Expenses:							
Gaming.....	21,761	0	16,163	7,193	$ 0	0	45,117
Racing.....	0	16,895	4,720	0	0	0	21,615
Food and beverage.....	7,069	0	8,657	1,194	0	0	16,920
Administrative and other.....	13,175	13,557	15,491	4,321	0	0	46,544
REIT restructuring.....	609	0	0	0	0	0	609
Depreciation and amortization.....	3,512	2,815	3,452	2,143	0	17	11,939
	46,126	33,267	48,483	14,851	0	17	142,744
Operating income.....	10,662	6,328	19,199	2,379	0	(22,963)	15,605
Interest expense.....	1,368	2,093	232	89	0	0	3,782

Inter-company interest...	102	0	974	1,278	0	(2,354)	0
Income before taxes.....	9,192	4,235	17,993	1,012	0	(20,609)	11,823
Minority interests.....	0	0	0	0	0	80	80
Income tax expense.....	2,020	0	2,604	0	0	0	4,624
Net income.....	$ 7,172	$ 4,235	$15,389	$ 1,012	$ 0	$(20,689)	$ 7,119

</TABLE>

Hollywood Park, Inc.

Consolidating Condensed Financial Information

For the Three and Nine Months Ended September 30, 1998 and 1997
and Balance Sheets as of September 30, 1998 and December 31, 1997

<TABLE>
<CAPTION>

	Hollywood Park, Inc. (Parent obligor)	Hollywood Park Operating Co. (co-obligor 9 1/2% Notes/ Guarantor on the Notes)	(a) Wholly Owned Guarantor Subsidiaries	(b) Majority Owned Guarantor Subsidiaries	(c) Wholly Owned Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Hollywood Park, Inc. Consolidated
				(in thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Statement of Cash Flows:							
For the nine months ended September 30, 1997							
Net cash provided by (used in) operating activities.....	$ 16,964	$(131,497)	$ 128,142	$ 8,070	$ 0	$ (15,620)	$ 6,059
Net cash provided by (used in) investing activities.....	16,619	(4,036)	(14,091)	(4,376)	0	0	(5,884)
Net cash provided by (used in) financing activities.....	147	124,968	(113,720)	(2,100)	0	615	9,910
Balance Sheet							
As of December 31, 1997							
Current assets.....	$ 17,020	$ 3,867	$ 25,074	$ 6,720	$ 0	$ 0	$ 55,505
Property, plant and equipment, net.....	68,515	23,753	140,105	68,293	0	0	300,666
Other non-current assets.....	25,130	4,701	29,320	7,611	0	(1,080)	62,858
Investment in subsidiaries.....	126,121	15,132	116,020	0	0	(257,273)	0
Inter-company.....	125,210	148,380	122,035	0	0	(395,625)	0
	$361,996	$ 195,833	$ 432,554	$82,624	$ 0	$(653,978)	$419,029
Current liabilities.....	$ 16,890	$ 14,232	$ 19,583	$ 6,612	$ 0	$ 0	$ 57,317
Notes payable, long term.....	2,406	125,256	1,936	2,504	0	0	132,102
Other non-current liabilities.....	4,753	5,202	83	0	0	(3,728)	6,310
Inter-company.....	146,145	21,589	178,448	49,443	0	(395,625)	0
Minority interest.....	0	0	0	0	0	1,946	1,946
Equity.....	191,802	29,554	232,504	24,065	0	(256,571)	221,354
	$361,996	$ 195,833	$ 432,554	$82,624	$ 0	$(653,978)	$419,029

</TABLE>

(a) The Company's wholly owned guarantor subsidiaries on the 9 1/2% Notes are: HP Casino, Inc., HP/Compton, Inc., Turf Paradise, Inc., Hollywood Park Food Services, Inc., Hollywood Park Fall Operating Company, Boomtown, Inc., Boomtown Hotel & Casino, Inc., Louisiana--I Gaming, Louisiana Enterprises,

Inc., Bayview Yacht Club, Inc., and for periods after December 31, 1997, Crystal Park Hotel and Casino Development Company, LLC. Due to the June 30, 1997, Boomtown Merger being accounted for under the purchase method of accounting for a business combination, the 1997 financial results do not include the financial results of Boomtown, Inc., Boomtown Hotel & Casino, Inc., Louisiana--I Gaming, Louisiana Enterprises, Inc., and Bayview Yacht Club, Inc., prior to June 30, 1997.

(b) As of December 31, 1997, Mississippi--I Gaming, L.P. which was added as of the June 30, 1997, Boomtown Merger, was the Company's only majority owned guarantor subsidiary on the 9 1/2% Notes. Due to the

Boomtown Merger being accounted for under the purchase method of accounting for a business combination, Mississippi--I Gaming, L.P.'s financial results were not included for the period prior to June 30, 1997. Prior to December 31, 1997, Crystal Park Hotel and Casino Development Company, LLC was also a majority owned guarantor subsidiary.

(c) As of 1998, Boomtown Hoosier, Inc. and its subsidiaries were the Company's only wholly owned non-guarantor subsidiaries on the 9 1/2% Notes with financial activity. Boomtown Hoosier, Inc.'s and its subsidiaries' prior financial activity was not material.

CALCULATION OF EARNINGS PER SHARE

<TABLE>
<CAPTION>

	For the three months ended September 30,			
	Basic		Diluted(a)	
	1998	1997	1998	1997
	(in thousands, except per share data)			
<S>	<C>	<C>	<C>	<C>
Average number of common shares outstanding	26,101	24,706	26,101	24,706
Average common shares due to assumed conversion of convertible preferred shares (b)	0	0	0	0
Average common shares due to assumed conversion of stock options	0	0	0	0
Total shares	26,101	24,706	26,101	24,706
Net income	$ 1,972	$ 2,411	$ 1,972	$ 2,411
Less dividend requirements on convertible preferred shares	0	558	0	0
Net income available to common shareholders	$ 1,972	$ 1,853	$ 1,972	$ 2,411
Net income per share	$ 0.08	$ 0.08	$ 0.08	$ 0.10

<CAPTION>

	For the nine months ended September 30,			
	Basic		Diluted(a)	
	1998	1997	1998	1997
	(in thousands, except per share data)			
<S>	<C>	<C>	<C>	<C>
Average number of common shares outstanding	26,115	20,596	26,115	20,596
Average common shares due to assumed conversion of convertible preferred shares (b)	0	0	0	0
Average common shares due to assumed				

conversion of stock options.....	0	0	162	0
Total shares.....	26,115	20,596	26,277	20,596
Net income.....	$ 8,867	$ 7,119	$ 8,867	$ 7,119
Less dividend requirements on convertible preferred shares.....	0	1,520	0	0
Net income available to common shareholders.....	$ 8,867	$ 5,599	$ 8,867	$ 7,119
Net income per share.....	$ 0.34	$ 0.27	$ 0.34	$ 0.35

</TABLE>

(a) When the computed diluted values are anti-dilutive, the basic per share values are presented on the face of the consolidated statements of operations.

(b) As of August 28, 1997, the Company's 2,749,000 outstanding depositary shares were converted into 2,291,492 shares of the Company's common stock.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To The Board of Directors and Stockholders of
Hollywood Park, Inc.:

We have audited the accompanying consolidated balance sheets of Hollywood Park, Inc. (a Delaware corporation) and subsidiaries (the "Company") as of December 31, 1997, and 1996, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 1997. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hollywood Park, Inc. and subsidiaries as of December 31, 1997, and 1996, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1997 in conformity with generally accepted accounting principles.

Arthur Andersen LLP

Los Angeles, California
February 27, 1998

HOLLYWOOD PARK, INC.

CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	As of December 31,	
	1997	1996
	(in thousands)	
<S>	<C>	<C>
ASSETS		
Current Assets:		
Cash and cash equivalents.....	$ 23,749	$ 11,922
Restricted cash.....	407	4,486
Short term investments.....	0	4,766
Other receivables, net.....	9,417	7,110

Prepaid expenses and other assets	18,473	6,215
Deferred tax assets	8,118	6,422
Current portion of notes receivable	42	38
Total current assets	60,206	40,959
Notes receivable	9,428	819
Property, plant and equipment, net	300,666	130,835
Goodwill, net	33,017	20,370
Other assets	15,712	12,903
	$419,029	$205,886
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 11,277	$ 10,043
Accrued lawsuit settlement	2,750	2,750
Accrued compensation	7,627	4,198
Accrued liabilities	19,105	9,733
Accrued interest	5,175	0
Gaming liabilities	3,853	2,499
Racing liabilities	4,093	6,106
Current portion of notes payable	3,437	35
Total current liabilities	57,317	35,364
Notes payable	132,102	282
Deferred tax liabilities	6,310	9,065
Total liabilities	195,729	44,711
Minority interests	1,946	3,015
Stockholders' Equity:		
Capital stock--		
Preferred--$1.00 par value, authorized 250,000 shares; none issued and outstanding as of year end 1997, 27,499 issued and outstanding during 1996	0	28
Common--$.10 par value, authorized 40,000,000 shares; 26,220,528 issued and outstanding in 1997, and 18,332,016 in 1996	2,622	1,833
Capital in excess of par value	222,350	167,074
Accumulated deficit	(3,618)	(10,775)
Total stockholders' equity	221,354	158,160
	$419,029	$205,886

</TABLE>

See accompanying notes to consolidated financial statements.

HOLLYWOOD PARK, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	1997	1996	1995
	(in thousands, except per share data)		
<S>	<C>	<C>	<C>
Revenues:			
Gaming	$137,659	$ 50,717	$ 26,656
Racing	68,844	71,308	77,036
Food and beverage	19,894	13,947	19,783
Hotel and recreational vehicle park	937	0	0
Truck stop and service station	8,633	0	0
Other income	12,161	7,253	7,097
	248,128	143,225	130,572
Expenses:			
Gaming	74,733	27,249	5,291
Racing	30,304	30,167	30,960
Food and beverage	25,745	19,573	24,749
Hotel and recreational vehicle park	356	0	0
Truck stop and service station	7,969	0	0
Administration	61,514	41,477	45,447
Other	5,048	2,485	3,200
Depreciation and amortization	18,157	10,695	11,384

REIT restructuring	2,483	0	0
Write off of investment in Sunflower	0	11,412	0
Lawsuit settlement	0	0	6,088
	226,309	143,058	127,119
Operating income	21,819	167	3,453
Interest expense	7,302	942	3,922
Income (loss) before minority interests and income taxes	14,517	(775)	(469)
Minority interests	(3)	15	0
Income tax expense	5,850	3,459	693
Net income (loss)	$ 8,670	$ (4,249)	$ (1,162)
Dividend requirements on convertible preferred stock	$ 1,520	$ 1,925	$ 1,925
Net income (loss) attributable to (allocated to) common shareholders	$ 7,150	$ (6,174)	$ (3,087)
Per common share:			
Net income (loss)--basic	$ 0.33	$ (0.33)	$ (0.17)
Net income (loss)--diluted	$ 0.32	$ (0.33)	$ (0.17)
Number of shares--basic	22,010	18,505	18,399
Number of shares--diluted	22,340	20,797	20,691

</TABLE>

See accompanying notes to consolidated financial statements.

HOLLYWOOD PARK, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the Years Ended December 31, 1997, 1996 and 1995

<TABLE>
<CAPTION>

	Preferred Stock	Common Stock	Capital in Excess of Par Value	Accumulated Deficit	Total Stockholders' Equity
			(in thousands)		
<S>	<C>	<C>	<C>	<C>	<C>
Balance at year end 1994	$ 28	$1,837	$166,892	$ (1,502)	$167,255
Net loss	0	0	0	(1,162)	(1,162)
Issuance of common stock to acquire--Pacific Casino Management, Inc	0	13	1,587	0	1,600
Investment in bonds--unrealized holding loss	0	0	0	(22)	(22)
Preferred stock dividends--$70.00 per share	0	0	0	(1,925)	(1,925)
Balance at year end 1995	28	1,850	168,479	(4,611)	165,746
Net loss	0	0	0	(4,249)	(4,249)
Issuance of common stock to acquire--Pacific Casino Management, Inc	0	5	535	0	540
Repurchase and retirement of common stock	0	(22)	(1,940)	0	(1,962)
Investment in bonds--unrealized holding gain	0	0	0	10	10
Preferred stock dividends--$70.00 per share	0	0	0	(1,925)	(1,925)
Balance at year end 1996	28	1,833	167,074	(10,775)	158,160
Net income	0	0	0	8,670	8,670

Issuance of common stock to acquire--Pacific Casino Management, Inc.	0	3	497	0	500
Issuance of common stock to acquire--Boomtown, Inc.	0	582	56,425	0	57,007
Repurchase and retirement of common stock	0	(45)	(3,420)	0	(3,465)
Common stock options exercised	0	20	1,975	0	1,995
Conversion of convertible preferred stock	(28)	229	(201)	0	0
Investment in bonds--unrealized holding gain	0	0	0	7	7
Preferred stock dividends--$55.27 per share	0	0	0	(1,520)	(1,520)
Balance at year end 1997	$ 0	$2,622	$222,350	$ (3,618)	$221,354

</TABLE>

See accompanying notes to consolidated financial statements.

HOLLYWOOD PARK, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	For the years ended December 31,		
	1997	1996	1995
	(in thousands)		
<S>	<C>	<C>	<C>
Cash flows from operating activities:			
Net income (loss)	$ 8,670	$ (4,249)	$ (1,162)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	18,157	10,027	10,857
Minority interests	(3)	15	0
Changes in accounts due to deconsolidation of subsidiary in bankruptcy:			
Property, plant and equipment	0	58,380	0
Secured notes payable	0	(28,918)	0
Unsecured notes payable	0	(15,323)	0
Goodwill and lease with TRAK East	0	6,908	0
Unrealized (gain) loss on short term bond investing	10	(2)	64
Loss on sale or disposal of property, plant and equipment	632	10	0
Changes in assets and liabilities, net of the effects of the purchase of a business:			
Decrease (increase) in restricted cash	4,079	(1,360)	(2,427)
Increase in casino lease and related interest receivable, net	0	0	(9,204)
Decrease (increase) in other receivables, net	(312)	1,037	77
Increase in prepaid expenses and other assets	(452)	(3,524)	(304)
Increase in deferred tax assets	(1,696)	(1,534)	(349)
(Decrease) increase in accounts payable	(2,468)	(2,475)	5,685
(Decrease) increase in accrued lawsuit settlement	0	(2,482)	5,232
(Decrease) increase in accrued compensation	(1,004)	903	(761)
(Decrease) increase in accrued liabilities	(8,460)	(3,489)	6,437
Increase (decrease) in gaming liabilities	1,354	(1,499)	3,998
Increase (decrease) in racing liabilities	(2,013)	2,270	1,404
Increase in accrued interest payable	5,175	0	0
Payments to minority members	(89)	0	0

Increase (decrease) in deferred tax liabilities	(3,126)	(1,018)	744
Net cash provided by operating activities	18,454	13,677	20,291
Cash flows from investing activities:			
Additions to property, plant and equipment	(32,505)	(23,786)	(25,150)
Receipts from sale of property, plant and equipment	187	9	98
Principal collected on notes receivable	52	34	31
Purchase of short term investments	(1,946)	(16,888)	(35,875)
Proceeds from short term investments	6,712	18,569	29,428
Payment to buy-out minority interest in Crystal Park LLC	(1,000)	0	0
Long term gaming assets	0	2,169	(2,169)
Cash acquired in the purchase of a business, net of transaction and other costs	12,264	0	715
Net cash used in investing activities	(16,236)	(19,893)	(32,922)
Cash flows from financing activities:			
Proceeds from secured Bank Credit Facility	112,000	0	0
Proceeds from secured notes payable	0	0	3,358
Proceeds from unsecured notes payable	0	0	1,681
Payment of secured Bank Credit Facility	(112,000)	(3,358)	(1,386)
Payment of secured notes payable	(4,917)	0	0
Payment of unsecured notes payable	(25)	(23)	(3,813)
Proceeds from issuance of 9.5% Notes	125,000	0	0
Payment of 11.5% Boomtown First Mortgage Notes	(110,924)	0	0
Payments from minority interest partners	0	3,000	0
Common stock options exercised	1,995	0	0
Common stock repurchase and retirement	0	(1,962)	0
Dividends paid to preferred stockholders	(1,520)	(1,925)	(1,925)
Net cash provided by (used in) financing activities	9,609	(4,268)	(2,085)
Increase (decrease) in cash and cash equivalents	11,827	(10,484)	(14,716)
Cash and cash equivalents at the beginning of the period	11,922	22,406	37,122
Cash and cash equivalents at the end of the period	$ 23,749	$ 11,922	$ 22,406

</TABLE>

See accompanying notes to consolidated financial statements.

HOLLYWOOD PARK, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1--Summary of Significant Accounting Policies

General Hollywood Park, Inc. (the "Company" or "Hollywood Park") is a diversified gaming, sports and entertainment company engaged in the ownership and operation of casinos (including card club casinos) and pari-mutuel racing facilities, and the development of other gaming and sports related opportunities. The Company owns and operates through its Boomtown, Inc. ("Boomtown") subsidiary land-based, dockside and riverboat gaming operations in Verdi, Nevada ("Boomtown Reno"), Biloxi, Mississippi ("Boomtown Biloxi"), and Harvey, Louisiana ("Boomtown New Orleans"), respectively. Hollywood Park owns two card club casinos in the Los Angeles metropolitan area. The Hollywood Park-Casino is operated by the Company and the Crystal Park Hotel and Casino (the "Crystal Park Casino"), which as of December 31, 1997, was 100% owned by the Company (previously it was 93% owned by the Company) is leased to an unaffiliated third party operator. The Company owns two premier thoroughbred racing facilities, the Hollywood Park Race Track (the Hollywood Park-Casino is located adjacent to the Hollywood Park Race Track), and Turf Paradise, Inc. ("Turf Paradise") which is located in Phoenix, Arizona. The Company also owns Sunflower Racing, Inc. ("Sunflower") a greyhound and thoroughbred racing facility in Kansas City, Kansas, though due to intense competition from nearby Missouri riverboat gaming, on May 17, 1996, Sunflower filed for reorganization under Chapter 11 of the Bankruptcy Code. Sunflower is operating as a debtor in possession during the bankruptcy.

Consolidation The consolidated financial statements for the year ended December 31, 1997, included the accounts of Hollywood Park and its wholly owned subsidiaries: (a) Boomtown, which was acquired by the Company on June 30, 1997, and was accounted for under the purchase method of accounting for a business combination, and Boomtown's six active subsidiaries (1) Boomtown Hotel & Casino, Inc., (2) Bayview Yacht Club, Inc., (3) Mississippi--I Gaming, L.P., (4) Louisiana Gaming Enterprises, Inc., (5) Louisiana--I Gaming and (6) Boomtown Hoosiers, Inc.; (b) Hollywood Park Operating Company, and its two wholly owned subsidiaries, Hollywood Park Food Services, Inc. and Hollywood Park Fall Operating Company; (c) Turf Paradise, Inc.; (d) HP Yakama, Inc.; (e) HP Kansas, Inc.; (f) HP/Compton, Inc. and HP Casino, Inc., which as of December 31, 1997, own 89.8% and 10.2%, respectively, of the Crystal Park Hotel and Casino Development Company LLC, ("Crystal Park LLC"), which built and presently leases the Crystal Park Casino, to an unaffiliated third party. As of March 31, 1996, the Company wrote off its investment in Sunflower and its wholly owned subsidiary SR Food and Beverage, Inc., due to Sunflower's inability to compete with nearby Missouri riverboat gaming, and as of April 1, 1996, no longer consolidated Sunflower's operating results with the Company's. The Hollywood Park-Casino is a division of Hollywood Park, Inc.

Restricted Cash Restricted cash as of December 31, 1997 and 1996, was for amounts due to horsemen for purses, stakes and awards.

Racing Revenues and Expenses The Company records pari-mutuel revenues, admissions, food and beverage and other racing income associated with racing on a daily basis, except for seasonal admissions, which were recorded ratably over the racing season. Expenses associated with racing revenues were charged against income in those periods in which racing revenues were recognized. Other expenses were recognized as they occurred throughout the year.

Gaming Revenue and Promotional Allowances Gaming revenues at the three Boomtown properties consisted of the difference between gaming wins and losses, or net win from gaming activity, and at the Hollywood Park-Casino consisted of fees collected from patrons on a per seat or per hand basis. Revenues in the accompanying statements of operations exclude the retail value of food and beverage, hotel rooms and other items provided to patrons on a complimentary basis. The estimated cost of providing these promotional allowances during the years ended December 31, 1997, and 1996, was $8,285,000 (which includes Boomtown's promotional allowances as of June 30, 1997), and $1,316,000, respectively. There were no comparable costs for the year ended December 31, 1995.

Capitalized Interest Interest of $425,000 was capitalized during the year ended December 31, 1997. No capitalized interest was recorded during the years ended December 31, 1996, and 1995, because the Company had no outstanding debt, other than Sunflower's debt, which was non-recourse to the Company, and Sunflower did not make any capital improvements during the periods covered.

Estimates Financial statements prepared in accordance with generally accepted accounting principles require the use of management estimates, including estimates used to evaluate the recoverability of property, plant and equipment, to determine the fair value of financial instruments, to account for the valuation allowance for deferred tax assets and to determine litigation related obligations.

Property, Plant and Equipment Property, plant and equipment are depreciated on the straight line method over their estimated useful lives as follows:

<TABLE>
<CAPTION>

	Years
<S>	<C>
Land improvements	3 to 25
Buildings	5 to 40
Equipment	3 to 10

</TABLE>

Maintenance and repairs were charged to expense, and betterments were capitalized. The cost of property sold or otherwise disposed of and its associated accumulated depreciation were eliminated from both the property and accumulated depreciation accounts with any gain or loss recorded in the expense accounts.

Property, plant and equipment is carried on the Company's balance sheets at depreciated cost. Whenever there are recognized events or changes in circumstances that affect the carrying amount of the property, plant and equipment, management reviews the assets for possible impairment. In accordance with current accounting standards, management uses estimated expected future net cash flows to measure the recoverability of property, plant and equipment. The estimation of expected future net cash flows is inherently uncertain and relies to a considerable extent on assumptions regarding current and future economic and market conditions, and the availability of capital. In future periods, if there are changes in the estimates or assumptions incorporated into the impairment review analysis, the changes could result in an adjustment to the carrying amount of the property, plant and equipment.

Income Taxes The Company accounts for income taxes under Statement of Financial Accounting Standards ("SFAS") 109, Accounting for Income Taxes, whereby deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under SFAS 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that included the enactment date.

Earnings Per Share Basic earnings per share were computed by dividing income (loss) attributable to (allocated to) common shareholders (net income (loss) less preferred stock dividend requirements) by the weighted average number of common shares outstanding during the period. Diluted per share amounts were similarly computed, but include the effect, when dilutive, of the conversion of the convertible preferred shares and the exercise of stock options.

Cash Flows Cash and cash equivalents consisted of certificates of deposit and short term investments with original maturities of 90 days or less.

Stock Repurchase On July 22, 1996, the Company announced its intention to repurchase, and to retire up to 2,000,000 shares of its common stock on the open market or in negotiated transactions. As of December 31, 1996, the Company had repurchased and retired (with the last purchase being made on November 13, 1996) 222,300 common shares, at a cost of approximately $1,962,000.

Reclassifications Certain reclassifications have been made to the 1996 and 1995 balances to be consistent with the 1997 financial statement presentation.

Note 2--Acquisitions

Acquisition of Boomtown, Inc. On June 30, 1997, pursuant to the Agreement and Plan of Merger dated as of April 23, 1996, by and among Hollywood Park, HP Acquisition, Inc., a wholly owned subsidiary of the Company, and Boomtown, HP Acquisition, Inc. was merged with and into Boomtown (the "Boomtown Merger"). As a result of the Boomtown Merger, Boomtown became a wholly owned subsidiary of the Company and each share of Boomtown common stock was converted into the right to receive 0.625 of a share of Hollywood Park's common stock. Approximately 5,362,850 shares of Hollywood Park common stock, valued at $9.8125 per share (excluding shares repurchased from Edward P. Roski, Jr. ("Roski") and subsequently retired, as described below) were issued in the Boomtown Merger.

The Boomtown Merger was accounted for under the purchase method of accounting for a business combination. The purchase price of the Boomtown Merger was allocated to the identifiable assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. Based on financial analyses which considered the impact of general economic, financial and market conditions on the assets acquired and liabilities assumed, the Company determined that the estimated fair values approximated their carrying value. The Boomtown Merger generated approximately $2,683,000 of excess acquisition cost over the recorded value of the net assets acquired, all of which was allocated to goodwill, to be amortized over 40 years. The amortization of the goodwill is not deductible for income tax purposes.

The Company acquired three of the four Boomtown properties; Boomtown Reno, Boomtown New Orleans, and Boomtown Biloxi. Boomtown's Las Vegas property was divested on July 1, 1997 because it had generated significant operating losses since it opened, thus reducing the overall profitability of Boomtown. Boomtown and its subsidiaries exchanged substantially all of their interest in the Las

Vegas property, including substantially all of the operating assets and notes receivable of approximately $27,300,000 from the landowner/lessor of the Las Vegas property, IVAC, a California general partnership of which Roski, a former Boomtown director, is a general partner, for, among other things, two unsecured notes receivable totaling approximately $8,465,000, cash, assumption of certain liabilities and release from certain lease obligations. The first note receivable is for $5,000,000, bearing interest at Bank of America National Trust and Savings Association's ("Bank of America") reference rate plus 1.5% per year, with annual principal receipts of $1,000,000 plus accrued interest commencing on July 1, 1998. The second note is for approximately $3,465,000, bearing interest at Bank of America's reference rate plus 0.5% per year, with the principal and accrued interest payable to the Company, in full, on July 1, 2000. In addition, concurrently with the divestiture of the Las Vegas property, Hollywood Park purchased and retired 446,491 shares of Hollywood Park common stock received by Roski in the Boomtown Merger for a price of approximately $3,465,000, payable in the form of a Hollywood Park promissory note. The promissory note bears interest at Bank of America's reference rate plus 1.0%. Interest is payable annually and annual principal payments in five equal installments of approximately $693,000 are due commencing July 1, 1998.

Acquisition of Pacific Casino Management, Inc. The Hollywood Park-Casino was opened in July 1994 under a third party leasing arrangement with Pacific Casino Management, Inc. ("PCM"); whereby PCM leased

and operated the gaming floors of the Hollywood Park-Casino, and the Company operated all other aspects of the business. In 1994, under the California Gaming Registration Act, it was then the position of the California Attorney General that as a publicly traded company, Hollywood Park was not eligible to register as an operator of a card club, but could lease the site to a registered operator unaffiliated with the Company. On August 3, 1995, Senate Bill ("SB") 100 was enacted into law and among other things allowed a publicly traded racing association, such as Hollywood Park, to operate a card club casino on the same premises as a race track. On November 17, 1995, Hollywood Park purchased the gaming floor business from PCM for $2,640,000, which was paid for with 218,099 shares of the Company's common stock. The approximately $21,658,000 of excess acquisition cost over the recorded value of net assets acquired from PCM was allocated to goodwill, and is being amortized over 40 years. The amortization of the goodwill is not deductible for income tax purposes.

Pro Forma Results of Operations The following pro forma results of operations were prepared under the assumption that the acquisition of Boomtown had occurred at the beginning of the period presented. The historical results of operations of Boomtown (excluding the results of operations of Boomtown's Las Vegas property, which was divested in connection with the Boomtown Merger) were combined with Hollywood Park's. Pro forma adjustments were made for the following: elimination of the amortization of the issuance costs associated with Boomtown's 11.5% First Mortgage Notes; amortization of the issuance costs associated with the $125,000,000 of Hollywood Park and Hollywood Park Operating Company Series A 9.5% Senior Subordinated Notes due 2007 (the "Notes") (see Note 6. Secured and Unsecured Notes Payable); amortization of the excess purchase price over net assets acquired in the Boomtown Merger; elimination of the amortization of the discount associated with the Boomtown 11.5% First Mortgage Notes; interest expense associated with the promissory notes from Hollywood Park to Roski; elimination of the interest expense associated with the Boomtown 11.5% First Mortgage Notes; amortization of the up-front loan fees associated with the Company's Bank Credit Facility; interest expense associated with the Notes at 9.5%; and the estimated 40% tax expense associated with the pro forma adjustments.

Hollywood Park, Inc.

Unaudited Pro Forma Combined Consolidated Results of Operations

<TABLE>
<CAPTION>

	1997	1996
	(in thousands, except per share data)	
<S>	<C>	<C>
Revenues:		
Gaming	$221,008	$208,699
Racing	68,844	71,308

Other	59,232	56,576
	349,084	336,583
Operating income (loss)(a)	30,889	(18,083)
Net income (loss)	$ 9,264	$(37,523)
Dividend requirements on preferred stock	$ 1,520	$ 1,925
Net income (loss) to common shareholders	$ 7,744	$(39,448)
Per common share:		
Net income (loss)--basic	$ 0.31	$ (1.65)
Net income (loss)--diluted	$ 0.31	$ (1.65)

</TABLE>

(a) The 1996 operating loss included the non-recurring write off of Hollywood Park's investment in Sunflower of $11,412,000, and the non-recurring loss on Boomtown's sale of its Las Vegas property of $36,562,000.

Pending Merger with Casino Magic Corp. On February 19, 1998, the respective Boards of Directors of Hollywood Park and Casino Magic Corp. ("Casino Magic") approved and signed an Agreement and Plan of Merger among Casino Magic Corp., Hollywood Park, Inc., and HP Acquisition II, Inc. (a wholly owned subsidiary of Hollywood Park), pursuant to which HP Acquisition II, Inc., will merge into Casino Magic, and Casino Magic will survive and become a wholly owned subsidiary of Hollywood Park. Hollywood Park will pay cash of $2.27 for each issued and outstanding share of Casino Magic common stock, or approximately $81,000,000.

On February 23, 1998, Hollywood Park entered into a voting agreement (the "Voting Agreement") with Marlin F. Torguson ("Mr. Torguson") pursuant to which, among other things, Mr. Torguson has agreed to vote the 7,954,500 shares of Casino Magic common stock he beneficially owns in favor of approval and adoption of the Agreement and Plan of Merger and the Casino Magic Merger and any matter that could reasonably be expected to facilitate the Casino Magic Merger. Mr. Torguson also agreed to continue to serve as an employee of Casino Magic for three years following the Casino Magic Merger, and not to compete with Hollywood Park or Casino Magic in any jurisdictions in which either presently operates.

Casino Magic owns and operates dockside and riverboat gaming properties in Bay St. Louis, Mississippi ("Casino Magic Bay St. Louis"), Biloxi, Mississippi ("Casino Magic Biloxi") and Bossier City, Louisiana, ("Casino Magic Bossier") respectively, and is a 51% partner in two land-based casinos in Argentina.

Casino Magic Bay St. Louis, started operations in September 1992, on a permanently moored barge in a 17 acre marina with the adjoining land based facilities situated on 591 acres. Bay St. Louis is approximately 46 miles east of New Orleans and 40 miles west of Biloxi. Casino Magic Bay St. Louis offers approximately 39,500 square feet of gaming space, with 1,132 slot machines and 42 table games. The land based building is three stories with a restaurant, buffet, snack bar, gift shop, and a live entertainment lounge. In December 1994, Casino Bay St. Louis also opened the Casino Magic Inn; a 201 room hotel, including four deluxe and 20 junior suites. The property also contains the Magic Dome, an 1,800 seat arena, which hosts approximately 50 events annually, including nationally televised boxing matches, concerts and other special events. With the late 1997 addition of the 18 hole Bridges Golf Resort, Casino Magic Bay St. Louis is positioned as a full service vacation destination.

Casino Magic Biloxi began casino operations in June 1993 and is located on the Gulf of Mexico in the Mississippi Gulf Coast Region. The property is situated on the Front Bay on the beach of the Gulf of Mexico in a strip with four other casinos, and is located on the major highway running through the Mississippi Gulf Coast. (Boomtown Biloxi is located on the Back Bay of Biloxi.) Casino Magic Biloxi conducts gaming from a permanently moored barge with approximately 47,700 square feet of gaming space with 1,174 slot machines and 41 gaming tables. The land based facility is located adjacent to the barge on the approximately 11.5 acre site. In late spring 1998, Casino Magic Biloxi expects to open its 378 room luxury hotel (Casino Magic is anticipating a four-star rating for this hotel), to include 16 master suites, 70 junior suites, 6,600 square feet of convention and meeting space, a full service restaurant and numerous themed retail shops. The casino's land based facility is approximately 21,600 square feet. Casino Magic Biloxi offers buffets, full service restaurants and nationally franchised fast food services.

Casino Magic Bossier opened in October 1996, with casino operations conducted from a dockside riverboat. The property is highly visible with convenient access from Interstate Highway 20, a major thoroughfare between Bossier City/Shreveport and the Dallas-Fort Worth area approximately 180 miles to the west. The Casino Magic Bossier riverboat measures 254 feet long and 78 feet wide with approximately 30,000 square feet of gaming space, and offers 980 slot machines and 44 table games. The Casino Magic Bossier facility includes a 55,000 square foot entertainment pavilion connected to a garage providing parking for approximately 1,400 vehicles. The entertainment pavilion includes the 350 seat Abracadabra buffet

restaurant, a gift shop, a bar and lounge area, and a 300 seat live entertainment theater. The entertainment pavilion also includes two smaller full service restaurants. Casino Magic Bossier is just beginning construction on an 188 room hotel with four master suites, 88 junior suites and additional full service restaurants.

In December 1994, Casino Magic, through its wholly owned subsidiary, Casino Magic Neuquen SA, ("Casino Magic Argentina") entered into a twelve year concession agreement with the Province of Neuquen, Argentina. Casino Magic Argentina operates two casinos in the Province of Neuquen in the cities of Neuquen and San Martin de los Andes in west-central Argentina. Neuquen Province is the gateway to the well established resort, tour destinations and ski resorts of the Andes Mountains. There are approximately 900,000 residents within a 50 mile radius of the two cities. Casino Magic Argentina, which began operations in January 1995, includes approximately 29,000 square feet of gaming space and contains approximately 64 table games, 400 slot machines and a 384 seat bingo facility.

Note 3--Supplemental Disclosure of Cash Flow Information

<TABLE>
<CAPTION>

	For the years ended December 31,		
	1997	1996	1995
	(in thousands)		
<S>	<C>	<C>	<C>
Cash paid during the year for:			
Interest	$1,321	$299	$2,098
Income taxes	827	40	143
	$2,148	$339	$2,241

</TABLE>

Note 4--Short Term Investments

As of December 31, 1997, Hollywood Park had liquidated its investments in corporate bonds. During the year ended December 31, 1997, net proceeds from the sale or redemption of corporate bond investments was approximately $4,766,000, with gross realized gains and losses of approximately $9,000, and $88,000, respectively.

As of December 31, 1996, short term investments consisted of corporate bonds valued at $4,766,000, with Moody's ratings of Ba2 to B3, and Standard and Poors ratings of BB+ to B-, though some of the bonds were not rated by either agency. Investments in corporate bonds carry a greater amount of principal risk than other investments made by the Company, and yield a corresponding higher return. The corporate bond investment as of December 31, 1996, had a weighted average maturity of 1.5 years, and because the Company reasonably expected to liquidate these investments in its normal operating cycle the investments were classified as short term, were held as available for sale, and recorded in the accompanying financial statements at their fair value, as determined by the quoted market price.

For the year ended December 31, 1996, proceeds from the sale or redemption of corporate bond investments were approximately $8,429,000, all of which was reinvested, and gross realized gains and gross realized losses were $28,000 and $39,000, respectively.

Note 5--Property, Plant and Equipment

Property, plant and equipment held at December 31, 1997, and 1996 consisted of the following:

<TABLE>
<CAPTION>

	December 31,	
	1997(a)	1996
	(in thousands)	
<S>	<C>	<C>
Land and land improvements	$ 50,945	$ 32,215
Buildings	270,271	150,935
Equipment	77,337	31,531
Vessel	18,925	0
Construction in progress	21,896	128
	439,374	214,809
Less accumulated depreciation	138,708	83,974
	$300,666	$130,835

</TABLE>

(a) Includes Boomtown's assets.

Note 6--Secured and Unsecured Notes Payable

Notes payable as of December 31, 1997, and 1996 consisted of the following:

<TABLE>
<CAPTION>

	December 31,	
	1997(a)	1996
	(in thousands)	
<S>	<C>	<C>
Secured notes payable	$ 3,750	$ 0
9.5% Series A Notes	125,000	0
11.5% Boomtown First Mortgage Notes	1,253	0
Capital lease obligations	1,527	0
Unsecured note payable	4,009	317
	135,539	317
Less current maturities	3,437	35
	$ 132,102	$ 282

</TABLE>

(a) Includes notes payable related to Boomtown.

Hollywood Park On June 30, 1997, Hollywood Park and a bank syndicate led by Bank of America finalized the Bank Credit Facility, a reducing revolving credit facility allowing for drawings up to $225,000,000. On August 7, 1997, the Bank Credit Facility was reduced by $125,000,000 (the aggregate principal amount of the Series A 9.5% Senior Subordinated Notes due 2007 (the "Notes") issued as described below) to $100,000,000. Of the $100,000,000, as a result of covenant limitations, approximately $88,800,000 was available as of December 31, 1997. As of December 31, 1997, the Company did not have outstanding borrowings under the Bank Credit Facility, except for a $2,035,000 letter of credit. The Bank Credit Facility is secured by substantially all of the assets of Hollywood Park and its significant subsidiaries, and imposes certain customary affirmative and negative covenants.

On February 19, 1998, Hollywood Park announced the Casino Magic Merger, and under the terms of the Agreement and Plan of Merger, Hollywood Park will pay cash of $2.27 for each issued and outstanding share of Casino Magic common stock, or approximately $81,000,000. The Company has begun discussions to amend

the Bank Credit Facility to increase the borrowing capacity to provide the funds required for the Casino Magic Merger. A formal amendment has not yet been signed, and there is no assurance that such an amendment will be completed, although the bank group has given verbal assurance of its intent to provide such an increased facility.

The Bank Credit Facility has been amended twice. The first amendment, among other matters, reduced the availability of the facility until the Bank Credit Facility was approved by the Louisiana Gaming Control Board. Hollywood Park received this approval on July 10, 1997. The second amendment, among other things, allowed the co-issuance of the Notes by Hollywood Park Operating Company with Hollywood Park.

Debt service requirements on the Bank Credit Facility consist of current interest payments on outstanding indebtedness through September 30, 1999. As of September 30, 1999, and on the last day of each third calendar month thereafter, through June 30, 2001, the Bank Credit Facility will decrease by 7.5% of the commitment in effect on September 30, 1999. As of September 30, 2001, and on the last day of each third calendar month thereafter, the Bank Credit Facility will decrease by 10% of the commitment in effect on September 30, 1999. Any principal amounts outstanding in excess of the Bank Credit Facility commitment, as so reduced, will be payable on such quarterly reduction dates.

The Bank Credit Facility provides for a letter of credit sub-facility of $10,000,000, of which $2,035,000 is currently outstanding for the benefit of Hollywood Park's California self insured workers' compensation program. The facility also provides for a swing line sub-facility of up to $10,000,000.

Borrowings under the Bank Credit Facility bear interest at an annual rate determined, at the election of Hollywood Park, by reference to the "Eurodollar Rate" (for interest periods of 1, 2, 3 or 6 months) or the "Reference Rate", as such terms are respectively defined in the Bank Credit Facility, plus margins which vary depending upon Hollywood Park's ratio of funded debt to earnings before interest, taxes, depreciation and amortization ("EBITDA"). The margins start at 1.25% for Eurodollar loans and at 0.25% for Base Rate loans, at a funded debt to EBITDA ratio of less than 1.50. Thereafter, the margin for each type of loan increases by 25 basis points for each increase in the ratio of funded debt to EBITDA of 50 basis points or more, up to 2.625% for Eurodollar loans and 1.625% for Base Rate loans. However, if the ratio of senior funded debt to EBITDA exceeds 2.50, the applicable margins will increase to 3.25% for Eurodollar loans, and 2.25% for Base Rate loans. Thereafter, the margins would increase by 25 basis points for each increase in the ratio of senior funded debt to EBITDA of 50 basis points or more, up to a maximum of 4.25% for Eurodollar loans and 3.25% for Base Rate loans. The applicable margins as of December 31, 1997, were 2.00% with respect to the Eurodollar Rate based interest rate and 1.00% with respect to the Base Rate interest rate.

The Bank Credit Facility allows for interest rate swap agreements, or other interest rate protection agreements, up to a maximum notional amount of $125,000,000. Presently, Hollywood Park does not utilize such financial instruments.

Hollywood Park pays a quarterly commitment fee for the average daily amount of unused portions of the Bank Credit Facility. The commitment fee is also dependent upon Hollywood Park's ratio of funded debt to EBITDA. The commitment fee for the Bank Credit Facility starts at 31.25 basis points when the ratio is less than 1.00, and increases by 6.25 basis points for each increase in the ratio of 0.50, up to a maximum of 50 basis points. For the quarter beginning January 1, 1998, the commitment fee is 50 basis points.

On July 3, 1997, Hollywood Park borrowed $112,000,000 from the Bank Credit Facility to fund Boomtown's offer to purchase the 11.5% Boomtown First Mortgage Notes (the "Boomtown Notes"), and repaid this amount on August 7, 1997, with a portion of the proceeds from the August 6, 1997, issuance of $125,000,000 of Series A 9.5% Senior Subordinated Notes due 2007 (the "Series A Notes"). The Series A

Notes were co-issued by Hollywood Park and Hollywood Park Operating Company, and were issued pursuant to a private offering under the Securities Act of

1933, as amended (the "Securities Act"). The balance of the proceeds from the issuance of the Series A Notes was used primarily for the purchase of a new riverboat for Boomtown New Orleans, and other general corporate needs.

On March 20, 1998, the Company completed a registered exchange offer for the Series A Notes, pursuant to which all $125,000,000 principal amount of the Series A Notes were exchanged by the holders for $125,000,000 aggregate principal amount of Series B 9.5% Senior Subordinated Notes due 2007 of the Company and Hollywood Park Operating Company (together with the Series A Notes, the "Notes") which were registered under the Securities Act on Form S-4. Interest on the Notes is payable semi-annually, on February 1st and August 1st. The Notes will be redeemable at the option of Hollywood Park and Hollywood Park Operating Company, in whole or in part, on or after August 1, 2002, at a premium to face amount, plus accrued interest, with the premium to face amount decreasing on each subsequent anniversary date. The Notes are unsecured obligations of Hollywood Park and Hollywood Park Operating Company, guaranteed by all other material restricted subsidiaries of either Hollywood Park or Hollywood Park Operating Company.

The indenture governing the Notes contains certain covenants that, among other things, limit the ability of Hollywood Park, Hollywood Park Operating Company and their restricted subsidiaries to incur additional indebtedness and issue preferred stock, pay dividends or make other distributions, repurchase equity interests or subordinated indebtedness, create certain liens, enter into certain transactions with affiliates, sell assets, issue or sell equity interests in their respective subsidiaries or enter into certain mergers and consolidations. There are no provisions in the indenture governing the Notes which will prevent the previously mentioned Casino Magic Merger.

On July 1, 1997, in connection with the divestiture of Boomtown's Las Vegas property, Hollywood Park issued an unsecured promissory note of approximately $3,465,000 to purchase the Hollywood Park common stock issued to Roski in the Boomtown Merger. The promissory note bears interest equal to the Bank of America reference rate plus 1.0%. Interest is payable annually with five annual principal payments of approximately $693,000 commencing July 1, 1998.

Boomtown In November 1993, Boomtown issued $103,500,000 of 11.5% Boomtown Notes. On July 3, 1997, pursuant to a tender offer, Boomtown repurchased and retired approximately $102,142,000 in principal amount of the Boomtown Notes, at a purchase price of $1,085 per $1,000, along with accrued interest thereon. An additional $105,000 of the remaining Boomtown Notes were tendered in the post Boomtown Merger change of control purchase offer, at a price of $1,010 for each $1,000, completed August 12, 1997. As of December 31, 1997, there were $1,253,000 of 11.5% Boomtown Notes outstanding.

On August 4, 1997, Hollywood Park executed a promissory note for the purchase of the barge and the building shell at Boomtown Biloxi for a total cost of $5,250,000. A payment of $1,500,000 was made on August 4, 1997, with the balance due of $3,750,000 payable in three equal annual installments of $1,250,000. Interest on the promissory note is equal to the prime interest rate in effect on the first day of each year. The principal amount of the promissory note, together with accrued interest, may be repaid, without penalty, in whole or in part, at any time.

On August 7, 1997, Boomtown New Orleans prepaid a 13.0% note secured by the former riverboat, then in use, for approximately $2,107,000 (inclusive of a 1.0% prepayment penalty).

As of December 31, 1997, Boomtown had a note payable of approximately $252,000 along with various capital lease obligations for gaming and other operating equipment, totaling approximately $1,527,000.

Sunflower On March 24, 1994, an Amended and Restated Credit and Security Agreement (the "Sunflower Senior Credit") was executed between Sunflower and five banks in connection with Hollywood

Park's acquisition of Sunflower. As of December 31, 1997, the outstanding balance of the Sunflower Senior Credit was $28,667,000. The Sunflower Senior Credit is non-recourse to Hollywood Park.

On May 17, 1996, Sunflower filed for reorganization under Chapter 11 of the Bankruptcy Code. The Cash Collateral Agreement suspended any interest or principal payments on the Sunflower Senior Credit until August 12, 1997. The Bankruptcy Court has issued an order extending the Cash Collateral Agreement

until it issues its pending ruling regarding approval of Sunflower's proposed plan of reorganization. The Cash Collateral Agreement requires Sunflower to make certain cash payments to Wyandotte County, Kansas, the creditors under the Sunflower Credit and TRAK East (the unaffiliated non-profit holder of the pari-mutuel racing license in Kansas, and operator of racing at Sunflower).

On July 15, 1997, Sunflower presented to the Bankruptcy Court a plan of reorganization (the "Plan") which provides for the sale of Sunflower's property to the Wyandotte Tribe of Oklahoma (the "Wyandotte Tribe"). The Plan was amended on October 31, 1997. Under the Plan, some or all of the land would be held by the United States Government in trust for the Wyandotte Tribe, and a casino would be developed on the property. Upon completion of the casino, HP Kansas, Inc. ("HP Kansas") (a wholly-owned subsidiary of Hollywood Park) and a partner (North American Sports Management or an affiliate) will provide financing and consulting services for the development and operation of a casino. Under this arrangement, HP Kansas would be entitled to receive a share of the revenues of the casino. Under the plan, in order to allow the property to be released as collateral and sold to the Wyandotte Tribe, Sunflower will be required to have standby letters of credit issued to support certain payments to be made to the lenders under the Sunflower Senior Credit and the Wyandotte County Treasurer's office. The aggregate amount of such letters of credit is anticipated to be in excess of $29,000,000. Hollywood Park will arrange for the issuance of such letters of credit on behalf of Sunflower. It is anticipated that the earliest that the bankruptcy court will rule on the Plan is in the second quarter of 1998.

In 1995, under a promissory note executed in December 1994, between Hollywood Park and Sunflower, Hollywood Park advanced $2,500,000 to Sunflower to make certain payments due on the Sunflower Senior Credit. The amounts borrowed under the promissory note, along with accrued interest, are subordinate to the Sunflower Senior Credit. Although Hollywood Park will continue to pursue payment of the promissory note, for financial reporting purposes the outstanding balance of the promissory note was written off as of March 31, 1996.

Annual Maturities As of December 31, 1997, annual maturities of total notes and loans payable are as follows:

<TABLE>
<CAPTION>

Year ending:	(in thousands)
<S>	<C>
December 31, 1998	$ 3,437
December 31, 1999	2,162
December 31, 2000	2,050
December 31, 2001	805
December 31, 2002	776
Thereafter	126,309

</TABLE>

The fair values of the Company's various debt instruments discussed above approximate their carrying amounts based on the fact that borrowings bear interest at variable market based rates.

Note 7--Accounting for the Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed Of

In 1995, Statement of Financial Accounting Standards No. 121 ("SFAS") 121 Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of, was issued which established

accounting standards for the impairment of long-lived assets, certain identifiable intangibles, and goodwill related to those assets. SFAS 121, which became effective for Hollywood Park in the quarter ended March 31, 1996, addresses when impairment losses should be recognized and how impairment losses should be measured. Whenever there are recognized events or changes in circumstances that indicate the carrying amount of an asset may not be recoverable, management reviews the asset for possible impairment. In accordance with current accounting standards, management uses estimated expected future net cash flows (undiscounted and excluding interest costs, and grouped at the lowest level for which there are identifiable cash flows that are as independent as possible of other asset groups) to measure the recoverability of the asset. If the expected future net cash flows are less than the carrying amount of the asset an impairment loss would be recognized.

An impairment loss would be measured as the amount by which the carrying amount of the asset exceeded the fair value of the asset, with fair value measured as the amount at which the asset could be bought or sold in a current transaction between willing parties, other than in a forced liquidation sale. The estimation of expected future net cash flows is inherently uncertain and relies to a considerable extent on assumptions regarding current and future net cash flows, market conditions, and the availability of capital. If, in future periods, there are changes in the estimates or assumptions incorporated into the impairment review analysis the changes could result in an adjustment to the carrying amount of the asset, but at no time would previously recognized impairment losses be restored.

Note 8--Accounting for Stock-Based Compensation

Statement of Financial Accounting Standards No. 123 ("SFAS") 123 Accounting for Stock-Based Compensation, requires that the Company disclose additional information about employee stock-based compensation plans. The objective of SFAS 123 is to estimate the fair value, based on the stock price at the grant date, of the Company's stock options to which employees become entitled when they have rendered the requisite service and satisfied any other conditions necessary to earn the right to benefit from the stock options. The fair market value of a stock option is to be estimated using an option-pricing model that takes into account, as of the grant date, the exercise price and expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, and the risk-free interest rate for the expected term of the options.

In computing the stock-based compensation, the following assumptions were made:

<TABLE>
<CAPTION>

	Risk-Free Interest Rate	Expected Life	Expected Volatility	Expected Dividends
<S>	<C>	<C>	<C>	<C>
Options granted in the following periods:				
Second quarter 1995.....	5.0%	3 years	36.1%	None
First quarter 1996.....	5.0%	3 years	36.1%	None
Second quarter 1996.....	5.1%	3 years	46.4%	None
Fourth quarter 1996(a).....	5.0%	10 years	47.4%	None

</TABLE>

(a) The options granted during the fourth quarter of 1996 were to the Company's directors, and it is expected that the directors will hold options for a longer period of time than the Company's employees.

The following sets forth the pro forma financial results under the implementation of SFAS 123:

<TABLE>
<CAPTION>

	For the Years Ended December 31,		
	1997	1996	1995
	(in thousands, except per share data)		
<S>	<C>	<C>	<C>
Net income (loss) before stock-based compensation expense.....	$ 8,670	$(4,249)	$(1,162)
Stock-based compensation expense.....	543	81	4
Pro forma net income (loss).....	$ 8,127	$(4,330)	$(1,166)
Dividend requirements on convertible preferred stock.....	$ 1,520	$ 1,925	$ 1,925
Pro forma net income (loss) to common shareholders.....	$ 6,607	$(6,255)	$(3,091)
Per common share:			

Pro forma net income (loss)--basic	$ 0.30	$ (0.34)	$ (0.17)
Pro forma net income (loss)--diluted	$ 0.30	$ (0.34)	$ (0.17)
Number of shares--basic	22,010	18,505	18,399
Number of shares--diluted	22,340	20,797	20,691

Note 9--Racing Operations

The Company conducts thoroughbred racing at its Hollywood Park and Turf Paradise race tracks, located in California and Arizona, respectively. Sunflower race track, in Kansas, is primarily a greyhound racing facility with a limited number of days of thoroughbred racing each summer. On May 17, 1996, due to competition from Missouri riverboat gaming, Sunflower filed for reorganization under Chapter 11 of the Bankruptcy Code, and as of April 1, 1996, Sunflower's operating results were no longer consolidated with Hollywood Park's; therefore, Sunflower's racing results and statistics are included in this note for 1995 only. Sunflower is operating as a debtor in possession during the bankruptcy. Under Kansas racing law, Sunflower is not granted any race days and does not generate any pari-mutuel commissions. The Kansas Racing Commission granted Sunflower the facility ownership and management licenses; with all race days until the year 2014 granted to TRAK East, a Kansas not-for-profit corporation. Sunflower has an agreement, which was entered into in September 1989, with TRAK East to provide the physical race tracks along with management and consulting services for twenty-five years with options to renew for one or more successive terms.

	1997	1996	1995
Live on-track race days			
Hollywood Park race track	102	103	97
Turf Paradise race track	159	166	171
Sunflower--Horses	--	--	49
Sunflower--Greyhounds	--	--	294

A summary of the pari-mutuel handle and deductions, by racing facility for the year ended December 31, are as follows:

	1997	1996	1995
	(in thousands)		
Hollywood Park--live horse racing			
Total pari-mutuel handle	$663,175	$677,827	$643,246
Less patrons' winning tickets	535,816	547,775	520,291
	127,359	130,052	122,955
Less:			
State pari-mutuel tax	15,923	19,263	20,691
City of Inglewood pari-mutuel tax	1,176	1,287	1,384
Racing purses and awards	25,881	26,300	26,888
Satellite wagering fees	11,738	12,784	13,545
Interstate location fees	47,524	44,815	34,170
Other fees	356	390	419
Pari-mutuel commissions	24,761	25,213	25,858
Add off-track independent handle commissions	2,195	2,280	2,251
Total pari-mutuel commissions	$ 26,956	$ 27,493	$ 28,109

	1997	1996	1995
	(in thousands)		
Turf Paradise--live horse racing			
Total pari-mutuel handle	$166,976	$147,748	$111,509
Less patrons' winning tickets	129,212	114,585	86,460

	37,764	33,163	25,049
Less:			
State pari-mutuel tax	0	18	345
Racing purses and awards	4,339	4,501	4,757
State sales tax	183	302	415
Off-track commissions	316	115	117
Interstate location fees	24,790	20,034	10,943
Pari-mutuel commissions	8,136	8,193	8,472
Add off-track independent handle commissions	193	166	699
Total pari-mutuel commissions including charity days	8,329	8,359	9,171
Less charity day pari-mutuel commissions	18	17	0
Total pari-mutuel commissions net of charity days	$ 8,311	$ 8,342	$ 9,171

	Greyhounds 1995	Horses 1995
	(in thousands)	
TRAK East at Sunflower--live racing		
Total pari-mutuel handle	$47,406	$2,844
Less patrons' winning tickets	37,379	2,273
	10,027	571
Less:		
State pari-mutuel tax	1,721	104
Racing purses and awards	2,230	190
Total pari-mutuel commissions	$ 6,076	$ 277

As a stipulation to the granting of race dates, the California Horse Racing Board ("CHRB") requires that Hollywood Park designate three days from both the live Spring/Summer Meet and the Autumn Meeting as charity days. The charity day payments are not to exceed 2/10 of 1.0% of the total live on-track pari-mutuel handle for the respective race meet. Charity day payments must be made to a distributing agent approved by the CHRB. The Company made charity day payments of $310,000, $338,000 and $370,000 for the years ended December 31, 1997, 1996 and 1995, respectively.

Arizona racing law requires that 1.0% of the total in-state pari-mutuel handle (on-track live pari-mutuel handle and off-track within the state pari-mutuel handle) of three charity days be paid to a distributing agent approved by the Arizona Racing Commission. The Arizona Department of Racing did not assign any charity days in 1995, therefore no payments were required. Turf Paradise paid $18,000 to the distributing agent in 1997, and paid $17,000 in 1996.

Hollywood Park Race Track conducts simulcast meets of live races held at local southern California race tracks and simulcasts races from northern California tracks concurrent with the Company's live race meets.

	1997	1996	1995
	(in thousands)		
Hollywood Park--simulcast racing			
Pari-mutuel handle:			
Thoroughbred meets	$371,716	$375,910	$379,263
Quarter Horse meets	22,821	23,067	22,793
Harness meets	7,402	6,165	4,391
	$401,939	$405,142	$406,447

Pari-mutuel commissions:			
Thoroughbred meets	$ 12,863	$ 12,669	$ 11,527
Quarter Horse meets	449	454	457
Harness meets	144	120	86
	$ 13,456	$ 13,243	$ 12,070

</TABLE>

TRAK East at Sunflower operates year round simulcasting of both greyhounds and horses. Pari-mutuel handle and commissions earned by TRAK East for the year ended December 31, 1995 are as follows:

<TABLE>
<CAPTION>

	1995
	(in thousands)
<S>	<C>
TRAK East at Sunflower--simulcast racing	
Pari-mutuel handle:	
Greyhounds	$10,871
Horses	29,600
	$40,471
Pari-mutuel commission:	
Greyhounds	$ 2,342
Horses	5,742
	$ 8,084

</TABLE>

Turf Paradise accepts simulcasts of live races from other tracks concurrently with live on-track racing as well as operating as a simulcast site for Prescott Downs between live meets. Turf Paradise also accepts simulcast signals on the two dark days (days without live racing) a week during the live on-track meet.

<TABLE>
<CAPTION>

	1997	1996	1995
	(in thousands)		
<S>	<C>	<C>	<C>
Turf Paradise--simulcast racing			
Pari-mutuel handle all meets	$60,493	$55,814	$55,093
Pari-mutuel commissions all meets	5,020	4,768	3,909

</TABLE>

Note 10--Income Taxes

The Company accounts for income taxes under Statement of Financial Accounting Standards No. 109 Accounting for Income Taxes, whereby deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

The composition of the Company's income tax expense for the years ended December 31, 1997, 1996 and 1995 was as follows:

<TABLE>
<CAPTION>

	Current	Deferred	Total
	(in thousands)		
<S>	<C>	<C>	<C>
Year ended December 31, 1997:			
U.S. Federal	$(1,616)	$ 6,972	$5,356
State	(698)	1,192	494
	$(2,314)	$ 8,164	$5,850

Year ended December 31, 1996:			
U.S. Federal	$ 4,341	$(1,681)	$2,660
State	(3,293)	4,092	799
	$ 1,048	$ 2,411	$3,459
Year ended December 31, 1995:			
U.S. Federal	$ 0	$ 473	$ 473
State	42	178	220
	$ 42	$ 651	$ 693

</TABLE>

The following table reconciles the Company's income tax expense (based on its effective tax rate) to the federal statutory tax rate of 34%:

<TABLE>
<CAPTION>

	1997	1996	1995
	(in thousands)		
<S>	<C>	<C>	<C>
Income (loss) before income tax expense, at the statutory rate	$4,935	$ (269)	$(159)
Employee meals	192	0	0
Goodwill amortization	317	195	72
Political and lobbying costs	246	291	353
State income taxes, net of federal tax benefits	494	800	145
Other non-deductible expenses	(334)	105	260
Additional provisions	0	2,337	22
Income tax expense	$5,850	$3,459	$ 693

</TABLE>

For the years ended December 31, 1997, and 1996, the tax effects of temporary differences that gave rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below, along with a summary of activity in the valuation allowance.

<TABLE>
<CAPTION>

	1997	1996
	(in thousands)	
<S>	<C>	<C>
Current deferred tax assets:		
Workers' compensation insurance reserve	$ 790	$ 790
General liability insurance reserve	1,012	690
Legal accrual	58	58
Write off of investment in Sunflower	3,111	3,111
Development costs	0	0
Lawsuit settlement	1,104	1,104
Vacation and sick pay accrual	872	270
Bad debt allowance	528	437
Other	1,999	435
Current deferred tax assets	9,474	6,895
Less valuation allowance	(306)	(120)
Current deferred tax assets	9,168	6,775
Current deferred tax liabilities:		
Business insurance and other	(1,050)	(353)
Net current deferred tax assets	$ 8,118	$ 6,422
Non-current deferred tax assets:		
Net operating loss carryforwards	$ 5,489	$ 0
General business investment tax credits	828	36
Alternative minimum tax credits	3,946	1,244
Los Angeles revitalization zone tax credits	11,798	9,299
Boomtown Merger costs	2,406	0
Capital loss divestiture of Boomtown Las Vegas	3,147	0

Other	2,717	42
Non-current deferred tax assets	30,331	10,621
Less valuation allowance	(13,524)	(5,511)
Non-current deferred tax assets	16,807	5,110
Non-current deferred tax liabilities:		
Expansion plans	(400)	(400)
Los Angeles revitalization zone accelerated write-off	(461)	(461)
Excess book value over tax basis of acquired assets	(4,048)	0
Depreciation and amortization	(17,382)	(10,580)
Other	(826)	(2,734)
Non-current deferred tax liabilities	(23,117)	(14,175)
Net non-current deferred tax liabilities	$ (6,310)	$ (9,065)

</TABLE>

The Company is located in the Los Angeles revitalization tax zone and is entitled to special state of California income tax credits related to sales tax paid on operating materials and supplies, on construction assets and wages paid to staff who reside within the zone. With the construction of the Hollywood Park-Casino and Crystal Park, the Company earned substantial tax credits related to sales tax paid on the assets acquired and on wages paid to construction employees.

<TABLE>
<CAPTION>

	December 31,	
	1997	1996
	(in thousands)	
<S>	<C>	<C>
Valuation allowance at beginning of period	$ 5,632	$5,330
Valuation allowance for Boomtown NOL carryforwards and tax credits	5,699	0
Los Angeles revitalization zone tax credit	2,499	302
Valuation allowance at end of period	$13,830	$5,632

</TABLE>

As of December 31, 1997, the Company had federal net operating loss ("NOL") and capital loss ("CL") carryforwards of approximately $17,800,000, and $8,600,000, respectively, comprised principally of NOL carryforwards acquired in the Boomtown Merger, and CL carryforwards resulting from the disposition of Boomtown's Las Vegas property. The NOL carryforwards expire on various dates through 2012, and the CL carryforwards expire on various dates through 2002. In addition, the Company has approximately $400,000 of general business tax credits, comprised principally of FICA credits, and approximately $3,800,000 of alternative minimum tax credits available to reduce future federal income taxes. These tax credits generally cannot reduce federal taxes paid below the amount of alternative minimum tax. The general business tax credits expire in 2000. The alternative minimum tax credits do not expire.

Under several provisions of the Internal Revenue Code (the "Code") and the regulations promulgated thereunder, the utilization of NOL, CL and tax credit carryforwards to reduce tax liability is restricted under certain circumstances. Events which cause such a limitation include, but are not limited to, certain changes in the ownership of a corporation. The Boomtown Merger caused such a change in ownership with respect to Boomtown. As a result, the Company's use of approximately $14,800,000 of Boomtown's NOL carryforwards, $1,400,000 of Boomtown's CL carryforwards, and $3,400,000 of Boomtown's tax credit carryforwards is subject to certain limitations imposed by Sections 382 and 383 of the Code and by the separate return limitation year rules of the consolidated return regulations. These limitations restrict the amount of such carryforwards that may be used by the Company in any taxable year and, consequently, are expected to defer the Company's use of a substantial portion of such carryforwards and may ultimately prevent the Company's use of a portion thereof. Therefore, a valuation allowance has been recorded related to the Boomtown carryforwards.

For California tax purposes, as of December 31, 1997, the Company also had approximately $11,700,000 of Los Angeles Revitalization Zone ("LARZ") tax credits. The LARZ tax credits can only be used to reduce certain California tax liability and cannot be used to reduce federal tax liability. A valuation allowance has been recorded with respect to the LARZ tax credits because the Company may not generate enough income subject to California tax to utilize the LARZ tax credits before they expire.

Note 11--Stockholders' Equity

On June 30, 1997, the Company acquired Boomtown and each share of Boomtown common stock was converted into the right to receive 0.625 of a share of Hollywood Park's common stock. Approximately 5,362,850 net shares of Hollywood Park common stock were issued. In connection with the Boomtown Merger, the Company purchased and retired 446,491 shares of Hollywood Park common stock received by a former Boomtown shareholder.

During 1996 the Company announced its intention to repurchase and retire up to 2,000,000 shares of its common stock on the open market or in negotiated transactions. As of December 31, 1996, the Company had repurchased and retired (with the last purchase in 1996 made on November 13, 1996) 222,300 common shares at a cost of approximately $1,962,000.

Note 12--Lease Obligations

The Company leases certain equipment for use in gaming and racing operations and general office equipment. Minimum lease payments required under operating leases that have initial terms in excess of one year as of December 31, 1997 are as follows:

<TABLE>
<CAPTION>

<S>	(in thousands) <C>
1998	$1,870
1999	1,104
2000	422
2001	380
2002	366
Thereafter	529

</TABLE>

Total rent expense for these long term lease obligations for the years ended December 31, 1997, 1996 and 1995 was $2,453,000, $1,378,000, and $1,318,000, respectively.

Note 13--Retirement Plans

As of January 31, 1997, Hollywood Park terminated its Pension Plan, which was a non-contributory defined benefit Pension Plan covering certain employees of Hollywood Park, Inc. and Hollywood Park Operating Company. Pension Plan participants' accrued Pension Plan benefits were frozen as of September 1, 1996, except for certain retained participants (participants who, because of legal requirements, including the provisions of the National Labor Relations Act, were represented by a collective bargaining agent), whose accrued Pension Plan benefits were frozen as of December 31, 1996. The funds accumulated under the Pension Plan were distributed to the Pension Plan participants, and no Pension Plan assets were paid to the Company. During 1996, the Pension Plan was subject to the full funding limitation and thus no contributions were made.

Retirement Plans Funded Status

<TABLE>
<CAPTION>

	December 31,	
	1997	1996
	(in thousands)	
<S>	<C>	<C>
Actuarial present value of benefit obligations:		
Accumulated benefit obligation, including vested benefits of		

$2,627,000 at December 31, 1996	$0	$ 2,627
Projected benefit obligation for service rendered to date	$0	$ 2,627
Less Pension Plan assets at fair value	0	4,436
Less Pension Plan contribution	0	0
Pension Plan assets in excess of projected benefit obligation	0	1,809
Unrecognized net gain from past experience different from that assumed and effects of changes in assumptions	0	(1,052)
Unrecognized net asset being recognized over 15 years	0	(452)
Pension Plan asset	$0	$ 305
Net pension expense--Service cost	$0	$ 698
Net pension expense--Interest cost	0	325
Actual return on assets	0	(784)
Net amortization and deferral	0	255
Net periodic pension cost	$0	$ 494

</TABLE>

The December 31, 1996, reserve liabilities and related asset values for the annuity contract were not included in the table above, because the Company executed an agreement with the insurance company holding the annuity contracts to no longer participate in the annual adjustments to the contract values.

The weighted average discount rate used in determining the actuarial present value of the projected benefit obligations was 8.0% at December 31, 1996. The expected long term rate of return on assets was 8.0% at December 31, 1996.

The Company also contributed to several collectively-bargained multi-employer pension and retirement plans (covering full and part-time employees) which are administered by unions, and to a pension plan covering non-union employees which is administered by an association of race track owners. Amounts charged to pension cost and contributed to these plans for the years ended December 31, 1997, 1996 and 1995 totaled $1,842,000, $1,872,000, and $1,781,000, respectively. Contributions to the collectively-bargained plans were determined in accordance with the provisions of negotiated labor contracts and generally are based on the number of employee hours or days worked. Contributions to the non-union plans are based on the covered employees' compensation.

Information from the plans administrators was not available to permit the Company to determine its share of unfunded vested benefits or prior service liability. It is the opinion of management that no material liability exists.

Effective January 31, 1997, in conjunction with the termination of the Pension Plan, Hollywood Park elected to terminate its non-qualified Supplementary Employment Retirement Plan ("SERP"). The SERP was an unfunded plan, established primarily for the purpose of restoring the retirement benefits for highly compensated employees that were eliminated by the Internal Revenue Service in 1994, when the maximum annual earnings allowed for qualified pension plans was reduced to $150,000 from $235,850. Messers, Hubbard, Finnigan and Robbins participated in the SERP prior to its termination.

Note 14--Related Party Transactions

In November 1993, Hollywood Park entered into an aircraft time sharing agreement with R.D. Hubbard Enterprises, Inc. ("Hubbard Enterprises"), which is wholly owned by Mr. Hubbard. The agreement automatically renews each month unless written notice of termination is given by either party at least two weeks before a renewal date. Hollywood Park reimburses Hubbard Enterprises for expenses incurred as a result of Hollywood Park's use of the aircraft, which totaled approximately $106,000 in 1997, $120,000 in 1996, and $126,000 in 1995.

In May 1988, Boomtown acquired all of the outstanding stock of Boomtown Hotel & Casino, Inc. which owns and operates Boomtown Reno for $16,700,000 in cash (the "1988 Acquisition"). In order to finance the 1988 Acquisition, including the retirement of existing debt, Boomtown sold equity securities to Kenneth Rainin and Timothy J. Parrott, and Boomtown Reno entered into various loan documents with Merrill Lynch Interfunding, Inc. Pursuant to a stock purchase agreement, Mr. Rainin purchased 2,000 shares of Boomtown preferred stock and 3,042,000 shares of Boomtown common stock for an aggregate purchase

price of approximately $4,000,000 in cash, and Mr. Parrott purchased 270,738 shares of Boomtown common stock for an aggregate purchase price of $222,000, of which $1,000 was paid in cash and $221,000 by a promissory note (the "Parrott Note") secured by a pledge to Boomtown of all of the shares owned by Mr. Parrott. The Parrott Note, as amended in April 1997, provides that (I) interest on the Parrott Note, which accrues at a rate of 6.0% per annum, compounded annually, is payable in arrears on April 7th of each year, commencing April 7, 1998, and (ii) principal is payable in four annual installments beginning April 7, 1998. The Parrott Note was previously amended in November 1994 to provide that the shares owned by Mr. Parrott would be released from the pledge and would no longer secure the amounts outstanding under the Parrott Note. Hollywood Park notes

that the interest rate of 6% under the amended Parrott Note is less than Hollywood Park's current borrowing rate. However, this interest rate was in effect under the original version of the Parrott Note executed in 1988 prior to Boomtown's public offering and Hollywood Park's subsequent acquisition of Boomtown.

With the exception of the interest rate on the Parrott Note, Hollywood Park believes that the terms of the following transactions were at least as favorable as could have been obtained by Hollywood Park from third parties in arms length transactions.

Note 15--Stock Option Plan

In 1996, the shareholders of the Company adopted the 1996 Stock Option Plan (the "1996 Plan"), which provides for the issuance of up to 900,000 shares. Except for the provisions governing the number of shares issuable under the 1996 Plan and except for provisions which reflect changes in tax and securities laws, the provisions of the 1996 Plan are substantially similar to the provision of the prior plan adopted in 1993. The 1996 Plan is administered and terms of option grants are established by the Board of Directors' Compensation Committee. Under the terms of the 1996 Plan, options alone or coupled with stock appreciation rights may be granted to selected key employees, directors, consultants and advisors of the Company. Options become exercisable ratably over a vesting period as determined by the Compensation Committee and expire over terms not exceeding ten years from the date of grant, one month after termination of employment, or six months after the death or permanent disability of the optionee. The purchase price for all shares granted under the 1996 Plan shall be determined by the Compensation Committee, but in the case of incentive stock options, the price will not be less than the fair market value of the common stock at the date of grant. On April 26, 1996, the Company amended the non-qualified stock option agreements issued through this date, to lower the per share price of the outstanding options to $10.00. On May 19, 1995, the Company amended the non-qualified stock option agreements issued through this date, to reflect the substantial decline in the fair market value of the common stock, lowering the per share price of the outstanding options to $13.00.

As of December 31, 1997, all of the 625,000 shares eligible for issuance under the 1993 Plan had either been issued or were subject to outstanding options, and of the 900,000 shares eligible for issuance under the 1996 Plan, 40,000 were subject to outstanding options. In addition, 1,008,454 shares of Hollywood Park common stock were issuable upon exercise of options granted before the Boomtown Merger under Boomtown's 1990 Stock Option Plan and the 1992 Director Option Plan, these options were assumed by Hollywood Park in the Boomtown Merger.

The following table summarizes information related to shares under option and shares available for grant under the Plan.

<TABLE>
<CAPTION>

	1997	1996	1995
<S>	<C>	<C>	<C>
Options outstanding at beginning of year....	622,500	249,000	235,000
Options granted during the year.....	261,000	413,500	15,000
Options expired or forfeited during the year.....	(26,001)	(40,000)	(1,000)
Options outstanding at end of year.....	857,499	622,500	249,000
Shares available for issuance under the 1993 Plan.....	625,000	625,000	625,000

Shares available for issuance under the 1996 Plan	900,000	900,000	0
Total shares available for issuance	1,525,000	1,525,000	625,000
Per share price of outstanding options issued in prior year	$ 10.00	$ 10.00	$ 13.00
Per share price of outstanding options issued in prior year	$ 11.50	$ 10.00	$ 13.25
Per share price of outstanding options issued in current year	$ 14.75	$ 11.50	--
Number of shares subject to exercisable options at end of year	696,813	188,332	128,000

</TABLE>

Note 16--Commitments and Contingencies

On August 6, 1997, Hollywood Park and Hollywood Park Operating Company, as co-obligors, issued $125,000,000 of Notes (as previously discussed). The Notes are fully and unconditionally, jointly and severally, guaranteed on a senior subordinated basis by all of Hollywood Park's material subsidiaries.

Note 17--Unaudited Quarterly Information

The following is a summary of unaudited quarterly financial data for the years ended December 31, 1997 and 1996:

<TABLE>
<CAPTION>

	1997			
	Dec. 31,	Sept. 30,	June 30,	Mar. 31,
	(in thousands, except per share data)			
<S>	<C>	<C>	<C>	<C>
Revenues	$89,779	$85,210	$46,324	$ 26,815
Net income (loss)	$ 1,551	$ 2,411	$ 5,603	$ (895)
Net income (loss) available to (allocated to) common shareholders	$ 1,551	$ 1,853	$ 5,122	$ (1,376)
Per common share:				
Net income (loss)--basic	$ 0.06	$ 0.08	$ 0.28	$ (0.07)
Net income (loss)--diluted	$ 0.06	$ 0.08	$ 0.27	$ (0.07)
Cash dividends	$ 0.00	$ 0.00	$ 0.00	$ 0.00

<CAPTION>

	1996			
	Dec. 31,	Sept. 30,	June 30,	Mar. 31,
	(in thousands, except per share data)			
<S>	<C>	<C>	<C>	<C>
Revenues	$38,698	$30,247	$46,427	$ 27,853
Net income (loss)	$ 3,277	$ 603	$ 5,249	$(13,378)
Net income (loss) available to (allocated to) common shareholders	$ 2,795	$ 122	$ 4,768	$(13,859)
Per common share:				
Net income (loss)--basic	$ 0.15	$ 0.01	$ 0.26	$ (0.74)
Net income (loss)--diluted	$ 0.15	$ 0.01	$ 0.25	$ (0.74)
Cash dividends	$ 0.00	$ 0.00	$ 0.00	$ 0.00

</TABLE>

The primary reason for the loss for the quarter ended March 31, 1996, was the $11,346,000 write off of the Company's investment in Sunflower. Historically, the three months ended March 31, produce a loss, because the Company does not operate live on-track racing at Hollywood Park Race Track.

Note 18--Consolidating Condensed Financial Information

Hollywood Park's subsidiaries (excluding Sunflower and other inconsequential subsidiaries) have fully and unconditionally guaranteed the payment of all obligations under the Hollywood Park 9.5% Senior Subordinated Notes due 2007. The following is the consolidating financial information for the co-obligors and their respective subsidiaries:

Hollywood Park, Inc.

Consolidating Condensed Financial Information

As of and For the Years Ended December 31, 1997, 1996 and 1995

<TABLE>
<CAPTION>

	Hollywood Park, Inc. (Parent co-obligor)	Hollywood Park Operating Co. (co-obligor)	(a) Wholly Owned Guarantor Subsidiaries	(b) Majority Owned Guarantor Subsidiaries	(c) Wholly Owned Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Hollywood Park, Inc. Consolidated
				(in thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
As of and for the year ended Dec. 31, 1997							
Balance Sheet							
Current assets.....	$ 19,844	$ 8,568	$ 25,074	$ 6,720	$ 0	$ 0	$ 60,206
Property, plant and equipment, net.....	68,515	23,753	140,105	68,293	0	0	300,666
Other non-current assets.....	22,306	0	29,320	7,611	0	(1,080)	58,157
Investment in subsidiaries.....	126,121	15,132	116,020	0	0	(257,273)	0
Inter-company.....	125,210	148,380	122,035	0	0	(395,625)	0
	$361,996	$ 195,833	$ 432,554	$82,624	$ 0	$(653,978)	$419,029
Current liabilities.....	$ 16,890	$ 14,232	$ 19,583	$ 6,612	$ 0	$ 0	$ 57,317
Notes payable, long term.....	2,406	125,256	1,936	2,504	0	0	132,102
Other non-current liabilities.....	4,753	5,202	83	0	0	(3,728)	6,310
Inter-company.....	146,145	21,589	178,448	49,443	0	(395,625)	0
Minority interest.....	0	0	0	0	0	1,946	1,946
Equity.....	191,802	29,554	232,504	24,065	0	(256,571)	221,354
	$361,996	$ 195,833	$ 432,554	$82,624	$ 0	$(653,978)	$419,029
Statement of Operations							
Revenues:							
Gaming.....	$ 50,820	$ 0	$ 58,622	$28,217	$ 0	$ 0	$137,659
Racing.....	0	39,930	28,914	0	0	0	68,844
Food and beverage.....	4,659	0	13,483	1,752	0	0	19,894
Equity in subsidiaries.....	13,963	3,735	(43)	0	0	(17,655)	0
Inter-company.....	0	0	4,823	0	0	(4,823)	0
Other.....	4,601	1,808	13,789	1,533	0	0	21,731
	74,043	45,473	119,588	31,502	0	(22,478)	248,128
Expenses:							
Gaming.....	28,353	0	32,370	14,010	0	0	74,733
Racing.....	0	17,822	12,482	0	0	0	30,304
Food and beverage.....	9,658	0	13,784	2,303	0	0	25,745
Administrative and other.....	18,282	14,536	33,277	8,792	0	0	74,887
REIT restructuring.....	2,483	0	0	0	0	0	2,483
Depreciation and							

amortization.....	4,632	3,804	6,229	3,459	0	33	18,157
	63,408	36,162	98,142	28,564	0	33	226,309
Operating income (loss).....	10,635	9,311	21,446	2,938	0	(22,511)	21,819
Interest expense.....	1,789	5,368	(37)	182	0	0	7,302
Inter-company interest..	0	0	2,244	2,579	0	(4,823)	0
Income (loss) before minority interests and taxes.....	8,846	3,943	19,239	177	0	(17,688)	14,517
Minority interests.....	0	0	0	0	0	(3)	(3)
Income tax expense.....	4,124	0	1,726	0	0	0	5,850
Net income (loss).....	$ 4,722	$ 3,943	$ 17,513	$ 177	$ 0	$ (17,685)	$ 8,670
Statement of Cash Flows:							
Net cash provided by (used in) operating activities.....	$ 19,559	$(117,960)	$ 129,260	$ 5,250	$ 0	$ (17,655)	$ 18,454
Net cash provided by (used in) investing activities.....	14,747	(3,139)	(23,516)	(4,328)	0	0	(16,236)
Net cash provided by (used in) financing activities.....	475	124,975	(114,345)	(2,373)	0	877	9,609

</TABLE>

HOLLYWOOD PARK, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Hollywood Park, Inc.

Consolidating Condensed Financial Information

As of and For the Years Ended December 31, 1997, 1996 and 1995

<TABLE>
<CAPTION>

	Hollywood Park, Inc. (Parent co-obligor)	Hollywood Park Operating Co. (co-obligor)	(a) Wholly Owned Guarantor Subsidiaries	(b) Majority Owned Guarantor Subsidiaries	(c) Wholly Owned Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Hollywood Park, Inc. Consolidated
				(in thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
As of and for the year ended Dec. 31, 1996							
Balance Sheet							
Current assets.....	$ 23,522	$ 7,362	$ 9,646	$ 429	$ 0	$ 0	$ 40,959
Property, plant and equipment, net.....	70,443	24,353	12,786	23,253	0	0	130,835
Other non-current assets.....	23,322	0	5,108	5,662	0	0	34,092
Investment in subsidiaries.....	28,723	45,432	23,852	0	0	(98,007)	0
Inter-company.....	72,099	11,386	0	0	0	(83,485)	0
	$218,109	$88,533	$51,392	$29,344	$ 0	$(181,492)	$205,886
Current liabilities.....	$ 16,324	$ 7,032	$11,807	$ 201	$ 0	$ 0	$ 35,364
Notes payable, long term.....	0	282	0	0	0	0	282
Other non-current liabilities.....	3,859	5,206	0	0	0	0	9,065
Inter-company.....	39,851	50,479	7,677	0	0	(98,007)	0
Minority interest.....	0	0	0	0	0	3,015	3,015
Equity.....	158,075	25,534	31,908	29,143	0	(86,500)	158,160
	$218,109	$88,533	$51,392	$29,344	$ 0	$(181,492)	$205,886
Statement of Operations							
Revenues:							
Gaming.....	$ 50,272	$ 0	$ 0	$ 445	$ 0	$ 0	$ 50,717
Racing.....	0	41,423	28,568	0	1,317	0	71,308
Food and beverage.....	4,956	0	8,533	0	458	0	13,947

Equity in subsidiaries.....	1,751	3,408	0	0	0	(5,159)	0
Other.....	4,993	1,915	338	0	7	0	7,253
	61,972	46,746	37,439	445	1,782	(5,159)	143,225
Expenses:							
Gaming.....	27,249	0	0	0	0	0	27,249
Racing.....	0	17,999	11,903	0	265	0	30,167
Food and beverage.....	10,930	0	8,235	0	408	0	19,573
Administrative and other.....	18,316	15,059	9,556	1	1,030	0	43,962
Write off of investment in Sunflower.....	11,412	0	0	0	0	0	11,412
Depreciation and amortization.....	4,665	3,645	1,479	319	536	51	10,695
	72,572	36,703	31,173	320	2,239	51	143,058
Operating income (loss).....	(10,600)	10,043	6,266	125	(457)	(5,210)	167
Interest expense.....	134	27	0	0	781	0	942
Income (loss) before minority interests and taxes.....	(10,734)	10,016	6,266	125	(1,238)	(5,210)	(775)
Minority interests.....	0	0	0	0	0	15	15
Income tax expense.....	3,421	0	38	0	0	0	3,459
Net income (loss).....	$(14,155)	$10,016	$ 6,228	$ 125	$(1,238)	$ (5,225)	$ (4,249)
Statement of Cash Flows:							
Net cash provided by (used in) operating activities.....	$ (6,205)	$ 4,956	$ 2,426	$ 200	$(3,588)	$ 15,888	$ 13,677
Net cash used in investing activities..	(963)	(5,992)	(354)	0	0	(12,584)	(19,893)
Net cash used in financing activities..	(4,245)	(23)	0	0	0	0	(4,268)

</TABLE>

HOLLYWOOD PARK, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Hollywood Park, Inc.

Consolidating Condensed Financial Information

As of and For the Years Ended December 31, 1997, 1996 and 1995

<TABLE>
<CAPTION>

	Hollywood Park, Inc. (Parent co-obligor)	Hollywood Park Operating Co. (co-obligor)	(a) Wholly Owned Guarantor Subsidiaries	(b) Majority Owned Guarantor Subsidiaries	(c) Wholly Owned Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Hollywood Park, Inc. Consolidated
				(in thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
As of and for the year ended Dec. 31, 1995 Statement of Operations							
Revenues:							
Gaming.....	$ 26,656	$ 0	$ 0	$ 0	$ 0	$ 0	$ 26,656
Racing.....	0	42,648	27,542	0	6,846	0	77,036
Food and beverage.....	7,422	0	9,489	0	2,872	0	19,783
Equity in subsidiaries.....	(3,610)	1,983	0	0	0	1,627	0
Other.....	2,420	4,176	444	0	57	0	7,097
	32,888	48,807	37,475	0	9,775	1,627	130,572
Expenses:							
Gaming.....	5,291	0	0	0	0	0	5,291
Racing.....	0	16,745	12,830	0	1,385	0	30,960
Food and beverage.....	12,964	0	9,288	0	2,497	0	24,749
Administrative and							

other.....	16,411	17,746	9,184	0	5,306	0	48,647
Lawsuit settlement.....	6,088	0	0	0	0	0	6,088
Depreciation and amortization.....	3,887	3,236	1,586	0	2,468	207	11,384
	44,641	37,727	32,888	0	11,656	207	127,119
Operating income (loss).....	(11,753)	11,080	4,587	0	(1,881)	1,420	3,453
Interest expense.....	172	29	30	0	3,691	0	3,922
Income (loss) before taxes.....	(11,925)	11,051	4,557	0	(5,572)	1,420	(469)
Income tax expense.....	510	0	182	0	1	0	693
Net income (loss).....	$(12,435)	$11,051	$ 4,375	$ 0	$(5,573)	$ 1,420	$ (1,162)
Statement of Cash Flows:							
Net cash provided by (used in) operating activities.....	$ 2,575	$11,864	$ 2,794	$ 0	$ 1,431	$ 1,627	$ 20,291
Net cash provided by (used in) investing activities.....	(40,218)	(5,371)	(1,831)	0	0	14,498	(32,922)
Net cash provided by (used in) financing activities.....	1,433	21	(1,913)	0	(1,626)	0	(2,085)

</TABLE>

(a) The following wholly owned guarantor subsidiaries were included in each period presented: Turf Paradise, Inc., Hollywood Park Food Services, Inc., and Hollywood Park Fall Operating Company. As of and for the year ended December 31, 1997, the following wholly owned guarantor subsidiaries were also included: HP Yakama, Inc., Boomtown, Inc., Boomtown Hotel & Casino, Inc., Louisiana--I Gaming, HP/Compton, Inc. (included as of October 1996) and Louisiana Gaming Enterprises, Inc. Due to the June 30, 1997, Boomtown Merger being accounted for under the purchase method of accounting for a business combination, the financial results as of and for the year ended December 31, 1997, included Boomtown, Inc.'s, Boomtown Hotel & Casino, Inc.'s, Louisiana--I Gaming's, and Louisiana Gaming Enterprises, Inc.'s financial results for the six months ended December 31, 1997, only.

(b) The Company's majority owned guarantor subsidiaries are Crystal Park Hotel and Casino Development Company, LLC (which as of December 31, 1997, became a wholly owned subsidiary) and Mississippi--I Gaming, L.P., (which was added as of the June 30, 1997, Boomtown Merger). As a result of the Boomtown Merger, Mississippi--I Gaming, L.P.'s financial results are included for the six months ended December 31, 1997, only.

(c) Sunflower Racing, Inc. and its wholly owned subsidiary, SR Food and Beverage, Inc., were the Company's only wholly owned non-guarantor subsidiaries with material financial activity during the periods presented. As of March 31, 1996, the financial results of these two wholly owned non-guarantor subsidiaries were no longer consolidated with the Company's financial results, due to the write off of Hollywood Park's investment in these subsidiaries. All other wholly owned non-guarantor subsidiaries are either empty companies established for potential development projects that were subsequently abandoned, or the subsidiary's financial activity was immaterial.

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS

<TABLE>
<CAPTION>

	(in thousands)
<S>	<C>
Allowance for bad debts:	
Balance as of December 31, 1994.....	$ (159)
Charges to expense.....	(2,294)
Write offs.....	612
Balance as of December 31, 1995.....	(1,841)
Charges to expense(a).....	(783)
Write offs.....	1,535
Balance as of December 31, 1996.....	(1,089)
Add Boomtown balance as of June 30, 1997(b).....	(225)
Charges to expense.....	(189)
Write offs.....	754

Balance as of December 31, 1997.....	$ (749)

</TABLE>

(a) Hollywood Park assumed the bad debt allowance related to the Hollywood Park-Casino gaming business in the November 17, 1995, acquisition of PCM.

(b) Hollywood Park acquired Boomtown as of June 30, 1997.

HOLLYWOOD PARK, INC.

CALCULATION OF EARNINGS PER SHARE

<TABLE>
<CAPTION>

	For the three months ended December 31,					
	Basic			Diluted		
	1997	1996	1995	1997	1996	1995
	(in thousands, except per share data)					
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Average number of common shares outstanding.....	26,209	18,365	18,486	26,705	18,365	18,486
Average common shares due to assumed conversion of convertible preferred shares.....	0	0	0	0	2,291	2,291
Total shares.....	26,209	18,365	18,486	26,705	20,656	20,777
Net income.....	$ 1,551	$ 3,277	$ 212	$ 1,551	$ 3,277	$ 212
Less dividend requirements on convertible preferred shares.....	0	482	482	0	0	0
Net income (loss) available to (allocated to) common shareholders.....	$ 1,551	$ 2,795	$ (270)	$ 1,551	$ 3,277	$ 212
Net income (loss) per share..	$ 0.06	$ 0.15	$ (0.01)	$ 0.06	$ 0.16	$ 0.01

</TABLE>

<TABLE>
<CAPTION>

	For the years ended December 31,					
	Basic			Diluted		
	1997	1996	1995	1997	1996	1995
	(in thousands, except per share data)					
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Average number of common shares outstanding.....	22,010	18,505	18,399	22,340	18,505	18,399
Average common shares due to assumed conversion of convertible preferred shares.....	0	0	0	0	2,291	2,291
Total shares.....	22,010	18,505	18,399	22,340	20,796	20,690
Net income (loss).....	$ 8,670	$(4,249)	$(1,162)	$ 8,670	$(4,249)	$(1,162)
Less dividend requirements on convertible preferred shares.....	1,520	1,925	1,925	1,520	0	0
Net income (loss) attributable to (allocated to) common shareholders...	$ 7,150	$(6,174)	$(3,087)	$ 7,150	$(4,249)	$(1,162)
Net income (loss) per share.....	$ 0.33	$ (0.33)	$ (0.17)	$ 0.32	$ (0.20)	$ (0.06)

</TABLE>

Note: As of August 28, 1997, the Company's 2,749,900 outstanding depositary

shares were converted into 2,291,492 shares of the Company's common stock.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	September 30, 1998	December 31, 1997
	(unaudited)	
<S>	<C>	<C>
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 25,295,310	$ 20,986,510
Restricted marketable securities	1,599,185	10,629,405
Other current assets	7,419,491	8,124,872
Total current assets	34,313,986	39,740,787
Property and equipment, net	290,070,366	263,993,452
Other long term assets	63,153,166	68,970,578
	$387,537,518	$372,704,817
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	$ 56,129,525	$ 51,031,097
Other long term liabilities and minority interest	8,295,675	8,748,212
Long term debt, net of current maturities	260,907,007	253,471,219
Shareholders' Equity:		
Common stock, $0.01 par, 50,000,000 shares authorized, 35,722,124 issued and outstanding	357,221	357,221
Undesignated stock, 2,500,000 shares authorized, none issued	0	0
Additional paid in capital	67,122,856	67,122,852
Retained deficit	(5,182,721)	(7,762,270)
Less unearned compensation	(92,045)	(263,514)
	62,205,311	59,454,289
	$387,537,518	$372,704,817

</TABLE>

See notes to condensed consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	Three months ended September 30,	
	1998	1997
	(unaudited)	
<S>	<C>	<C>
Revenues:		
Casino	$72,680,370	$62,680,205
Food and beverage	2,634,965	2,404,469
Rooms	1,387,192	328,578
Other operating income	1,188,888	1,081,882
Total revenues	77,891,415	66,495,134

Costs and expenses:		
Casino	36,807,824	30,658,015
Food and beverage	3,300,242	1,767,142
Rooms	674,773	140,554
Other operating costs and expenses	778,737	1,017,571
Advertising and marketing	8,627,711	7,112,014
General and administrative	6,011,762	6,181,399
Hollywood Park/Casino Magic merger costs	4,838,200	0
Property operation, maintenance and energy cost	3,100,368	2,625,158
Rents, property taxes and insurance	2,273,863	1,906,446
Development expenses	211,010	56,750
Depreciation and amortization	5,710,806	4,905,523
Total costs and expenses	72,335,296	56,370,572
Income from operations	5,556,119	10,124,562
Other (Income) Expenses:		
Equity loss from unconsolidated subsidiary	104,929	176,005
Interest expense, net	8,452,613	7,954,345
Loss (gain) from sale of assets	154,733	(1,337,687)
Other	(1,111,410)	(57,828)
Total other expense	7,600,865	6,734,835
Income (loss) before income taxes and minority interest of subsidiary	(2,044,746)	3,389,727
Income tax expense	341,034	0
Minority interest	230,189	715,023
Net income (loss)	$(2,615,969)	$ 2,674,704
Net income (loss) per common share:		
Basic	$ (0.07)	$ 0.07
Diluted	$ (0.07)	$ 0.07
Average shares and equivalents outstanding:		
Basic	35,722,124	35,654,174
Diluted	35,722,124	35,735,741

</TABLE>

See notes to condensed consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	Nine months ended September 30,	
	1998	1997
	(unaudited)	
<S>	<C>	<C>
Revenues:		
Casino	$210,889,320	$186,411,356
Food and beverage	7,738,947	7,391,186
Rooms	2,948,279	1,103,592
Other operating income	3,812,725	3,327,423
Total revenues	225,389,271	198,233,557
Costs and expenses:		
Casino	100,672,992	88,899,256
Food and beverage	9,033,811	8,364,166
Rooms	1,355,063	509,219
Other operating costs and expenses	2,965,292	3,326,192
Advertising and marketing	26,593,631	28,517,336
General and administrative	19,811,647	20,261,984
Hollywood Park/Casino Magic merger costs	4,838,200	0
Property operation, maintenance and energy cost	8,581,279	8,669,605
Rents, property taxes and insurance	6,724,510	5,866,014
Development expenses	430,858	511,882
Depreciation and amortization	16,058,414	15,258,905

Total costs and expenses	197,065,697	180,184,559
Income from operations	28,323,574	18,048,998
Other (Income) Expenses:		
Equity loss from unconsolidated subsidiary	349,236	405,066
Interest expense, net	23,432,882	23,703,909
Loss (gain) from sale of assets	154,733	(2,578,231)
Other	0	(244,461)
Total other expense	23,936,851	21,286,283
Income (loss) before income taxes and minority interest of subsidiary	4,386,723	(3,237,285)
Income tax expense (benefit)	1,453,207	(1,935,000)
Minority interest	1,081,962	916,535
Net income (loss)	$ 1,851,554	$ (2,218,820)
Net income (loss) per common share:		
Basic	$ 0.05	$ (0.06)
Diluted	$ 0.05	$ (0.06)
Average shares and equivalents outstanding:		
Basic	35,722,124	35,642,780
Diluted	35,722,124	35,642,780

</TABLE>

See notes to condensed consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<TABLE>
<CAPTION>

	Nine months ended September 30,	
	1998	1997
	(unaudited)	
<S>	<C>	<C>
Cash flows from Operating Activities:		
Net income (loss)	$ 1,851,554	$ (2,218,828)
Adjustments for non-cash charges	31,074,459	14,574,699
Changes in assets and liabilities	(9,733,526)	5,728,959
Net Cash Provided by Operating Activities	23,192,487	18,084,830
Cash Flows from Investing Activities:		
Acquisitions of property and equipment	(33,789,422)	(28,996,109)
Proceeds from sale of subsidiary and property and equipment	0	19,833,971
Decrease in marketable securities	9,030,220	0
Other, net	2,068,230	145,313
Net Cash Used in Investing Activities	(22,690,972)	(9,016,825)
Cash Flows from Financing Activities:		
Principal payments on notes payable and long term debt	(6,410,856)	(12,285,515)
Net proceeds from issuance of long term debt	10,270,979	6,514,988
Other, net	(52,837)	(346,958)
Net Cash Provided by (Used in) Financing Activities	3,807,286	(6,117,485)
Net Increase in Cash and Cash Equivalents	4,308,801	2,950,520
Cash and Cash Equivalents, Beginning of Period	20,986,510	34,546,166
Cash and Cash Equivalents, End of Period	$ 25,295,311	$ 37,496,686
Supplemental Cash Flow Information		
Cash Paid During the Period for:		

Interest (net of amount capitalized).....	$ 21,678,773	$ 25,104,711
Income taxes (net of refunds).....	0	(6,382,324)
Supplemental Schedule of Non-Cash Investing and Financing Activities:		
Property and equipment and other asset acquisitions included in accounts and construction payable and accrued expenses.....	6,404,228	1,658,604
Property and equipment financed with long term debt.....	6,142,215	946,004
Common stock grants to officers.....	0	171,469

</TABLE>

See notes to condensed consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Information with Respect to the Three and Nine Months Ended September 30, 1998 and 1997 is Unaudited)

1. Summary of significant accounting policies:

Organization and basis of presentation:

Casino Magic Corp. and Subsidiaries is an international gaming company with operations in Bay Saint Louis, Mississippi ("Casino Magic Bay St. Louis"), Biloxi, Mississippi ("Casino Magic Biloxi"), Bossier City, Louisiana ("Casino Magic Bossier"), and the Argentina Province of Neuquen in the cities of Neuquen City and San Martin de los Andes ("Casino Magic Argentina").

Unless the context requires otherwise, reference in this report to the "Company" means Casino Magic Corp. and its relevant subsidiaries, and reference to "Casino Magic" means Casino Magic Corp.

The consolidated financial statements include the accounts of Casino Magic and its wholly-owned and majority-owned subsidiaries.

All significant intercompany accounts and transactions have been eliminated.

The accompanying unaudited consolidated financial statements contain all adjustments which are, in the opinion of management, necessary for a fair statement of the results of the interim periods. The results of operations for the interim periods are not necessarily indicative of results of operations for an entire year. It is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1997, and Form 10-Q for June 30, 1998.

Certain reclassifications have been made to 1997 amounts to conform with the September 30, 1998 presentation.

2. New Accounting Pronouncements

(a) Accounting for Start-Up Costs:

During April 1998, the Accounting Standards Executive Committee of the AICPA issued Statement of Position 98-5 ("SOP"), "Reporting on the Costs of Start-Up Activities." The SOP requires costs of start-up activities and organization costs to be expensed as incurred. The SOP is effective for financial statements for fiscal years beginning after December 15, 1998. The company has adopted the SOP.

(b) Accounting for Derivative Instruments and Hedging Activities:

In September 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities. The Statement establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. The Statement requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the income statement, and requires that a company must formally document, designate and assess the effectiveness of transactions that receive hedge accounting.

Statement 133 is effective for fiscal years beginning after June 15, 1999. A

company may also implement the Statement as of the beginning of any fiscal quarter after issuance (that is, fiscal quarters beginning June 16,

1998 and thereafter). Statement 133 cannot be applied retroactively. Statement 133 must be applied to (a) derivative instruments and (b) certain derivative instruments embedded in hybrid contracts that were issued, acquired or substantively modified after December 31, 1997 (and, at the company's election, before January 1, 1998).

The Company's management believes the impact of adopting Statement 133 on the financial statements is expected to be immaterial.

3. Long Term Debt:

Additions to long-term debt during the first nine months of 1998 consist of the following:

<TABLE>
<CAPTION>

	Ending Balances at September 30, 1998
<S>	<C>
Notes payable, bank(a)	$2,727,038
Notes payable, equipment contracts(b)	$1,842,636
Notes payable, other(c)	$6,931,889

</TABLE>

(a) Consists of one note payable to The Peoples Bank, collateralized by certain parcels of land, payable in fifty-nine monthly payments of $61,100 including interest at 8.5% through February 2002 with a final balloon payment of $60,120 in March 2002.

(b) Consists of three notes payable collateralized by equipment. The details of these notes is as follows: (i) Original balance of $2,021,744 note payable in twenty-three monthly payments of $92,795, including interest of 10.5% with final balloon payment at term of note. This note replaces two previous notes with original balances of $946,005 and $1,075,740. (ii) Original balance of $57,584.04 note payable in twelve monthly payments of $4,798.67, including interest of 12%. (iii) Original balance of $239,760 note payable in twenty-three monthly principal payments of $9,990 including interest at 3% over prime (11.25% at 9/30/98) and a final balloon payment at term of note.

(c) Consists of six notes payable to Boeing Capital Corp. All notes collateralized by furniture and equipment used at the 378 room hotel at Casino Magic Biloxi. The Notes are as follows:

1) Note in the original balance of $4,347,833, payable in forty-seven monthly installments of $110,523.04 including interest of 10.12% through April 2002 with a final balloon payment of $112,400 in May 2002.

2) Note in the original balance of $733,516.63, payable in one installment of $21,616.66 on July 1, 1998, and forty-seven monthly installments of $18,714.77 including interest at 10.314% through April 2002.

3) Note in the original balance of $391,024.97, payable in one installment of $2,885.61 on August 1, 1998, and forty-eight installments of $9,958.37 including interest at 10.2179% through August 2002.

4) Note in the original balance of $328,148.41, payable in one installment of $1,769.63 on July 1, 1998, and forty-eight monthly installments of $8,357.07 including interest at 10.2179% through August 2001.

5) Note in the original balance of $559,191,80, payable in forty-eight monthly installments beginning October 1, 1998 including interest at 9.9384% through September 2002.

6) Progress loan balance of $933,769.16. Interest payable monthly at 3% above prime rate (11.25% as of 9/30/98).

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors of Casino Magic Corp.:

We have audited the accompanying consolidated balance sheets of Casino Magic Corp. (a Minnesota corporation) and subsidiaries (the Company) as of December 31, 1997 and 1996, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the three years in the period ended December 31, 1997. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Casino Magic Corp. and subsidiaries as of December 31, 1997 and 1996, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1997 in conformity with generally accepted accounting principles.

Arthur Andersen LLP

New Orleans, Louisiana
February 27, 1998

CASINO MAGIC CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	Years ended December 31,		
	1997	1996	1995
<S>	<C>	<C>	<C>
Revenues:			
Casino	$246,320,048	$167,153,012	$165,997,836
Food, beverage and rooms	10,784,762	8,080,067	8,392,529
Royalty and management fees	--	3,099,407	2,224,351
Other Operating revenues	4,369,206	1,945,357	1,108,049
	261,474,016	180,277,843	177,722,765
Costs and expenses:			
Casino	118,467,492	74,943,304	69,654,888
Food and beverage	10,756,505	7,351,838	6,795,164
Rooms	639,778	1,039,081	1,224,685
Other operating costs and expenses	4,292,276	2,807,038	1,333,183
Advertising and marketing	36,427,434	20,901,821	25,873,832
General and administrative	26,425,200	24,216,613	28,501,308
Property operation, maintenance and energy cost	11,210,297	7,433,262	4,057,144
Rents, property taxes and insurance	7,891,199	5,991,261	4,314,355
Depreciation and amortization	20,246,663	18,346,202	15,768,546
Preopening expenses	--	6,554,535	1,818,715
Development expenses	562,419	1,849,583	2,228,549
Write-off capitalized costs relating to inactive developments	--	--	11,381,945
	236,919,263	171,434,538	172,952,314
Income from operations	24,554,753	8,843,305	4,770,451
Other (income) expense:			
Interest expense	34,723,613	25,071,767	17,436,904
Interest capitalized	(1,963,955)	(5,717,494)	(867,236)

Interest income	(1,375,100)	(1,436,468)	(803,624)
Loss from unconsolidated subsidiaries	505,424	26,501,808	112,250
Write-off of capitalized costs primarily relating to joint ventures	--	--	2,210,219
Other	(1,555,201)	689,221	204,981
	30,334,781	45,108,834	18,293,494
Income (loss) before income taxes and Minority interest in income of subsidiary	(5,780,028)	(36,265,529)	(13,523,043)
Income tax benefit	(1,935,000)	(4,676,182)	(3,230,864)
Minority Interest	1,404,180	--	--
Net loss	$ (5,249,208)	$(31,589,347)	$(10,292,179)
Net loss per common share:			
Basic	$ (0.15)	$ (0.89)	$ (0.31)
Diluted	$ (0.15)	$ (0.89)	$ (0.31)
Average shares and equivalents outstanding:			
Basic	35,662,616	35,448,068	33,260,904
Diluted	35,662,616	35,448,068	33,260,904

</TABLE>

See notes to consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	December 31, 1997	December 31, 1996
<S>	<C>	<C>
ASSETS		
Current assets:		
Cash and cash equivalents	$ 20,901,510	$ 17,561,512
Restricted Cash	85,000	16,984,654
Restricted Marketable Securities	10,629,405	--
Prepaid expenses	3,330,041	2,844,995
Notes and accounts receivable, net	3,781,945	2,889,486
Other current assets	1,012,886	873,676
Total current assets	39,740,787	41,154,323
Property and equipment, net	263,993,452	243,692,571
Other long-term assets:		
Notes receivable	3,385,198	4,119,700
Investments in unconsolidated subsidiaries	713,035	957,831
Options and land deposits	--	2,282,244
Foreign casino concession agreement, net of accumulated amortization of $2,846,685 in 1997 and $1,897,790 in 1996	8,540,055	9,488,950
Deferred gaming license cost, net of accumulated amortization of $2,013,838 in 1997 and $395,489 in 1996	38,048,426	38,337,333
Property held for development	525,000	3,040,357
Property held for sale	5,606,265	15,108,541
Debt issuance costs, net of accumulated amortization of $4,289,382 in 1997 and $2,506,133 in 1996	8,957,645	10,195,688
Deposits and other	3,194,954	1,421,979
Total other long-term assets	68,970,578	84,952,623
	$372,704,817	$369,799,517

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:		
Notes and contracts payable	$ 305,925	$ 4,708,603
Current maturities of long-term debt	8,590,945	4,648,638
Accounts Payable	9,323,949	7,945,068
Accrued Expenses	11,522,887	11,320,101
Accrued Interest	9,783,784	8,830,040
Accrued payroll and related benefits	7,719,441	8,341,720
Accrued progressive gaming liabilities	1,445,257	1,121,623
Other current liabilities	2,338,909	731,018
Total current liabilities	51,031,097	47,646,811
Deferred income taxes	--	266,761
Other long-term liabilities and minority interest	8,748,212	--
Long-term debt, net of current maturities	253,471,219	258,261,231
Commitments and contingencies		
Shareholders' equity:		
Common stock, $0.01 par, 50,000,000 shares, authorized 35,722,124 issued and outstanding in 1997 and 35,637,083 in 1996 issued and outstanding	357,221	356,371
Undesignated stock, 2,500,000 shares authorized, None issued	--	--
Additional paid-in capital	67,122,852	67,123,702
Retained earnings (deficit)	(7,762,270)	(2,513,062)
Unrealized holding loss on securities	--	(850,156)
Less unearned compensation	(263,514)	(492,141)
Total shareholders' equity	59,454,289	63,624,714
	$372,704,817	$369,799,517

</TABLE>

See notes to consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

<TABLE>
<CAPTION>

	Common Stock		Additional paid-in	Foreign currency
	Shares	Amount	capital	adjustment
<S>	<C>	<C>	<C>	<C>
Balance at December 31, 1994	29,961,750	$299,618	$41,127,168	--
Amortization of unearned compensation	--	--	--	--
Write-off of unearned compensation	--	--	(1,642,886)	--
Stock options granted to executive officers	--	--	101,563	--
Vested stock grants to executive officers	16,250	162	(162)	--
Net proceeds from exercise of employee stock options	308,564	3,086	376,726	--
Net proceeds from common stock issued pursuant to Reg. S	1,771,000	17,710	8,303,095	--
Stock issued for consultants' compensation	12,000	120	63,632	--
Stock issued for land	3,210,000	32,100	17,758,277	--
Foreign currency translation	--	--	--	(224,195)
Net loss	--	--	--	--
Balance at December 31, 1995	35,279,564	$352,796	$66,087,413	(224,195)
Amortization of unearned compensation	--	--	--	--
Stock options granted to executive officers	--	--	567,188	--
Net proceeds from exercise of warrants	--	--	500	--
Net proceeds from exercise of				

employee and non-employee director stock options	357,519	3,575	453,654	--
Casino One Corp. acquisition	--	--	14,947	--
Unrealized Holding Loss on Securities Available for Sale	--	--	--	--
Foreign currency translation adjustment	--	--	--	224,195
Net loss	--	--	--	--
Balance at December 31, 1996	35,637,083	$356,371	$67,123,702	--
Amortization of unearned compensation				
Vested stock grants to executive officers	85,041	850	(850)	
Available for Sale	--	--	--	--
Loss on Securities	--	--	--	--
Net loss	--	--	--	--
Balance at December 31, 1997	35,722,124	$357,221	$67,122,852	--

</TABLE>

See notes to consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY--(Continued)

<TABLE>
<CAPTION>

	Unrealized holding loss on securities available for sale	Retained (deficit) earnings	Less Unearned compensation	Total
<S>	<C>	<C>	<C>	<C>
Balance at December 31, 1994	--	$ 39,368,464	$(1,218,751)	$ 79,576,499
Amortization of unearned compensation	--	--	470,962	470,962
Write-off of unearned compensation	--	--	735,819	(907,067)
Stock options granted to executive officers	--	--	(101,563)	--
Vested stock grants to executive officers	--	--	--	--
Net proceeds from exercise of employee stock options	--	--	--	379,812
Net proceeds from common stock issued pursuant to Reg. S	--	--	--	8,320,805
Stock issued for consultants' compensation	--	--	--	63,752
Stock issued for land	--	--	--	17,790,377
Foreign currency translation	--	--	--	(224,195)
Net loss	--	(10,292,179)	--	(10,292,179)
Balance at December 31, 1995	--	$ 29,076,285	$ (113,533)	$ 95,178,766
Amortization of unearned compensation	--	--	188,580	188,580
Stock options granted to executive officers	--	--	(567,188)	--
Net proceeds from exercise of warrants	--	--	--	500
Net proceeds from exercise of employee and non-employee director stock options	--	--	--	457,229
Casino One Corp. acquisition	--	--	--	14,947

Unrealized Holding Loss on Securities Available for Sale....	(850,156)	--	--	(850,156)
Foreign currency translation adjustment.....	--	--	--	224,195
Net loss.....		(31,589,347)		(31,589,347)
Balance at December 31, 1996	(850,156)	$ (2,513,062)	$ (492,141)	$ 63,624,714
Amortization of unearned compensation.....			228,627	228,627
Vested stock grants to executive officers....				--
Loss on Securities.....				--
Available for Sale.....	850,156			850,156
Net loss.....		(5,249,208)		(5,249,208)
Balance at December 31, 1997.....	--	$ (7,762,270)	$ (263,514)	$ 59,454,289

</TABLE>

See notes to consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	Years ended December 31,		
	1997	1996	1995
<S>	<C>	<C>	<C>
Cash flows from operating activities:			
Net loss.....	$(5,249,208)	$(31,589,347)	$(10,292,179)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation.....	17,655,235	16,263,270	13,387,345
Amortization.....	2,591,428	2,082,932	2,381,201
Loss (gain) on disposal of property and equipment.....	(2,632,633)	339,056	466,712
Amortization of original issue discount and deferred debt issuance costs.....	1,966,074	1,496,259	94,351
Amortization of unearned stock compensation, net of recoveries....	228,627	188,580	(436,105)
Consultants' compensation recognized on issuance of stock.....	--	--	63,752
Gain on contract settlement.....	--	--	(855,000)
Write-off of preopening costs, development project costs, land options and deposits & property held for development.....	--	7,054,532	12,104,212
Net loss on investment in unconsolidated subsidiaries.....	505,424	22,436,241	112,250
Minority interest.....	1,404,180	--	--
Decrease in income tax receivable...	--	4,225,047	1,899,459
(Increase) decrease in prepaid expenses.....	(507,361)	88,861	1,634,019
Decrease in notes and accounts receivable, net.....	2,327,826	(147,705)	(4,753,232)
Decrease in deferred income taxes--current.....	3,157,856	2,923,171	(720,628)
Increase in other current assets....	(139,210)	(277,793)	(129,225)
Decrease in net deferred income tax liability--non current.....	(266,759)	(4,173,197)	(1,063,610)
Increase (decrease) in accounts payable.....	(2,251,299)	2,924,820	(389,241)
Increase (decrease) in accrued expenses.....	3,595,066	(4,278,518)	(2,026,436)
Increase in accrued interest.....	888,886	3,487,883	208,449
Increase (decrease) in accrued payroll and related benefits.....	(622,279)	1,255,364	2,236,447
Increase (decrease) in accrued			

progressive gaming liabilities.....	323,634	55,376	(393,866)
Decrease in income taxes payable....	805,716	(228,591)	959,609
Net cash provided by operating activities.....	$23,781,203	$ 24,126,241	$ 15,348,284

</TABLE>

See notes to consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS--(Continued)

<TABLE>
<CAPTION>

	Years ended December 31,		
	1997	1996	1995
<S>	<C>	<C>	<C>
Cash flows from investing activities:			
Proceeds from sale of property and equipment.....	$ 19,895,616	$ 1,436,821	$ 173,389
Acquisitions of property and equipment.....	(37,176,995)	(67,850,010)	(11,396,332)
Acquisitions of gaming license.....	--	(15,250,000)	--
Acquisitions of property held for sale.....	(126,400)	40,437	--
Investments in unconsolidated subsidiaries.....	(260,628)	(651,206)	(6,117,636)
Expenditures for organizational and acquisition cost.....	--	(359)	(80,788)
Expenditures for land options and deposits.....	--	(480,000)	(1,326,130)
Expenditures for development and preopening costs.....	--	(6,554,535)	(130,794)
(Increase) decrease in deposits and other long-term assets.....	(2,920,936)	2,530,873	(1,898,786)
(Increase) decrease in marketable securities.....	(10,629,405)	--	10,244,233
Net cash used in investing activities.....	(31,218,748)	(86,777,979)	(10,532,844)
Cash flows from financing activities:			
Proceeds from issuance of debt or notes payable.....	6,350,000	121,043,749	202,011
Payments of debt issuance costs....	(349,955)	(5,419,575)	(2,000)
Principal payments on notes payable.....	(4,606,480)	(1,010,180)	(1,185,342)
Principal payments on long-term debt.....	(7,515,676)	(48,644,469)	(2,261,096)
Net proceeds from sale of common stock.....	--	14,947	8,320,805
Net proceeds from exercise of employee stock options.....	--	457,734	379,812
Net cash provided by (used in) financing activities.....	(6,122,111)	66,442,206	5,454,190
Net increase (decrease) in cash and cash equivalents.....	(13,559,656)	3,790,468	10,269,630
Cash and cash equivalents, beginning of period.....	34,546,166	30,755,698	20,486,068
Cash and cash equivalents, including restricted cash, end of period.....	$ 20,986,510	$ 34,546,166	$ 30,755,698

</TABLE>

See notes to consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	Years ended December 31,		
	1997	1996	1995
<S>	<C>	<C>	<C>
Interest paid, net of amount capitalized	$29,551,551	$12,379,128	$15,406,868
Income taxes paid, net of refunds	(6,382,324)	(7,604,043)	(4,236,206)
Supplemental schedule of non-cash operating, investing, and financing activities:			
Other current assets	22,315	--	--
Other current liabilities	302,758	--	--
Property and equipment and other asset acquisitions financed with short-term notes payable	--	--	850,208
Property and equipment and other asset acquisitions included in accounts and construction payable and accrued expenses	1,805,945	5,455,469	177,091
Gaming license acquisition financed with long-term debt	--	21,617,612	--
Land acquired through the issuance of common stock	--	--	22,140,969
Property and equipment under capital leases	375,891	81,114	63,632
Property and equipment and property held for sale financed with long-term debt	--	30,728,879	--
Consulting services performed for common stock	--	--	63,752
Common stock granted to officers	--	567,188	101,563
Commitment for land options	$ --	$ --	$ (156,725)

</TABLE>

See notes to consolidated financial statements.

CASINO MAGIC CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of significant accounting policies:

Organization and basis of presentation:

Casino Magic Corp. and Subsidiaries is an international gaming company with operations in Bay Saint Louis, Mississippi ("Casino Magic-BSL"), Biloxi, Mississippi ("Casino Magic-Biloxi"), Bossier City, Louisiana ("Casino Magic-Bossier City"), and the Argentina Province of Neuquen in the cities of Neuquen City and San Martin de los Andes ("Casino Magic-Neuquen").

Unless the context requires otherwise, reference in this Annual Report to the "Company" means Casino Magic Corp. and its relevant subsidiaries, and reference to "Casino Magic" means Casino Magic Corp.

The consolidated financial statements include the accounts of Casino Magic Corp. and its wholly-owned and majority-owned subsidiaries.

All significant intercompany accounts and transactions have been eliminated.

Casino revenues and complimentaries:

In accordance with common industry practice, casino revenues are the net of gaming wins less losses. Revenues exclude the retail value of complimentary rooms, food and beverage furnished gratuitously to customers. The estimated departmental costs of providing rooms is not significant, and the estimated departmental costs of providing food and beverage services are included in casino expense as follows:

<TABLE>

<CAPTION>

	Years Ended December 31,		
	1997	1996	1995
<S>	<C>	<C>	<C>
	$ 21,846,000	$13,838,000	$12,072,000

</TABLE>

Cash and cash equivalents:

For purposes of the consolidated balance sheets and statements of cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Marketable Securities:

The Company holds U.S. agency securities as held to maturity and as such, the investments are recorded at amortized costs, which, based on the short term nature of the investments approximates fair value.

Restricted Funds:

The Louisiana First Mortgage Notes (See Note 8), restrict the use of certain cash amounts. At December 31, 1997, funds relating to the net proceeds from the sale of the Crescent City Queen Riverboat ($11.7 million) are restricted to be used for capital improvements at Casino Magic-Bossier City. The balances that remain in these restricted accounts at December 31, 1997 are shown as restricted marketable securities. At December 31, 1996, funds shown as restricted cash relate to proceeds from the issuance of the Louisiana First Mortgage Notes and were restricted for use in the original construction of the land based pavilion and facilities at Casino Magic-Bossier City.

Property and equipment:

Property and equipment are stated at cost. Depreciation, including amortization of capital leases and leasehold improvements, is computed using the straight-line method. Estimated useful lives for property and

equipment are 15-31 1/2 years for barges and buildings, life of the lease for leasehold improvements and 5-7 years for furniture and equipment.

Normal repairs and maintenance are charged to expense when incurred. Expenditures which materially extend the useful life of capital assets are capitalized.

In June 1997, the Company changed the depreciable lives on the asset categories, land improvements, buildings and improvements, and barges and improvements from originally estimated useful lives of 10 or 15 years to 31 years. The useful lives for these assets originally reflected their tax lives and have been changed to anticipated useful lives. These changes reduced the December 31, 1997, net loss by $859,796 and the loss share by $0.02. Excluding the change in depreciable lives net loss and earnings per share would have been $(6,109,004) and $(0.17), respectively.

Investments in unconsolidated subsidiaries:

Investments in unconsolidated subsidiaries where the Company exercises significant influence are accounted for under the equity method.

Options and land deposits:

The costs of land options are amortized over the life of the option until such time as the option is exercised or considered impaired by Management. As of December 31, 1997, all land options were fully reserved.

Amortization of intangibles:

Deferred charges relating to debt issuance costs and original issue discounts on long-term debt instruments are amortized over the life of the related debt using the effective interest rate method to provide a constant yield.

Included under other long term assets is "Deferred gaming license cost."

Deferred gaming license cost represents the estimated fair value of the Louisiana gaming license, an asset acquired in conjunction with the purchase of Crescent City Development Corporation ("Crescent City" see Note 5). This cost is being amortized on a straight-line basis over twenty-five years, the estimated period to be benefited by the license which commenced at the time gaming operations began in Bossier City.

The costs capitalized to acquire the foreign casino concession agreement are being amortized on a straight-line basis over the twelve-year life of the agreement.

Development and preopening costs:

All internal salary and related costs of the Company's development activities are expensed as incurred. Amounts paid for outside consultants and professional fees are expensed until gaming has been legalized in the jurisdiction, the Company has an approved site and there is a reasonable likelihood that the Company will be granted a gaming license. Preopening costs are capitalized then expensed when the related business commences operations.

Income taxes:

Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Earnings per share:

In February 1997, the Financial Accounting Standards Board issued Statement No. 128 ("FAS 128"), "Earnings Per Share", which simplifies the computation of earnings per share ("EPS"). FAS 128 is effective for financial statements issued for periods ending after December 15, 1997, and requires restatement for all prior period earnings per share data presented. Under FAS 128, the Company computes two earnings per share amounts--basic EPS and EPS assuming dilution. Basic Weighted average number of shares of common stock outstanding for the 1997, 1996 and 1995 periods were 35,662,616, 35,448,068 and 33,260,904 respectively. EPS assuming dilution is based on the weighted average number of shares of common stock outstanding for the periods, including common equivalent shares which reflect the dilutive effect of stock options granted to certain employees and outside directors on various dates through December 31, 1997. Dilutive options that are issued during a period or that expire or are cancelled during a period are reflected in EPS assuming dilution computations for the time they were outstanding during the periods being reported. There were no common equivalent shares for 1997, 1996 and 1995. For the years ended December 31, 1997, 1996 and 1995, the Company had 2,943,535, 2,320,292, and 2,2107,642 options which were considered antidilutive as a result of the exercise price of the options exceeding the average price for the period, or that the Company had a net loss for the period and therefore are not included in the calculation of common stock outstanding.

Certain significant risks and uncertainties:

Gaming regulation licensing. The Company has gaming operations in the United States and abroad that depend on the continued licensability or qualification of the Company and subsidiaries that hold gaming licenses in various jurisdictions. Such licensing and qualifications are reviewed periodically by the gaming authorities in those jurisdictions.

Competition. The gaming industry is extremely competitive and the Company faces competition from new developments in both the United States, specifically on the Mississippi Gulf Coast and in Louisiana, and abroad.

Foreign operations. The Company has investments and net assets of approximately $9 million in gaming operations outside of the United States which are subject to risks associated with the distance of these casino facilities from the Company's executive offices, the stability of the relevant government, regulations imposed by foreign governments, the continued ability to repatriate cash, and currency exchange issues.

Severe weather. The Mississippi Gulf Coast is subject to severe weather,

including hurricanes. Severe weather could cause damage to one or both of the Company's Mississippi casino facilities. The Company maintains insurance against casualty losses resulting from severe weather and against business interruption. Such insurance may not adequately compensate the Company for loss of profits resulting from severe weather.

Construction. Risk include cost overruns, delay in receipt of governmental approvals, shortages in materials or skilled labor, labor disputes, unforeseen environmental or engineering problems, work stoppage, fire and other natural disasters, construction scheduling problems and weather interferences, any of which, if it occurred, could delay construction or result in a substantial increase in costs to the Company.

Pervasiveness of estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial

statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications:

Certain reclassifications have been made to the 1996 and 1995 amounts to conform with the December 31, 1997 presentation.

2. Proposed Merger:

On February 19, 1998, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Hollywood Park, Inc. ("Hollywood"), and Acquisition II, Inc. ("HP") a wholly-owned subsidiary of Hollywood. Under the Merger Agreement, the Company has agreed to merge (the "Merger") with HP. Upon such Merger, the Company shall be the surviving entity and will become a wholly-owned subsidiary of Hollywood. Upon the Merger, the shareholders of the Company will be entitled to receive $2.27 for each share of the Company's stock held.

The Merger is subject to the approval of the Company's shareholders prior to October 31, 1998, and to the approval of the Mississippi Gaming Commission, the Nevada Gaming Commission, and the Louisiana Gaming Control Board. If the Merger Agreement is terminated for certain reasons, the Company will be required to pay Hollywood $3,500,000.

The Merger Agreement restricts the ability of the Company to engage in certain transactions prior to the time of the Merger, except those which are in the ordinary course of business consistent with past practice, unless the Company obtains the consent of Hollywood, which consent may not be unreasonably withheld. The Merger Agreement also imposes limits on the capital expenditures and borrowing which the Company may effect, which are not inconsistent with the Company's current plans.

3. Notes and Accounts Receivable:

Notes and accounts receivable consist of the following:

<TABLE>
<CAPTION>

	December 31,	
	1997	1996
<S>	<C>	<C>
Current:		
Notes receivable	$ 885,995	$ 790,228
Accounts receivable--air charter	156,818	548,239
Accounts receivable--trade	3,601,778	2,505,463
Other	581,376	606,631
	5,225,967	4,450,561
Less allowance for doubtful accounts	1,444,022	1,561,075
Total Notes and Accounts Receivable (current)	3,781,945	2,889,486
Noncurrent:		
Notes receivable	3,385,198	4,119,700

Total Notes and Accounts Receivable.....	$7,167,143	$7,009,186

</TABLE>

Included in notes receivable is a commercial loan in which the Company, through a wholly-owned subsidiary, participated in the initial amount of $5 million. The entire loan amount is $17,500,000. A

consortium of lenders made the loan to the Sisseton-Wahpeton Dakota Nation, a Native American Tribe, for the construction of a casino facility on Tribal land. The term loan is repayable over a sixty-month period beginning February 1997, in monthly installments of $105,230 including principal and interest at a fixed rate of 10% through February 2002.

4. Property and Equipment:

Property and equipment consists of the following:

<TABLE>
<CAPTION>

	December 31,	
	1997	1996
<S>	<C>	<C>
Land and improvements...	$ 85,020,923	$ 67,658,624
Buildings and improvements.....	69,193,225	44,554,665
Barges and improvements.....	57,568,009	55,203,063
Leasehold improvements..	300,801	382,907
Furniture and equipment.....	75,876,943	69,663,192
Construction in progress.....	33,843,154	48,549,525
	321,803,055	286,011,976
Less accumulated depreciation and amortization.....	(57,809,603)	(42,319,405)
	$263,993,452	$243,692,571

</TABLE>

5. Stock Acquisitions:

In May 1996, Casino Magic, through its wholly-owned subsidiary, Jefferson Casino Corporation ("Jefferson Corp") acquired Crescent City Capital Development Corp.("Crescent City") for $50 million plus the assumption of $5.7 million in equipment liabilities. Jefferson Corp paid $15 million in cash at closing and caused Crescent City to issue $35 million of 11.5% secured, three year notes. Crescent City, which was the subject of a plan of reorganization under Chapter 11 of the U.S. Bankruptcy Code, owned the Crescent City Queen riverboat ("Crescent City Riverboat"), gaming and related equipment and surveillance equipment and a license to conduct riverboat gaming operations in Louisiana. Crescent City emerged from the Bankruptcy proceedings as Casino Magic of Louisiana Corp. ("Casino Magic-Bossier City"). The Company is using Casino Magic-Bossier City's gaming license in Bossier City, Louisiana, where it currently owns 23 acres of land. Although Jefferson Corp. was required to purchase the Crescent City Riverboat to obtain the Louisiana gaming license, the Crescent City Riverboat could not be used at Casino Magic-Bossier City because of its width. Therefore, the Company purchased a casino riverboat (the "Bossier Riverboat") for use at Casino Magic-Bossier City for $20 million. The Crescent City Riverboat, was sold and the proceeds will be used to assist in the funding of the pavilion expansion and construction of a hotel at Casino Magic-Bossier City.

No assurances can be given that the proceeds from the sale of the Crescent City Riverboat and the cash flow from the operations of Casino Magic-Bossier City will be sufficient to complete such hotel and related facilities.

6. Dispositions:

In September 1997, the Company sold the Crescent City Riverboat for $11.7 million. Other income for the period ended December 31, 1997, includes the gain on the sale of $1.4 million. The proceeds from the sale are restricted by the Indenture governing the $115 First Mortgage Notes issued by Casino Magic-Bossier City. The

Indenture restriction requires the proceeds from the sale of the Crescent City Riverboat to be used for capital improvements at the Casino Magic-Bossier City facility or returned to the Indenture trustee.

On June 1, 1997, the Company sold a 49% interest in its wholly-owned subsidiary, Casino Magic Neuquen S.A., for $7.0 million. The Company retained a controlling interest in Casino Magic-Neuquen and manages its two facilities located in Neuquen City and San Martin de Los Andes, Argentina for a fee equal to two percent of Casino Magic-Neuquen's gross monthly revenues. The gain of $1.3 million is recorded in other income.

At September 30, 1996, management determined that its 49% equity investment in Porto Carras Casino S.A., and notes and accounts receivable relating to unpaid management fees and royalties were impaired. Because of this impairment, management wrote off its investment in such gaming facilities in Porto Carras, Greece, ("Porto Carras") and all unpaid notes and receivables related thereto. The total charge recorded relating to the write off of Porto Carras was $26.1 million. Management's decision was based, primarily, on the results from Porto Carras after the opening of a competing casino. Although the Company anticipated some revenue loss as a result of this increased competition, the actual effects were much greater than anticipated and resulted in a $2.0 million loss from operations at Porto Carras for the month of September 1996. Despite new marketing and cost containment efforts, these losses continued; furthermore, the majority owner in Porto Carras venture was unwilling or unable to advance any funds to the operation. Additionally, the majority owner informed the Company that it did not intend to operate a substantial portion of the Porto Carras resort area, consisting of two hotels and amenities, during the 1997 season. These factors, among others, led to the Company's decision to write off its investment in Porto Carras and led to the sale of Porto Carras, for a nominal amount in December 1996.

7. Notes and Contracts Payable:

Short-term notes and contracts payable consist of the following:

<TABLE>
<CAPTION>

	December 31,	
	1997	1996
<S>	<C>	<C>
Construction contracts (a)	$ 382	$4,540,434
Other (b)	305,543	168,169
	$305,925	$4,708,603

</TABLE>

(a) Consists of various payables relating to both fixed and cost plus contracts.

(b) In 1997, the balance consisted of five notes payable. The detail of these notes is as follows: (i) $199,763 equipment, payable in monthly installments of $15,814. (ii) $164,989 note collateralized by equipment, payable in monthly installments of $14,892. (iii) three notes totaling $12,000 collateralized by equipment, payable in total monthly installments of $500.

8. Long-Term Debt:

Long-term debt, including capital lease obligations, consists of the

following:

	December 31,	
	1997	1996
<S>	<C>	<C>
Notes payable, bank(a)	$ 8,170,063	$ 9,585,130
Equipment contracts(b)	2,099,465	622,274
Notes payable, land(c)	2,052,569	3,470,415
Other(d)	920,422	308,514
Capital lease obligations (Note 9)	726,018	1,207,986
Louisiana First Mortgage Notes(e)	115,000,000	115,000,000
First Mortgage Notes(f)	135,000,000	135,000,000
Unamortized original issue discount	(1,906,373)	(2,284,450)
	262,062,164	262,909,869
Less current maturities	(8,590,945)	(4,648,638)
	$253,471,219	$258,261,231

(a) Consists of four notes payable to banks. The detail of these notes is as follows: (i) Original balance of $3,000,000 uncollateralized promissory note, payable in monthly installments of interest only through July 1996; thereafter, principal and interest based on a 60 month amortization through February 2000. The promissory note bears interest at prime plus 1% (9.5% at December 31, 1997) throughout the life of the note with a final balloon payment of $305,243 due in February 2000. (ii) Original balance of $1,700,000 note collateralized by gaming equipment. Payments of principal and interest based on a 36 month amortization through May 1998. The note bears interest at prime plus .25%. (8.75% at December 31, 1997) with a final balloon payment of $1,065,807 due in May 1998. (iii) Original balance of $3,850,000 note collateralized by the equipment. The note is payable in 10 quarterly payments of $385,000, including interest at 8.25%. (iv) Original balance of $2,500,000 uncollateralized line of credit due in March 1998 bearing interest at prime plus 1/4% (8.75% at December 31, 1997). In March 1998 this note was refinanced to a term loan payable in eighteen monthly installments of $142,760 bearing interest at 8.75%.

During 1997 the Company was not in compliance with certain debt covenants relating to notes (iii) and (iv). The Company has received a waiver of the covenants at December 31, 1997, and has restructured these covenants to allow the Company to maintain compliance.

(b) Consists of two notes payable collateralized by equipment. The detail of these notes is as follows: (i) Original balance of $946,005 note payable in eleven monthly payments of $78,833, including interest at prime plus 3%. (11.5% at December 31, 1997) with final balloon payment due at term of note. (ii) Original balance of $1,075,740 note collateralized by equipment, payable in twenty-three monthly payments of $44,823, including interest at prime plus 1%. (9.50% at December 31, 1997) with final balloon payment due at term of note. In March 1998 these notes were refinanced to a term loan payable in twenty-three monthly installments of $93,465 bearing interest at 10.5% with a final balloon payment of $101,319 due in March 2000.

(c) Consists of three notes payable for land acquisitions. The detail of the three notes is as follows: (i) Original balance of $700,000 note payable in monthly installments of $14,959 including interest at prime plus 2% (10.50% at December 31, 1997), through April 1999. (ii) Original balance of $870,942 note payable in monthly installments of $12,134 including interest at 8% through July 2003. (iii) Original

balance of $3,000,000 note payable in monthly installments of $111,699 including interest at 8.75% through November 1998.

(d) Consists of various collateralized notes payable through the year 2004. The interest rates on these notes vary from 9.5% to 13.25% at fixed rates.

(e) On August 22, 1996, a wholly owned subsidiary of the Company, Casino Magic-Bossier City, sold $115,000,000 aggregate principal amount of 13%, First Mortgage Notes securities due in 2003 ("Louisiana First Mortgage Notes").

Contingent Interest is payable on the Louisiana First Mortgage Notes, on each interest payment date, in an aggregate amount equal to 5% of Casino Magic-Bossier City's Adjusted Consolidated Cash Flow (as defined in the Louisiana First Mortgage Notes Indenture ("Louisiana Indenture") for the Accrual Period (as defined in the Louisiana Indenture, but generally a six month period) last completed prior to such interest payment date; provided that no Contingent Interest is payable with respect to any period prior to the Commencement Date (as defined in the Louisiana Indenture). Payment of all or a portion of any installment of Contingent Interest may be deferred, at the option of Casino Magic-Bossier City, if, and only to the extent that, (i) the payment of such portion of Contingent Interest will cause Casino Magic-Bossier City's Adjusted Fixed Charge Coverage Ratio (as defined in the Louisiana Indenture) for Casino Magic-Bossier City's most recently completed Reference Period prior to such interest payment date to be less than 1.5 to 1.0 on a pro forma basis after giving effect to the assumed payment of such Contingent Interest and (ii) the principal amount of the Louisiana First Mortgage Notes corresponding to such Contingent Interest has not then matured and become due and payable (at stated maturity, upon acceleration, upon redemption, upon maturity of a repurchase obligation or otherwise). The aggregate amount of Contingent Interest payable in any Semiannual Period will be reduced pro rata for reductions in the outstanding principal amount of notes prior to the close of business on the record date immediately preceding such payment of Contingent Interest. During 1997, the Company accrued $677,251 of contingent interest, none of which was paid.

The Louisiana First Mortgage Notes are secured by a first priority security interest, subject to permitted liens, in substantially all of the existing and future assets of Bossier City, including the Bossier Riverboat and substantially all of the other assets that comprise Casino Magic-Bossier City.. The Jefferson Guarantee will be secured by a pledge of all of the capital stock of Jefferson Casino Corp., a wholly owned subsidiary of the Company.

Casino Magic-Bossier City has contractually committed to apply net proceeds from the asset sale of the Crescent City Riverboat to the construction of an entertainment facility or hotel.

The Louisiana First Mortgage Notes are governed by the Louisiana Indenture. The Louisiana Indenture pursuant to which the Louisiana First Mortgage Notes have been issued contains certain covenants that will limit the ability of Casino Magic-Bossier City and its subsidiaries to, among other things, incur additional indebtedness and issue preferred stock, pay dividends, make investments or make other restricted payments, incur liens, enter into mergers or consolidations, enter into transactions with affiliates or sell assets.

The proposed Merger (See Note 2), if effected, is a Change of Control as defined in the Louisiana Induenture. Upon a Change of Control, each holder of Louisiana First Mortgage Notes will have the right to require Casino Magic-Bossier City to repurchase all or any part of the Louisiana First Mortgage Notes at a price in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, thereon to the date of repurchase. Within 30 days following any Change of Control, the Company will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase the Louisiana First Mortgage Notes pursuant to the procedures required by the Louisiana Indenture and described in such notice.

The Louisiana First Mortgage Notes are redeemable at the option of the Company. The redemption amounts are as follows:

<TABLE>

<S>	<C>
August 15,	
2000	106.500%
2001	104.332%
2002	102.166%

</TABLE>

(f) On October 14, 1993, a wholly owned indirect subsidiary of the Company, Casino Magic Finance Corp. ("Finance Corp."), sold $135,000,000 in aggregate principal amount of 11 1/2% First Mortgage Notes due in 2001 (the "Finance Notes") and warrants to purchase 810,000 shares of Casino

Magic Corp. common stock. Proceeds from the Notes were allocated by the underwriter between the Finance Corp. and the Company based on the estimated fair market value at the time of issuance of the Finance Notes and the warrants in the amounts of $131,760,000 and $3,240,000 ($4 per warrant), respectively. The value of the warrants is treated as original issue discount for financial statement purposes, and is reflected in the balance sheet net of amortization as an adjustment to the carrying value of long-term debt. The Finance Notes are governed by an Indenture (the "Indenture") entered into on the same date between Finance Corp., the Company and IBJ Schroder Bank & Trust Company as the Trustee. Under Section 4.10 of the Indenture, the Company's ability to pay dividends on its common stock is restricted to an amount which is determined under a formula based primarily on the Company's future income, and is precluded upon the occurrence of an "Event of Default" as defined under the Indenture. Events of Default include, among other things, the failure to pay the interest or principal due on the Finance Notes, the entry of a judgment in excess of $10,000,000 against the Company or Casino Magic-BSL, Casino Magic-Biloxi and Finance Corp., which is not discharged within 60 days after entry, and the default by the Casino Magic or Casino Magic-BSL, Casino Magic-Biloxi and Finance Corp. under indebtedness due to third parties. The Indenture also contains certain covenants that restrict, among other things, the making of certain investments, payments of dividends and other distributions, the incurrence of additional indebtedness and future guarantees of indebtedness, certain transactions with shareholders and affiliates, certain mergers and consolidations, certain asset sales and the creation of certain liens. The Finance Notes are secured by a pledge of the stock of Finance Corp., Bay Saint Louis and Biloxi along with the accounts receivable, inventories, property and equipment, property held for development and deposits of Casino Magic-BSL and Casino Magic-Biloxi.

The Merger (See Note 2) if completed would constitute a Change in Control under the Finance Notes Induenture. If there is a decrease by one or more gradations by a rating agency within 90 days of the public notice of the Merger (February 19, 1998) would required Finance Corp to make an offer to the holders of the Finance Notes to redemm them at a price equal to 101% of the principal balance together with accrued and unpaid interest. The offer would be required to be made, if at all, within 30 days after the Change of Control.

The Finance Notes are redeemable at the option of the Company. The redemption amounts are as follows:

<TABLE>

<S>	<C>
October 15,	
1997	105.750%
1998	103.833%
1999	101.917%
2000 and thereafter	100.000%

</TABLE>

Maturities of the Company's long-term debt, including capital lease obligations, as of December 31, 1997, are as follows:

<TABLE>
<CAPTION>

<S>	Year ending December 31, <C>
1998	$ 8,590,945
1999	3,503,955
2000	1,017,061
2001	250,963
2002	135,273,782
Thereafter	115,331,829
	263,968,535
Unamortized Original Issue Discount	(1,906,371)
	$262,062,164

</TABLE>

9. Lease commitments:

The Company has long-term lease agreements for land for the site of Casino Magic-Biloxi and additional land at Casino Magic-BSL. The Casino Magic-Biloxi land is classified as an operating lease. The annual rental payments for the initial five-year term of the Casino Magic-Biloxi land lease began June 5, 1993, and are $550,000, $250,000, $450,000, $450,000 and $200,000 for the first through fifth year. The land lease contains seventeen, five-year renewal options at contractually higher rentals, plus inflation adjustments not to exceed 4.5% per year.

On June 4, 1993, the Company entered into a long-term agreement with the State of Mississippi to lease 283,217 square foot of submerged lands or tidelands for Casino Magic-Biloxi. The initial lease term expires May 31, 2003, with one five year extension. Annual rental payments are due in advance on the first of June in the amount of $595,000, plus an annual increase of $45,000 for the first five years. In May 1998 the lease amount will be determined under Mississippi law regarding the leasing of public trust tidelands.

The following is a schedule of future minimum lease payments for capital and operating leases (with initial or remaining terms in excess of one year) as of December 31, 1997:

<TABLE>
<CAPTION>

	Year ending December 31,	
	Capital Leases	Operating Leases
<S>	<C>	<C>
1998	$192,065	$1,479,257
1999	207,325	1,164,357
2000	153,856	1,026,287
2001	20,348	782,454
2002	22,007	775,000
Thereafter	130,417	4,650,000
Total minimum lease payments	726,018	$9,877,355
Less amount representing interest (9% to 13%)	145,059	
Present value of net minimum capital lease payments	$580,959	

</TABLE>

Rent expense for all non-cancelable operating leases were $3,644,000 $1,800,000, and $3,048,000 for the years ended December 31, 1997, 1996 and 1995, respectively.

10. Other Commitments and Contingencies:

Ongoing legal proceedings:

A class action lawsuit was filed on April 26, 1994, in the United States District Court, Middle District of Florida (the "Poulos Lawsuit"), naming as defendants 41 manufacturers, distributors and casino operators of video poker and electronic slot machines, including the Company. The lawsuit alleges that such defendants have engaged in a course of fraudulent and misleading conduct intended to induce people to play such games based on a false belief concerning the operation of the gaming machines, as well as the extent to which there is an opportunity to win. The suit alleges violations of the Racketeer Influenced and Corrupt Organization Act, as well as claims of common law fraud, unjust enrichment and negligent misrepresentation, and seeks damages in excess of $6 billion. On May 10, 1994, a second class action lawsuit was filed in the United States District Court, Middle District of Florida (the "Ahern Lawsuit"), naming as defendants the same defendants who were named in the Poulos Lawsuit and adding as defendants the owners of certain casino operations in Puerto Rico and the Bahamas, who were not named as defendants in the Poulos Lawsuit. The claims in the Ahern Lawsuit are identical to the claims in the Poulos Lawsuit. Because of the similarity of parties and claims, the Poulos Lawsuit and Ahern Lawsuit were consolidated into one case file in the United States District Court, Middle District of Florida. On December 9, 1994 a motion by the defendants for

change of venue was granted, transferring the case to the United States District Court for the District of Nevada, in Las Vegas. In response to a motion to dismiss the Complaint brought by the Company and other defendants, the United States District Court for the District of Nevada entered an order dated April 17, 1996, granting the motions and dismissing the complaint without prejudice.

The plaintiffs then filed an amended Complaint on May 31, 1996, in which the plaintiffs sought damages against the Company and other defendants in excess of $1 billion and punitive damages for violations of the Racketeer Influenced and Corrupt Organizations Act and for state common law claims for fraud, unjust enrichment and negligent misrepresentation. The Company and other defendants have moved to dismiss the amended Complaint. The Company believes that the claims are without merit and does not expect that the lawsuit will have a material adverse effect on the financial condition or results of operations of the Company.

On or about September 6, 1996, Casino America, Inc. commenced litigation in the Chancery Court of Harrison County, Mississippi, Second Judicial District, against the Company, and James Edward Ernst, its Chief Executive Officer (collectively "Defendants"), seeking injunctive relief and unspecified compensatory damages in an amount to be proven at trial as well as punitive damages. Plaintiff claims, among other things, that Defendants (i) breached the terms of an agreement they had with Plaintiff, (ii) tortiously interfered with certain business relations of plaintiff; and (iii) breached covenants of good faith and fair dealing they allegedly owed to plaintiff. On or about October 8, 1996, Defendants interposed an answer to plaintiff's complaint denying the allegations contained in the complaint. The discovery phase of this litigation is continuing and a trial date has been set for August 1998. While the Company's management cannot predict the outcome of this action, management believes plaintiff's claims are without merit and the Company intends to vigorously defend this action.

In addition, the Company is a litigant in legal matters arising in the normal course of business. In the opinion of management, all such pending legal matters are either adequately covered by insurance, or if not insured, will not have a material adverse effect on the financial position or results of operations of the Company.

Contractual agreements:

Argentina. In December 1994, the Company, through its wholly-owned subsidiary, Casino Magic-Neuquen, entered into a 12-year concession agreement with the Province of Neuquen, Argentina. Casino

Magic-Neuquen which began operations in January 1995 operates two casinos in the Province of Neuquen in the cities of Neuquen City and San Martin de los Andes. The Company has unrestricted rights to increase the number of gaming positions at both locations.

Camptown Greyhound Racing, Inc. On July 7, 1994, the Company and Alliance Gaming Corp. (formerly United Gaming) formed two joint ventures ("KGP" and "KFP") to lend Camptown Greyhound Racing, Inc. ("Camptown') approximately $3.2 million. On October 28, 1994, KFP executed a loan agreement with Boatmen's Bank of Kansas City ("Boatmen's") whereby Boatmen's lent $3.2 million to Camptown. KFP had collateralized the loan with a $3.1 million certificate of deposit (one-half funded by each party to the joint venture) and, in addition, guaranteed the repayment of the loan. In January 1996, Camptown filed for protection under Chapter 11 of U.S. Bankruptcy Code. The Company's $1,580,000 share of the amount lent by KFP to Camptown was expensed in 1995.

In January 1997, the Company transferred all of its interest in KGP and KFP to Alliance Gaming Corp., an unrelated third party, except for a deminimus interest. The consideration for the transfer was Alliance Gaming Corp.'s agreement to assume certain current financial obligations and to repay the Company all of its cost in the project if they are successful in commencing gaming operations at Camptown.

Indiana. The Company, through its wholly owned subsidiary, Crawford County Casino, Corp. ("Indiana Corp.") is one of two applicants for the tenth gaming license expected to be issued in the State of Indiana. If successful in obtaining this gaming license, the Company has entered into an option agreement to sell to Harrah's Operating Company the common stock of Indiana Corp. for approximately $5.0 million. The option expires on January 2001. The Company can give no assurances that a gaming license will be obtained in Indiana. All land

options held by Indiana Corp. associated with a possible gaming site are fully reserved at December 31, 1997.

Land Acquisitions.

In 1993, the Company exercised its option to purchase of approximately 3.5 acres of unimproved land in downtown St. Louis, Missouri at a cost of approximately $4,000,000. At December 31, 1997, approximately $4,000,000 is included in property held for sale related to this transaction.

In 1994, the Company exercised an option and to purchase additional real estate located in Downtown St. Louis, Missouri at a cost of approximately $800,000. At December 31, 1997, approximately $800,000 is included in property held for sale related to this transaction.

In 1992, the Company purchased real estate located in downtown Bay Saint Louis, Mississippi at a cost of approximately $1,200,000. At December 31, 1997, the Company had written down the value of the property to $800,000 and this value is included in property held for sale.

The Company had acquired land and options to purchase land in order to enhance the Company's developmental and licensing procurement potential in various States. Management has significantly reduced its development of new gaming venues and because of this all land options are reserved for on the Company's financial statements at December 31, 1997.

11. Stock and employee benefit plans:

Incentive stock option plan:

In 1992, the Company adopted an incentive stock option plan (the "Plan") in which directors, officers, and key employees of the Company participate. The Company has registered 3,700,000 shares of the Company's common stock currently authorized for issuance under the Plan pursuant to stock options.

In October 1995, the FASB issued Statement of Financial Accounting Standards No. 123 ("SFAS 123"), "Accounting for Stock-Based Compensation," effective in 1996. Under SFAS 123, companies can either record expense based on the fair value of stock based compensation upon issuance or elect to remain under the current "APB Opinion No. 25" method whereby no compensation cost is recognized upon grant if certain requirements are met. The Company is continuing to account for its stock-based compensation plans under APB Opinion No. 25. However, pro forma disclosures as if the Company adopted the cost recognition requirements under SFAS 123 are presented below.

A summary of the status of the Company's stock options, non-qualified options, and warrants as of December 31, 1997, 1996 and 1995 and changes during the years ended on those dates is presented below (shares in thousands):

<TABLE>
<CAPTION>

	December 31,					
	1997		1996		1995	
	Weighted Average		Weighted Average		Weighted Average	
	Shares	Exercise Price	Shares	Exercise Price	Shares	Exercise Price
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Outstanding at beginning of year	4,200	$ .67	5,108	$ 7.60	4,943	$7.42
Granted	400	$1.69	1,998	$ 3.56	950	$5.06
Exercised	(239)	$1.59	(424)	$ 1.72	(344)	$1.43
Canceled	(915)	$2.23	(2,482)	$12.00	(441)	$4.61
Outstanding at end of year	3,446	$3.96	4,200	$ 3.67	5,108	$7.60
Options exercisable at end of year	1,985	$3.96	2,655	$ 3.11	3,072	$9.12
Options available for future grants	2,582		2,068		1,583	
Weighted average fair value of options granted during the						

year.....	$1.69	$1.11	$1.28

</TABLE>

The following table summarizes information about stock options and warrants outstanding at December 31, 1997:

<TABLE>
<CAPTION>

Options Outstanding			Options Exercisable	
Exercise Price	Number Outstanding at 12/31/97	Wgtd. Avg. Remaining Contr. Life	Wgtd. Avg. Exercise Price	Number Exercisable at 12/31/97	Wgtd. Avg. Exercise Price
<S>	<C>	<C>	<C>	<C>	<C>
$ 1.69.....	399,500	4.77	1.69	15,000	$ 1.69
2.75.....	980,000	0.81	2.75	980,000	2.75
3.50.....	150,000	4.56	3.50	30,000	3.50
3.63.....	1,288,200	3.70	3.63	575,375	3.63
3.75.....	3,000	4.66	3.75	600	3.75
5.81.....	200,000	4.48	5.81	200,000	5.81
7.20.....	69,100	1.30	7.20	69,100	7.20
7.35.....	50,000	1.88	7.35	50,000	7.35
15.30.....	200,000	6.30	15.30	60,000	15.30
Totals.....	3,339,800	3.15	$ 3.96	1,980,075	$ 3.96

</TABLE>

Had compensation cost for the Company's 1997, 1996 and 1995 grants for stock-based compensation plans been determined consistent with SFAS 123, the Company's net income and net earnings (loss) per common share for the years ended December 31, 1997, 1996 and 1995 would approximate the pro forma amounts below (in thousands, except per share data):

The fair value of each option granted during the periods presented is estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 20%, (3) risk-free interest rates of 5.2%, 5.26%, 5.47% and 5.5%, and (4) expected life of 2.25, 4.5, 6.75, and 9 years.

<TABLE>
<CAPTION>

	December 31,					
	1997		1996		1995	
	As Reported	Pro Forma	As Reported	Pro Forma	As Reported	Pro Forma
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net Income (Loss).....	$(5,249)	$(5,958)	$(31,589)	$(32,563)	$(10,292)	$(10,660)
Earnings per common share						
Basic.....	$ (0.15)	$ (0.17)	$ (0.89)	$ (0.92)	$ (0.31)	$ (0.32)
Diluted.....	$ (0.15)	$ (0.17)	$ (0.89)	$ (0.92)	$ (0.31)	$ (0.32)

</TABLE>

The effects of applying SFAS 123 in this pro forma disclosure are not indicative of future amounts. SFAS 123 does not apply to awards prior to 1995, and additional awards in future years are anticipated.

Pensions and other benefits:

In July 1993, the Company adopted The Casino Magic Corp. 401(k) Plan (the "401(k) Plan"), a defined contribution plan covering all eligible employees of the Company who have one year of service and are age twenty-one or older. The 401(k) Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Each year, participants may contribute up to 15% of pretax annual compensation, as defined in the 401(k) Plan. The Company's matching and/or additional contributions may be contributed at the discretion of the Company's Board of Directors. The Company's contributions to the 401(k) Plan are allocated to employed participants' accounts as of the last day of the plan year. Total employer contributions to the 401(k) Plan at December 31,

1997, 1996 and 1995 were approximately $201,000, $176,000, and $177,000, respectively.

12. Write-off of capitalized costs relating to inactive developments:

In 1995, the Company decided to terminate development efforts with respect to specific properties and jurisdictions. Because of this determination, significant capitalized amounts relating to land, land options, joint ventures and construction projects were written-off or revalued. In addition, certain consulting agreements that were entered into to pursue gaming opportunities in new jurisdictions were terminated. The amount expensed in the fourth quarter of 1995 was $14,542,164.

13. Advertising:

The company expenses all production and communication costs of advertising as incurred. Advertising expense was approximately $7,815,000, $5,470,000, and $4,472,000 for years ended December 31, 1997, 1996, and 1995, respectively.

14. Related Party Transactions:

During the years ended December 31, 1997, 1996, and 1995, the Company incurred $7,247, $1,346,861 and $353,888, respectively, for architectural and design services provided by an architectural firm that is wholly-owned by an outside director and shareholder of the Company. The director resigned in October 1996.

During the years ended December 31, 1997, 1996, and 1995, the Company incurred $145,744, $154,028 and $388,944, respectively, for legal services provided by a law firm in which an outside director of the Company is a shareholder.

During the year ended December 31, 1996 and 1995, the Company incurred $219,800, and $387,422, respectively, for charter plane rentals provided by a company that is wholly owned by the Company's Chairman.

The Company purchased a jet airplane in February 1996 from the Company's Chairman. The Company paid $1.7 million for the airplane which approximated fair value at the date of purchase. The plane was sold in February 1997 to an unrelated third party for $1.4 million, which approximated fair value.

15. Income taxes:

Pretax financial income (loss) generated from domestic and foreign sources was as follows:

<TABLE>
<CAPTION>

	December 31,		
	1997	1996	1995
<S>	<C>	<C>	<C>
Domestic	$(12,132,945)	$(15,322,992)	$(15,336,975)
Foreign	4,948,737	(20,942,537)	1,813,932
Total pretax loss	$ (7,184,208)	$(36,265,529)	$(13,523,043)

</TABLE>

Provision (benefit) for income taxes for the years ended December 31 are as follows:

<TABLE>
<CAPTION>

	December 31,		
	1997	1996	1995
<S>	<C>	<C>	<C>
Federal and state current	$(2,733,203)	$(4,253,704)	$(2,546,443)
Foreign current	1,064,963	827,548	1,099,816
Federal deferred	(266,760)	(1,250,026)	(1,221,514)
Foreign deferred	--	--	(562,723)

Total	$(1,935,000)	$(4,676,182)	$(3,230,864)

Components of deferred tax liabilities (assets) are as follows:

	December 31,	
	1997	1996
Depreciation and amortization	$ 12,154,826	$ 9,535,121
Foreign source income	257,949	257,949
Gross deferred tax liabilities	12,412,775	9,793,070
Write-off of preopening costs	(1,781,870)	(2,493,074)
Tax benefits related to non-statutory stock Options	(504,000)	(504,000)
Accrued employee benefits and liabilities	(1,428,370)	(1,433,067)
Abandoned development projects	(1,515,657)	(10,229,821)
Net operating loss carry-forward	(21,299,675)	(2,269,344)
Other	(902,737)	(798,293)
Gross deferred tax assets	(27,432,309)	(17,727,599)
Less valuation allowance	15,019,534	8,201,290
Net deferred tax liabilities	$ --	$ 266,761

The provision for income taxes differs from the amount of income tax determined by applying the applicable U.S. statutory federal income tax rate to pre-tax income from continuing operations as a result of the following differences:

	December 31,		
	1997	1996	1995
Statutory U.S. tax rate (35%)	$(2,023,010)	$(12,692,935)	$(4,733,065)
Increase (decrease) in rates resulting from:			
Expenses which were non-deductible for tax purposes	1,299,010	357,805	733,876
Expenses which were deductible for tax purposes and not book	(6,988,244)	--	--
Foreign taxes	1,064,963	827,548	1,099,816
Valuation allowance	6,818,244	8,201,290	--
State tax benefit	--	(802,174)	--
Other	(2,105,996)	(567,716)	(331,491)
Effective tax rate (33%), (13%) and (24%), respectively	$(1,935,000)	$ (4,676,182)	$(3,230,864)

The valuation allowance against net deferred tax assets was recorded in recognition of the significant operating losses incurred by the Company for the last three years.

Mississippi State taxes were offset by a tax credit for state gaming taxes based on gross revenues realized by Casino Magic-BSL and Casino Magic-Biloxi. The credit is the lesser of the annual total gaming taxes paid or the state income tax. Credit carry-forwards are not permitted.

Louisiana State taxes do not allow for an offset of state gaming taxes

based on gross revenues realized by Louisiana.

16. Fair value of financial instruments:

The carrying amounts and fair values of the Company's financial instruments at December 31, 1997 are as follows:

<TABLE>
<CAPTION>

	Carrying Amount	Fair Value
	(in thousands)	
<S>	<C>	<C>
Cash and cash equivalents	20,902	20,902
Marketable securities	10,629	10,629
Notes receivable	3,385	3,385
Notes payable and current maturities of long-term debt and long-term debt	262,368	247,568

</TABLE>

The following methods and assumptions were used by the Company in estimating its fair value disclosure:

Cash and cash equivalents, and marketable securities. The carrying amount reported on the consolidated balance sheet approximates its fair value because of the short term nature of these instruments.

Notes receivable. This is a long-term note receivable from an Indian Tribe. The fair value of the note approximates market value based on the interest rate of the note and the collateral securing the note.

Notes payable and current maturities of long-term debt and long-term debt. The fair value of the Company's debt either approximates its carrying value or is based upon the market price of the debt instruments.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

17. Selected quarterly financial information (Unaudited):

<TABLE>
<CAPTION>

	Year ended December 31, 1997				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Totals
	(in thousands, except per share amounts)				
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$65,781	$65,958	$66,495	$63,240	$261,474
Income from operations	1,997	5,927	10,125	6,506	24,555
Income (loss) before tax and minority interest	(5,607)	(1,020)	3,390	(2,543)	(5,780)
Net income (loss)	(3,672)	(1,222)	2,675	(3,030)	(5,249)
Earnings (loss) per share:					
Basic	(0.10)	(0.03)	0.08	(.08)	(0.15)
Diluted	(0.10)	(0.03)	0.08	(.08)	(0.15)

</TABLE>

<TABLE>
<CAPTION>

	Year ended December 31, 1996				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Totals
	(in thousands, except per share amounts)				
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$43,125	42,368	$43,271	$51,514	$180,278
Income from operations	5,565	6,473	5,355	(8,550)	8,843

</TABLE>

Income (loss) before tax.....	2,352	2,456	(26,024)	(15,050)	(36,266)
Net income (loss).....	1,644	1,660	(20,683)	(14,210)	(31,589)
Earnings (loss) per share:					
Basic.....	0.05	0.05	(0.57)	(0.40)	(0.89)
Diluted.....	0.05	0.05	(0.57)	(0.40)	(0.89)

</TABLE>

NOTE: Earnings (loss) per share totals will not necessarily agree to the sum of the quarterly information

We have not authorized any dealer, salesperson or other person to give any information or to make any representations not contained in this prospectus in connection with the exchange offer made by this prospectus and you must not rely on any such information or representations as having been authorized by us. Neither the delivery of this prospectus nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in our affairs since the date as of which information is given in this prospectus. This prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Dealer Prospectus Delivery Obligation

Until June 27, 1999 (90 days after commencement of this offering), all dealers that effect transactions in these securities, whether or not participating in the exchange offer, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to any unsold allotments or subscriptions.

$350,000,000

[LOGO OF HOLLYWOOD PARK, INC.]

HOLLYWOOD PARK, INC.

Offer to Exchange
9 1/4% Senior Subordinated Notes
due 2007

PROSPECTUS

March 29, 1999

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 20. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 145 of the Delaware General Corporation Law ("DGCL") provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director, officer, employee or agent of the corporation or is or was serving at its request in such capacity in another corporation or business association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful.

Section 102(b)(7) of the DGCL permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an

improper personal benefit.

As permitted by Section 102(b)(7) of the DGCL, the Company's Certificate of Incorporation, as amended, includes a provision that limits a director's personal liability to the Company or its stockholders for monetary damages for breaches of his or her fiduciary duty as a director. Article XIII of the Company's Certificate of Incorporation, as amended, provides that no director of the Company shall be personally liable to such Issuer or its stockholders for monetary damages for breach of fiduciary duty to the fullest extent permitted by the DGCL.

As permitted by Section 145 of the DGCL, the Company's Bylaws provide that, to the fullest extent permitted by the DGCL, directors, officers and certain other persons who are made, or are threatened to be made, parties to, or are involved in, any action, suit or proceeding will be indemnified by the Company with respect thereto.

The Company maintains insurance policies under which its directors and officers are insured, within the limits and subject to the limitations of the policies, against expenses in connection with the defense of actions, suits or proceedings, and certain liabilities that might be imposed as a result of such actions, suits or proceedings, to which they are parties by reason of being or having been directors or officers of the Company.

ITEM 21. EXHIBITS

A list of exhibits included as part of the Registration Statement is set forth below:

<TABLE>
<CAPTION>

Exhibit Number	Description of Exhibit
<C>	<S>
2.1	Agreement and Plan of Merger, by and among Hollywood Park, Inc., HP Acquisition, Inc., and Boomtown, Inc., dated April 23, 1996, is hereby incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed May 3, 1996.
2.2	Agreement and Plan of Merger, dated as of February 19, 1998, among Casino Magic Corp., Hollywood Park, Inc. and HP Acquisition II, Inc., is hereby incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed February 26, 1998.
3.1**	Certificate of Incorporation of Hollywood Park, Inc.
3.2**	Restated By-laws of Hollywood Park, Inc.

</TABLE>

<TABLE>
<CAPTION>

Exhibit Number	Description of Exhibit
<C>	<S>
3.3	Certificate of Incorporation of Hollywood Park Operating Company, is hereby incorporated by reference to Exhibit 3.3 to the Company's Form S-4 Registration Statement dated August 27, 1997.
3.4	Amended By-laws of Hollywood Park Operating Company, are hereby incorporated by reference to Exhibit 3.4 to the Company's Form S-4 Registration Statement dated August 27, 1997.
3.5	Certificate of Incorporation of Hollywood Park Fall Operating Company, is hereby incorporated by reference to Exhibit 3.5 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.6	By-laws of Hollywood Park Fall Operating Company are hereby incorporated by reference to Exhibit 3.6 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.7	Articles of Incorporation of Hollywood Park Food Services, Inc., are hereby incorporated by reference to Exhibit 3.7 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.8	By-laws of Hollywood Park Food Services, Inc., are hereby incorporated by reference to Exhibit 3.8 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.9	Articles of Incorporation of HP/Compton, Inc., are hereby incorporated by reference to Exhibit 3.9 to the Company's Amendment No. 1 to Form S-4 Registration dated October 30, 1997.
3.10	By-laws of HP/Compton, Inc., are hereby incorporated by reference to Exhibit 3.10 to the Company's Amendment No. 1 to Form S-4 Registration

Statement dated October 30, 1997.

3.11 Articles of Organization of Crystal Park Hotel and Casino Development Company, LLC, are hereby incorporated by reference to Exhibit 3.11 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

3.12 Operating Agreement of Crystal Park Hotel and Casino Development Company, LLC, are hereby incorporated by reference to Exhibit 3.12 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

3.13 Restated Articles of Incorporation of Turf Paradise, Inc., are hereby incorporated by reference to Exhibit 3.13 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

3.14 By-laws of Turf Paradise, are hereby incorporated by reference to Exhibit 3.14 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

3.15 Certificate of Incorporation of HP Yakama, Inc., is hereby incorporated by reference to Exhibit 3.15 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

3.16 By-laws of HP Yakama, Inc., are hereby incorporated by reference to Exhibit 3.16 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

3.17 Amended and Restated Certificate of Incorporation of Boomtown, Inc., is hereby incorporated by reference to Exhibit 3.17 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

3.18 By-laws of Boomtown, Inc., are hereby incorporated by reference to Exhibit 3.18 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

3.19 Certificate of Amended and Restated Articles of Incorporation of Boomtown Hotel & Casino, Inc., are hereby incorporated by reference to Exhibit 3.19 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.

</TABLE>

<TABLE>
<CAPTION>

Exhibit Number	Description of Exhibit
<C>	<S>
3.20	Revised and Restated By-laws of Boomtown Hotel & Casino, Inc., are hereby incorporated by reference to Exhibit 3.20 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.21	Articles of Incorporation of Bayview Yacht Club, Inc., are hereby incorporated by reference to Exhibit 3.21 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.22	By-laws of Bayview Yacht Club, Inc., are hereby incorporated by reference to Exhibit 3.22 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.23	Certificate of Mississippi Limited Partnership of Mississippi-I Gaming, L.P., are hereby incorporated by reference to Exhibit 3.23 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.24	Amended and Restated Agreement of Limited Partnership of Mississippi-I Gaming, L.P., is hereby incorporated by reference to Exhibit 10.31 to the Company's Quarterly Report on Form 10-Q for quarter ended June 30, 1997.
3.25	Articles of Incorporation of Louisiana Gaming Enterprises, Inc., are hereby incorporated by reference to Exhibit 3.25 to the Company's Amendment No. 1 to Form S-4 Registration Statement dated October 30, 1997.
3.26**	Second Amended and Restated Partnership Agreement of Louisiana-I Gaming, a Louisiana Partnership in Commendam
3.27**	Certificate of Incorporation of HP Yakama Consulting, Inc.
3.28**	By-laws of HP Yakama Consulting, Inc.
3.29**	Articles of Incorporation of Casino Magic Corp.
3.30**	Amended By-laws of Casino Magic Corp.
3.31**	Articles of Incorporation of Casino Magic American Corp.
3.32**	By-laws of Casino Magic American Corp.
3.33**	Articles of Incorporation of Biloxi Casino Corp.
3.34**	By-laws of Biloxi Casino Corp.
3.35**	Articles of Incorporation of Casino Magic Finance Corp.
3.36**	By-laws of Casino Magic Finance Corp.
3.37**	Articles of Incorporation of Casino One Corporation
3.38**	By-laws of Casino One Corporation
3.39**	Articles of Incorporation of Bay St. Louis Casino Corp.
3.40**	By-laws of Bay St. Louis Casino Corp.

3.41** Articles of Incorporation of Mardi Gras Casino Corp.
3.42** By-laws of Mardi Gras Casino Corp.
3.43** Articles of Incorporation of Boomtown Hoosier, Inc.
3.44** By-laws of Boomtown Hoosier, Inc.
3.45** Articles of Organization of Indiana Ventures LLC
3.46** Operating Agreement of Indiana Ventures LLC
3.47** Amended Articles of Incorporation of Switzerland County Development Corp. (f/k/a Conrad (New Zealand) Corporation)
</TABLE>

<TABLE>
<CAPTION>
Exhibit Number | Description of Exhibit

<C> <S>
3.48** By-laws of Switzerland County Development Corp. (f/k/a Conrad (New Zealand) Corporation)
3.49** Amended Articles of Incorporation of Pinnacle Gaming Development Corp.
3.50** By-laws of Pinnacle Gaming Development Corp.
3.51** Articles of Incorporation of HP Casino, Inc.
3.52** By-laws of HP Casino, Inc.
4.1 Hollywood Park 1996 Stock Option Plan is hereby incorporated by reference to Exhibit 10.24 to the Company's Registration Statement on Form S-4 dated September 18, 1996.
4.2** Hollywood Park 1993 Stock Option Plan
4.3 Indenture, dated August 1, 1997, by and among the Company, Hollywood Park Operating Company, Hollywood Park Food Services, Inc., Hollywood Park Fall Operating Company, HP/Compton, Inc., Crystal Park Hotel and Casino Development Company, LLC, HP Yakama, Inc., Turf Paradise, Inc., Boomtown, Inc., Boomtown Hotel & Casino, Inc., Louisiana-I Gaming, Louisiana Gaming Enterprises, Inc., Mississippi-I Gaming, L.P., Bayview Yacht Club, Inc. and The Bank of New York, as trustee, is hereby incorporated by reference to Exhibit 10.37 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997.
4.4* First Supplemental Indenture, dated as of February 5, 1999, to Indenture dated as of August 1, 1997 governing the 9 1/2% Senior Subordinated Notes due 2007, by and among the Company and Hollywood Park Operating Company, as co-issuers, and Bayview Yacht Club, Inc., Boomtown Hotel & Casino, Inc., Boomtown, Inc., Crystal Park Hotel and Casino Development Company, LLC, Hollywood Park Fall Operating Company, Hollywood Park Food Services, Inc., Hollywood Park Operating Company, HP/Compton, Inc., HP Yakama, Inc., Louisiana Gaming Enterprises, Inc., Louisiana-I Gaming, a Louisiana Partnership in Commendam, Mississippi-I Gaming, LP., and Turf Paradise, Inc. as guarantors, and The Bank of New York, as trustee.
4.5 Form of Series B 9 1/2% Senior Subordinated Note due 2007 (included in Exhibit 4.3), is hereby incorporated by reference to the Company's Amendment No. 1 to Registration Statement on Form S-4 dated October 30, 1997.
4.6* Indenture, dated as of February 18, 1999, governing the 9 1/4% Senior Subordinated Notes due 2007, by and among the Company as issuer, and Bay St. Louis Casino Corp., Bayview Yacht Club, Inc., Biloxi Casino Corp., Boomtown Hoosier, Inc., Boomtown Hotel & Casino, Inc., Boomtown, Inc., Casino Magic American Corp., Casino Magic Corp., Casino Magic Finance Corp., Casino One Corporation, Crystal Park Hotel and Casino Development Company, LLC, Hollywood Park Fall Operating Company, Hollywood Park Food Services, Inc., Hollywood Park Operating Company, HP Casino, Inc., HP/Compton, Inc., HP Yakama, Inc., HP Yakama Consulting, Inc., Indiana Ventures LLC, Louisiana Gaming Enterprises, Inc., Louisiana-I Gaming, a Louisiana Partnership in Commendam, Mardi Gras Casino Corp., Mississippi-I Gaming, L.P., Pinnacle Gaming Development Corp., Switzerland County Development Corp., and Turf Paradise, Inc. as initial guarantors, and The Bank of New York, as trustee.
4.7* Form of Series B 9 1/4% Senior Subordinated Note due 2007 (included in Exhibit 4.6).
5** Opinion of Irell & Manella LLP
10.1** Directors Deferred Compensation Plan for Hollywood Park, Inc.
10.2** Aircraft Time Sharing Agreement, dated June 2, 1998, by and between Hollywood Park, Inc. and R.D. Hubbard Enterprises, Inc.
</TABLE>

<TABLE>
<CAPTION>

Exhibit Number	Description of Exhibit
<C>	<S>
10.3	Amended and Restated Disposition and Development Agreement of Purchase and Sale, and Lease with Option to Purchase, dated August 2, 1995, by and between The Community Redevelopment Agency of the City of Compton and Compton Entertainment, Inc., is hereby incorporated by reference to Exhibit 10.16 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1995.
10.4	Guaranty, dated July 31, 1995, by Hollywood Park, Inc., in favor of the Community Redevelopment Agency of the City of Compton, is hereby incorporated by reference to Exhibit 10.17 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1995.
10.5	Assignment, Assumption and Consent Agreement, by and among HP/Compton, Inc., and Crystal Park Hotel and Casino Development Company LLC, Hollywood Park, Inc. and The Community Redevelopment Agency of the City of Compton, dated July 18, 1996, is hereby incorporated by reference to Exhibit 10.20 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1996.
10.6	Operating Agreement for Crystal Park Hotel and Casino Development Company, LLC, a California Limited Liability Company, dated July 18, 1996, effective August 28, 1996, is hereby incorporated by reference to Exhibit 10.24 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1996.
10.7	Lease, by and between Crystal Park Hotel and Casino Development Company, LLC and California Casino Management, Inc., dated December 19, 1997, is hereby incorporated by reference to Exhibit 10.41 to the Company's Annual Report on Form 10-K for the year ended December 31, 1997.
10.8	Addendum to the Lease Agreement dated December 19, 1997, by and between Crystal Park Hotel and Casino Development Company, LLC and California Casino Management, Inc., dated June 30, 1998, is hereby incorporated by reference to Exhibit 10.46 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998.
10.9	Blue Diamond Swap Agreement by and among Boomtown, Inc., Blue Diamond Hotel & Casino, Inc., Hollywood Park, Inc., Edward P. Roski, Jr., IVAC and Majestic Realty Co., dated August 12, 1996, is hereby incorporated by reference to Exhibit 10.22 to the Company's Registration Statement on Form S-4 filed September 18, 1996.
10.10	Stock Purchase Agreement, by and between Hollywood Park, Inc. and Edward P. Roski, Jr., dated August 12, 1996, is hereby incorporated by reference to Exhibit 10.23 to the Company's Registration Statement on Form S-4 filed September 18, 1996.
10.11**	Second Addendum to the Lease Agreement dated December 19, 1997, by and between Crystal Park Hotel and Casino Development Company, LLC and California Casino Management, Inc., dated March 8, 1999.
10.12	Ground Lease, dated October 19, 1993, between Raphael Skrmetta as Landlord and Mississippi-I Gaming, L.P. as Tenant, is hereby incorporated by reference to Exhibit 10.33 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997.
10.13	First Amendment to Ground Lease dated October 19, 1993, between Raphael Skrmetta and Mississippi-I Gaming, L.P., is hereby incorporated by reference to Exhibit 10.34 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997.
10.14	Second Amendment to Ground Lease dated October 19, 1993, between Raphael Skrmetta and Mississippi-I Gaming, L.P., is hereby incorporated by reference to Exhibit 10.35 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997.

</TABLE>

<TABLE>
<CAPTION>

Exhibit Number	Description of Exhibit
<C>	<S>
10.15	Purchase Agreement, dated August 1, 1997, by and among the Company, Hollywood Park Operating Company, Hollywood Park Food Services, Inc., HP/Compton, Inc., Crystal Park Hotel and Casino Development Company, LLC, Hollywood Park Fall Operating Company, HP Yakama, Inc., Turf Paradise, Inc., Boomtown, Inc., Boomtown Hotel & Casino, Inc., Louisiana Gaming-I Gaming, Louisiana Gaming Enterprises, Inc., Mississippi-I Gaming, L.P., Bayview Yacht Club, Inc., and the Initial Purchasers named therein, is hereby by incorporated by reference to

Exhibit 10.36 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997.

10.16 Registration Rights Agreement, dated August 1, 1997, by and among the Company, Hollywood Park Operating Company, Hollywood Park Food Services, Inc., HP/Compton, Inc., Crystal Park Hotel and Casino Development Company, LLC, Hollywood Park Fall Operating Company, HP Yakama, Inc., Turf Paradise, Inc., Boomtown, Inc., Boomtown Hotel & Casino, Inc., Louisiana-I Gaming, Louisiana Gaming Enterprises, Inc., Mississippi-I Gaming, L.P., Bayview Yacht Club, Inc., and the Initial Purchasers named therein is hereby incorporated by reference to Exhibit 10.38 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997.

10.17 Profit Participation Agreement, by and between Hollywood Park, Inc., and North American Sports Management, Inc., dated July 14, 1997, is hereby incorporated by reference to Exhibit 10.40 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997.

10.18 Loan Agreement, by and between Yakama Tribal Gaming Corporation and HP Yakama, Inc., dated September 11, 1997, is hereby incorporated by reference Exhibit 10.41 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997.

10.19 Security Agreement, by and between Yakama Tribal Gaming Corporation and HP Yakama, Inc., dated September 11, 1997, is hereby incorporated by reference to Exhibit 10.42 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997.

10.20 Master Lease, by and between The Confederated Tribes and Bands of the Yakama Indian Nation and HP Yakama, Inc., dated September 11, 1997, is hereby incorporated by reference to Exhibit 10.43 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997.

10.21 Sublease, by and between HP Yakama, Inc. and Yakama Tribal Gaming Corporation, dated September 11, 1997, is hereby incorporated by reference to Exhibit 10.44 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997.

10.22 Construction and Development Agreement, by and between Yakama Tribal Gaming Corporation and HP Yakama Consulting, Inc., dated September 11, 1997, is hereby incorporated by reference to Exhibit 10.45 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997.

10.23 Consulting Agreement, by and between Yakama Tribal Gaming Corporation and HP Yakama Consulting, Inc., dated September 11, 1997, is hereby incorporated by reference to Exhibit 10.46 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1997.

10.24 Termination of Consulting Agreement, among Yakama Tribal Gaming Corporation, HP Yakama, Inc., and the Confederated Tribes and Bands of the Yakama Indians, dated January 1, 1998, is hereby incorporated by reference to Exhibit 10.42 to the Company's Annual Report on Form 10-K for the year ended December 31, 1997.

10.25 Voting Agreement, dated as of February 25, 1998, by and between Hollywood Park, Inc., and Marlin F. Torguson, is hereby incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed February 26, 1998.

10.26 Public Trust Tidelands Lease, dated August 15, 1994, by and between the Secretary of State on behalf of the State of Mississippi and Mississippi-I Gaming, L.P., is hereby incorporated by reference to Exhibit 10.43 of the Company's Annual Report on Form 10-K for the year ended December 31, 1997.

</TABLE>

<TABLE>
<CAPTION>

Exhibit Number	Description of Exhibit
<C>	<S>
10.27	Public Trust Tidelands Lease Amendment, dated March 31, 1997, by and between the Secretary of State on behalf of the State of Mississippi and Mississippi-I Gaming, L.P., is hereby incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 1997.
10.28	Option agreement, by and among The Webster Family Limited Partnership and The Diuguid Family Limited Partnership, and Pinnacle Gaming Development Corp., dated June 2, 1998, is hereby incorporated by reference to Exhibit 10.47 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998.
10.29	Memorandum of Option Agreement, by and between the Webster Family Limited Partnership and The Duiguid Family Limited Partnership, and

	Pinnacle Gaming Development Corp., dated June 2, 1998, is hereby incorporated by reference to Exhibit 10.48 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998.
10.30	Amended and Restated Option Agreement, by and among Daniel Webster, Marsha S. Webster, William G. Duiguid, Sara T. Diuguid, J.R. Showers, III and Carol A. Showers, and Pinnacle Gaming Development Corp., dated June 2, 1998, is hereby incorporated by reference to Exhibit 10.49 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998.
10.31	Memorandum of Amended and Restated Option Agreement, by and between Daniel Webster, Marsha S. Webster, William Diuguid, Sara T. Diuguid, J.R. Showers, III and Carol A. Showers, and Pinnacle Gaming Development Corp., dated June 4, 1998, is hereby incorporated by reference to Exhibit 10.50 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998.
10.32	Assignment of Option Agreement, by Daniel Webster and Marsha S. Webster, and Pinnacle Gaming Development Corp., dated June 2, 1998, is hereby incorporated by reference to Exhibit 10.51 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998.
10.33	Amended and Restated Reducing Revolving Loan Agreement, dated October 14, 1998, among Hollywood Park, Inc., and the banks named therein, Societe Generale and Bank of Scotland (as Managing Agents), First National Bank of Commerce (as Co-Agent), and Bank of America National Trust and Savings Association (as Administrative Agent), is hereby incorporated by reference to Exhibit 2 of the Company's Current Report on Form 8-K, filed October 30, 1998.
10.34*	Purchase Agreement, dated February 12, 1999, by and among the Company Bay St. Louis Casino Corp., Bayview Yacht Club, Inc., Biloxi Casino Corp., Boomtown Hoosier, Inc., Boomtown Hotel & Casino, Inc., Boomtown, Inc., Casino Magic American Corp., Casino Magic Corp., Casino Magic Finance Corp., Casino One Corporation, Crystal Park Hotel and Casino Development Company, LLC, Hollywood Park Fall Operating Company, Hollywood Park Food Services, Inc., Hollywood Park Operating Company, HP Casino, Inc., HP/Compton, Inc., HP Yakama, Inc., HP Yakama Consulting, Inc., Indiana Ventures LLC, Louisiana Gaming Enterprises, Inc., Louisiana-I Gaming, a Louisiana Partnership in Commendam, Mardi Gras Casino Corp., Mississippi-I Gaming, L.P., Pinnacle Gaming Development Corp., Switzerland County Development Corp., and Turf Paradise, Inc., and Lehman Brothers, Inc., CIBC Oppenheimer Corp., Morgan Stanley & Co., Incorporated, NationsBanc Montgomery Securities LLC, SG Cowen Securities Corporation, and Wasserstein Perella Securities, Inc., as initial purchasers.
10.35*	Registration Rights Agreement, dated as of February 18, 1999, by and among the Company and Bay St. Louis Casino Corp., Bayview Yacht Club, Inc., Biloxi Casino, Corp., Boomtown Hoosier, Inc., Boomtown Hotel & Casino, Inc., Boomtown, Inc., Casino Magic American Corp., Casino Magic Finance Corp., Casino One Corporation, Crystal Park Hotel and Casino Development Company, LLC, Hollywood Park Fall Operating Company, Hollywood Park Food Services, Inc., Hollywood Park Operating Company, HP Casino, Inc., HP/Compton, Inc., HP Yakama, Inc., HP Yakama Consulting, Inc., Indiana Ventures LLC, Louisiana Gaming Enterprises, Inc., Louisiana-I Gaming, a Louisiana Partnership in Commendam, Mardi Gras Casino Corp., Mississippi-I Gaming L.P. Pinnacle Gaming Development Corp., Switzerland County Development Corp., and Turf Paradise, Inc., and Lehman

</TABLE>

<TABLE>
<CAPTION>

Exhibit Number	Description
<C>	<S>
	Brothers Inc., CIBC Oppenheimer Corp., Morgan Stanley & Co. Incorporated, NationsBanc Montgomery Securities LLC, SG Cowen Securities Corporation and Wasserstein Perella Securities, Inc., as initial purchasers.
10.36**	Employment Agreement, dated December 23, 1998, by and between Hollywood Park, Inc. and G. Michael Finnigan.
10.37**	Employment Agreement, dated September 10, 1998, by and between Hollywood Park, Inc. and Paul Alanis.
10.38**	Employment Agreement, dated September 10, 1998, by and between Hollywood Park, Inc. and Mike Allen.
10.39**	Employment Agreement, dated January 1, 1999, by and between Hollywood Park, Inc. and Donald Robbins.
10.40**	Purchase Agreement, dated as of February 25, 1998, among Hilton Gaming (Switzerland County) Corporation and Boomtown Hoosier, Inc.
12.1*	Calculation of Historical Ratio of Earnings to Fixed Charges
12.2*	Calculation of Pro Forma Ratio of Earnings to Fixed Charges

21.1*	Subsidiaries of Hollywood Park, Inc.
23.1**	Consent of Irell & Manella LLP (included in Exhibit 5).
23.2**	Consent of Arthur Andersen LLP
23.3**	Consent of Ernst & Young LLP
24.1*	Powers of Attorney of officers and directors of Hollywood Park, Inc.
24.2*	Powers of Attorney of officers and directors of Hollywood Park Operating Company
24.3*	Powers of Attorney of officers and directors of Hollywood Park Fall Operating Company
24.4*	Powers of Attorney of officers and directors of Hollywood Park Food Services, Inc.
24.5*	Powers of Attorney of officers and directors of HP/Compton, Inc.
24.6*	Powers of Attorney of directors of HP/Compton, Inc. in the capacity of manager of Crystal Park Hotel and Casino Development Company, LLC
24.7*	Powers of Attorney of officers and directors of Turf Paradise, Inc.
24.8*	Powers of Attorney of officers and directors of HP Yakama, Inc.
24.9*	Powers of Attorney of officers and directors of Boomtown, Inc.
24.10*	Powers of Attorney of officers and directors of Boomtown Hotel & Casino, Inc.
24.11*	Powers of Attorney of officers and directors of Bayview Yacht Club, Inc.
24.12*	Powers of Attorney of directors of Bayview Yacht Club, Inc. in the capacity of General Partner of Mississippi I-Gaming, L.P.
24.13*	Powers of Attorney of officers and directors of Louisiana Gaming Enterprises, Inc.
24.14*	Powers of Attorney of directors of Louisiana Gaming Enterprises, Inc. in the capacity of General Partner of Louisiana I-Gaming, a Louisiana Partnership in Commendam
24.15*	Powers of Attorney of officers and directors of Bay St. Louis Casino Corp.
24.16*	Powers of Attorney of officers and directors of Biloxi Casino Corp.
24.17*	Powers of Attorney of officers and directors of Boomtown Hoosier, Inc.
24.18*	Powers of Attorney of officers and directors of Casino Magic American Corp.
24.19*	Powers of Attorney of officers and directors of Casino Magic Corp.
24.20*	Powers of Attorney of officers and directors of Casino Magic Finance Corp.

Exhibit Number	Description
24.21*	Powers of Attorney of officers and directors of Casino One Corporation
24.22*	Powers of Attorney of officers and directors of HP Casino, Inc.
24.23*	Powers of Attorney of officers and directors of HP Yakama Consulting, Inc.
24.24*	Powers of Attorney of directors of Boomtown Hoosier, Inc. in the capacity of manager of Indiana Ventures LLC
24.25*	Powers of Attorney of officers and directors of Mardi Gras Casino Corp.
24.26*	Powers of Attorney of officers and directors of Pinnacle Gaming Development Corp.
24.27*	Powers of Attorney of officers and directors of Switzerland County Development Corp.
25.1*	Form T-1 Statement of Eligibility and Qualification, under the Trust Indenture Act of 1939, of The Bank of New York, as Trustee
99.1**	Form of Letter of Transmittal
99.2**	Form of Notice of Guaranteed Delivery

* Previously filed

** Filed herewith

ITEM 22. UNDERTAKINGS

1. The undersigned Registrants hereby undertake:

(a)(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11 or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes

information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(c) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

(d) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the Issuers' annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(e) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of an action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(f) The undersigned Registrants hereby undertake to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Trust Indenture Act.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

HOLLYWOOD PARK, INC.,
a Delaware corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
R.D. Hubbard*	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
R.D. Hubbard		
/s/ G. Michael Finnigan	Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		
Michael Ornest*	Director	March 26, 1999
Michael Ornest		
	Director	
J.R. Johnson		
Robert T. Manfuso*	Director	March 26, 1999
Robert T. Manfuso		
Timothy J. Parrott*	Director	March 26, 1999
Timothy J. Parrott		
Lynn P. Reitnouer*	Director	March 26, 1999
Lynn P. Reitnouer		
Warren B. Williamson*	Director	March 26, 1999
Warren B. Williamson		
Herman Sarkowsky*	Director	March 26, 1999
Herman Sarkowsky		
Marlin Torguson*	Director	March 26, 1999
Marlin Torguson		

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on

its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

BAY ST. LOUIS CASINO CORP.,
a Mississippi corporation

/s/ G. Michael Finnigan
By: _____
G. Michael Finnigan
Vice President and Assistant Treasurer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
Marlin F. Torguson*	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
Marlin F. Torguson		
/s/ G. Michael Finnigan	Vice President and Assistant Treasurer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

BAYVIEW YACHT CLUB, INC.,
a Mississippi corporation

/s/ G. Michael Finnigan
By: _____
G. Michael Finnigan
Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
Timothy J. Parrott*	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
Timothy J. Parrott		
Robert F. List*	Director	March 26, 1999
Robert F. List		
/s/ G. Michael Finnigan	Vice President, and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

</TABLE>

*By: /s/ G. Michael Finnigan

G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

BILOXI CASINO CORP.,
a Mississippi corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Assistant Treasurer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
Marlin F. Torguson*	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
/s/ G. Michael Finnigan	Vice President and Assistant Treasurer (Principal Financial and Accounting Officer)	March 26, 1999

</TABLE>

*By: /s/ G. Michael Finnigan

G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

BOOMTOWN, INC.,
a Delaware corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date

Signature	Title	Date
Timothy J. Parrott*	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
Timothy J. Parrott		
Robert F. List*	Director	March 26, 1999
Robert F. List		
/s/ G. Michael Finnigan	Vice President, and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

BOOMTOWN HOOSIER, INC.,
a Nevada corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
Timothy J. Parrott*	Director and President (Principal Executive Officer)	March 26, 1999
Timothy J. Parrott		
Robert F. List*	Director	March 26, 1999
Robert F. List		
/s/ G. Michael Finnigan	Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los

Angeles, State of California on the 26th day of March, 1999.

BOOMTOWN HOTEL & CASINO, INC.,
a Nevada corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Senior Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
Timothy J. Parrott*	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
Timothy J. Parrott		
Robert F. List*	Director	March 26, 1999
Robert F. List		
/s/ G. Michael Finnigan	Senior Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

CASINO MAGIC AMERICAN CORP.,
a Minnesota corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Assistant Treasurer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
Marlin F. Torguson*	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
Marlin F. Torguson		
/s/ G. Michael Finnigan	Vice President and Assistant Treasurer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

</TABLE>

*By: /s/ G. Michael Finnigan

G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

CASINO MAGIC CORP.,
a Minnesota corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Assistant Treasurer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
Marlin F. Torguson*	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
/s/ G. Michael Finnigan	Vice President and Assistant Treasurer (Principal Financial and Accounting Officer)	March 26, 1999

</TABLE>

*By: /s/ G. Michael Finnigan

G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

CASINO MAGIC FINANCE CORP.,
a Mississippi corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Assistant Treasurer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date

Marlin F. Torguson* Marlin F. Torguson	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
/s/ G. Michael Finnigan G. Michael Finnigan	Vice President and Assistant Treasurer (Principal Financial and Accounting Officer)	March 26, 1999

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

CASINO ONE CORPORATION,
a Mississippi corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Assistant Treasurer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
Marlin F. Torguson* Marlin F. Torguson	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
/s/ G. Michael Finnigan G. Michael Finnigan	Vice President and Assistant Treasurer (Principal Financial and Accounting Officer)	March 26, 1999

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

CRYSTAL PARK HOTEL AND CASINO
DEVELOPMENT COMPANY, LLC

By: its Manager
HP/COMPTON, INC.,
a California corporation

/s/ G. Michael Finnigan
By: _____
G. Michael Finnigan
Vice President and Chief
Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
HP/COMPTON, INC.	MANAGER of Crystal Park Hotel & Casino Development Company, LLC	March 26, 1999
R.D. Hubbard*	Director and President of HP/Compton, Inc.	March 26, 1999
R.D. Hubbard		

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

HOLLYWOOD PARK FALL OPERATING COMPANY,
a Delaware corporation

/s/ G. Michael Finnigan
By: _____
G. Michael Finnigan
Executive Vice President,
Treasurer and
Assistant Secretary

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
R.D. Hubbard*	Director and President (Principal Executive Officer)	March 26, 1999
R.D. Hubbard		
Warren B. Williamson*	Director	March 26, 1999
Warren B. Williamson		
/s/ G. Michael Finnigan	Executive Vice President, Treasurer and Assistant Secretary (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

HOLLYWOOD PARK FOOD SERVICES, INC.,
a California corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Executive Vice President,
Treasurer and
Assistant Secretary

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
R.D. Hubbard* R.D. Hubbard	Director and President (Principal Executive Officer)	March 26, 1999
Warren B. Williamson* Warren B. Williamson	Director	March 26, 1999
/s/ G. Michael Finnigan G. Michael Finnigan	Executive Vice President, Treasurer and Assistant Secretary (Principal Financial and Accounting Officer)	March 26, 1999

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

HOLLYWOOD PARK OPERATING COMPANY,
a Delaware corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Executive Vice President,
Treasurer and
Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>

R.D. Hubbard* R.D. Hubbard	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
/s/ G. Michael Finnigan G. Michael Finnigan	Executive Vice President, Treasurer and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999
Warren B. Williamson* Warren B. Williamson	Director	March 26, 1999

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

HP CASINO, INC.,
a California corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
R.D. Hubbard* R.D. Hubbard	President (Principal Executive Officer)	March 26, 1999
Robert F. List* Robert F. List	Director	March 26, 1999
Timothy J. Parrott* Timothy J. Parrott	Director	March 26, 1999
/s/ G. Michael Finnigan G. Michael Finnigan	Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant

has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

HP/COMPTON INC.,
a California corporation

/s/ G. Michael Finnigan
By: _____
G. Michael Finnigan
Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
R.D. Hubbard*	Director and President (Principal Executive Officer)	March 26, 1999
R.D. Hubbard		
/s/ G. Michael Finnigan	Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

HP YAKAMA, INC.,
a Delaware corporation

/s/ G. Michael Finnigan
By: _____
G. Michael Finnigan
Vice President, Treasurer and Assistant Secretary

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
R.D. Hubbard*	Director, President and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
R.D. Hubbard		
Bruce Rimbo*	Director	March 26, 1999
Bruce Rimbo		
/s/ G. Michael Finnigan	Director, Vice President, Treasurer and Assistant Secretary (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

</TABLE>

*By: /s/ G. Michael Finnigan

G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

HP YAKAMA CONSULTING, INC.,
a Delaware corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President, Treasurer and
Assistant Secretary

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
R.D. Hubbard*	Director, President and Chief Executive Officer	March 26, 1999
R.D. Hubbard	(Principal Executive Officer)	
Bruce Rimbo*	Director, Vice President and Secretary	March 26, 1999
Bruce Rimbo		
/s/ G. Michael Finnigan	Director, Vice President, Treasurer and Assistant Secretary (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

</TABLE>

*By: /s/ G. Michael Finnigan

G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

INDIANA VENTURES LLC

By: its Manager
BOOMTOWN HOOSIER, INC.
a Nevada corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Chief
Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment

to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
BOOMTOWN HOOSIER, INC.	MANAGER of Indiana Ventures LLC	March 26, 1999
Timothy J. Parrott*	Director of Boomtown Hoosier, Inc.	March 26, 1999
Timothy J. Parrott		
Robert F. List*	Director of Boomtown Hoosier, Inc.	March 26, 1999
Robert F. List		

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

LOUISIANA GAMING ENTERPRISES, INC.,
a Louisiana corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
Timothy J. Parrott*	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
Timothy J. Parrott		
Robert F. List*	Director	March 26, 1999
Robert F. List		
/s/ G. Michael Finnigan	Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999
G. Michael Finnigan		

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

LOUISIANA-I GAMING, A LOUISIANA PARTNERSHIP IN COMMENDAM

By: its General Partner
LOUISIANA GAMING ENTERPRISES, INC.,
a Louisiana corporation

/s/ G. Michael Finnigan
By: _____
G. Michael Finnigan
Vice President and
Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<C>	<S>	<C>
LOUISIANA GAMING ENTERPRISES, INC.	GENERAL PARTNER of Louisiana-I Gaming, a Louisiana Partnership in Commendam	March 26, 1999
Timothy J. Parrott* _____ Timothy J. Parrott	Director of Louisiana Gaming Enterprises, Inc.	March 26, 1999
Robert F. List* _____ Robert F. List	Director of Louisiana Gaming Enterprises, Inc.	March 26, 1999

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

MARDI GRAS CASINO CORP.,
a Mississippi corporation

/s/ G. Michael Finnigan
By: _____
G. Michael Finnigan
Vice President and Assistant
Treasurer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
Marlin F. Torguson* _____ Marlin F. Torguson	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	March 26, 1999

/s/ G. Michael Finnigan G. Michael Finnigan	Vice President and Assistant Treasurer (Principal Financial and Accounting Officer)	March 26, 1999

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

MISSISSIPPI-I GAMING, L.P.

By: its General Partner
BAYVIEW YACHT CLUB, INC.,
a Mississippi corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<C>	<S>	<C>
BAYVIEW YACHT CLUB, INC.	GENERAL PARTNER of Mississippi-I Gaming, L.P.	March 26, 1999
Timothy J. Parrott* Timothy J. Parrott	Director of Bayview Yacht Club, Inc.	March 26, 1999
Robert F. List* Robert F. List	Director of Bayview Yacht Club, Inc.	March 26, 1999

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

PINNACLE GAMING DEVELOPMENT CORP.,
a Colorado corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
President

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
R.D. Hubbard* R.D. Hubbard	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
Timothy J. Parrott* Timothy J. Parrott	Director	March 26, 1999
Robert F. List* Robert F. List	Director	March 26, 1999
/s/ G. Michael Finnigan G. Michael Finnigan	Director and President (Principal Financial and Accounting Officer)	March 26, 1999

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

SWITZERLAND COUNTY DEVELOPMENT CORP.,
a Nevada corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
Timothy J. Parrott* Timothy J. Parrott	Director and President (Principal Executive Officer)	March 26, 1999
Robert F. List* Robert F. List	Director	March 26, 1999
/s/ G. Michael Finnigan G. Michael Finnigan	Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	March 26, 1999

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California on the 26th day of March, 1999.

TURF PARADISE, INC.,
an Arizona corporation

By: /s/ G. Michael Finnigan
G. Michael Finnigan
Vice President, Treasurer and
Assistant Secretary

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signature	Title	Date
<S>	<C>	<C>
R.D. Hubbard* R.D. Hubbard	Director and Chief Executive Officer (Principal Executive Officer)	March 26, 1999
/s/ G. Michael Finnigan G. Michael Finnigan	Director, Vice President, Treasurer and Assistant Secretary (Principal Financial and Accounting Officer)	March 26, 1999
Donald M. Robbins* Donald M. Robbins	Director	March 26, 1999

</TABLE>

*By: /s/ G. Michael Finnigan
G. Michael Finnigan
Attorney-in-Fact

EXHIBIT 3.1

STATE OF DELAWARE

OFFICE OF THE SECRETARY OF STATE

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "HOLLYWOOD PARK, INC.", FILED IN THIS OFFICE ON THE NINTH DAY OF JUNE, A.D. 1998, AT 9 O'CLOCK A.M.

/s/ Edward J. Freel

Edward J. Freel, Secretary of State

AUTHENTICATION: 9562542

DATE: 02-08-99

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

OF

HOLLYWOOD PARK, INC.
---
a Delaware corporation

Hollywood Park, Inc., a corporation organized and existing under and by virtue of the Laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

1. That ARTICLE XII of the Certificate of Incorporation is deleted in its entirety.

2. That ARTICLE XIII is renumbered as ARTICLE XII.

3. That ARTICLE XIV of the Certificate of Incorporation is renumbered as ARTICLE XIII and amended to read in full as follows:

"ARTICLE XIII

A. Definitions. For purposes of this Article XIII, the following terms shall have the meanings specified below:

1. "Affiliate" shall have the meaning ascribed to such term in Rule 12b-2 promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

2. "Affiliated Companies" shall mean those companies directly or indirectly affiliated or under common Ownership or Control with the Corporation, including, without limitation, subsidiaries, holding companies and intermediary companies (as those and similar terms are defined in the Gaming Laws of the applicable Gaming Jurisdictions) that are registered or licensed under applicable Gaming Laws.

3. "Gaming" or "Gaming Activities" shall mean the conduct of gaming and gambling activities, or the use of gaming devices, equipment and supplies in the operation of a casino, card club or other enterprise, including, without limitation, slot machines, gaming tables, cards, dice, gaming chips, player tracking systems, cashless wagering systems and related and associated equipment and supplies.

4. "Gaming Authorities" shall mean all international, foreign, federal, state and local regulatory and licensing bodies and agencies with authority over Gaming within any Gaming Jurisdiction.

5. "Gaming Jurisdictions" shall mean all jurisdictions, domestic and foreign, and their political subdivisions, in which Gaming Activities are lawfully conducted.

6. "Gaming Laws" shall mean all laws, statutes and ordinances pursuant to which any Gaming Authority possesses regulatory and licensing authority over Gaming within any Gaming Jurisdiction, and all rules and regulations promulgated by such Gaming Authority thereunder.

7. "Gaming Licenses" shall mean all licenses, permits, approvals, authorizations, registrations, findings of suitability, franchises and entitlements issued by a Gaming Authority necessary for or relating to the conduct of Gaming Activities.

8. "Ownership or Control" (and derivatives thereof) shall mean (i) ownership of record, (ii) "beneficial ownership" as defined in Rule 13d-3 or Rule 16a-1(a)(2) promulgated by the SEC under the Exchange Act, (iii) the power

to direct and manage, by agreement, contract, agency or other manner, the voting or management rights or disposition of securities of the Corporation, and/or (iv) definitions of ownership or control under applicable Gaming Laws.

9. "Person" shall mean an individual, partnership, corporation, limited liability company, trust or any other entity.

10. "Redemption Date" shall mean the date by which the securities Owned or Controlled by an Unsuitable Person are to be redeemed by the Corporation.

11. "Redemption Notice" shall mean that notice of redemption served by the Corporation on an Unsuitable Person if a Gaming Authority requires the Corporation, or the Corporation deems it necessary or advisable, to redeem such Unsuitable Person's securities. Each Redemption Notice shall set forth (i) the Redemption Date; (ii) the number of shares of securities to be redeemed; (iii) the Redemption Price and the manner of payment therefor; (iv) the place where certificates for such shares shall be surrendered for payment; and (v) any other requirements of surrender of the certificates, including how they are to be endorsed, if at all.

12. "Redemption Price" shall mean the per share price for the redemption of any securities to be redeemed pursuant to this Article, which shall be that price (if any) required to be paid by the Gaming Authority making the finding of unsuitability, or if such Gaming Authority does not require a certain price per share to be paid, that sum deemed reasonable by the Corporation (which may include, in the Corporation's discretion, the original purchase price per share of the securities); provided, however, the Redemption
--- ---
Price, unless the Gaming Authority requires otherwise, shall in no event exceed (i) the closing sales price of the securities on the national securities exchange on which such shares are then listed on the date the notice of redemption is delivered to the Unsuitable Person by the Corporation, or (ii) if such shares are not then listed for trading on any national securities exchange, then the closing sales price of such shares as quoted in the NASDAQ National Market System, or (iii) if the shares are not then so quoted, then the mean between the representative bid and the ask price as quoted by NASDAQ or another generally recognized reporting system. The Redemption Price may be paid in cash, by promissory note, or both, as required by the applicable Gaming Authority and, if not so required, as the Corporation elects.

13. "Unsuitable Person" shall mean a Person who Owns or Controls any securities of the Corporation or any securities of or interest in any Affiliated Company (i) that is determined by a Gaming Authority to be unsuitable to Own or Control such securities or unsuitable to be connected with a Person engaged in Gaming Activities in that Gaming Jurisdiction, or (ii) who causes the Corporation or any Affiliated Company to lose or to be

threatened with the loss of, or who, in the sole discretion of the Board of Directors of the Corporation, is deemed likely to jeopardize the Corporation's right to the use of or entitlement to, any Gaming License.

B. Compliance with Gaming Laws. The Corporation, all Persons Owning or Controlling securities of the Corporation and any Affiliated Companies, and each director and officer of the Corporation and any Affiliated Companies shall comply with all requirements of the Gaming Laws in each Gaming Jurisdiction in which the Corporation or any Affiliated Companies conduct Gaming Activities. All securities of the Corporation shall be held subject to the requirements of such Gaming Laws, including any requirement that (i) the holder file applications for Gaming Licenses with, or provide information to, applicable Gaming Authorities, or (ii) that any transfer of such securities may be subject to prior approval by Gaming Authorities, and any transfer of securities of the Corporation in violation of any such approval requirement shall not be permitted and the purported transfer shall be void ab initio.

-- ------

C. Finding of Unsuitability.

1. The securities of the Corporation Owned or Controlled by an Unsuitable Person or an Affiliate of an Unsuitable Person shall be redeemable by the Corporation, out of funds legally available therefor, by appropriate action of the Board of Directors, to the extent required by the Gaming Authority making the determination of unsuitability or to the extent deemed necessary or advisable by the Corporation. If a Gaming Authority requires the Corporation, or the Corporation deems it necessary or advisable, to redeem such securities, the Corporation shall serve a Redemption Notice on the Unsuitable Person or its Affiliate and shall purchase the securities on the Redemption Date and for the Redemption Price set forth in the Redemption Notice. From and after the Redemption Date, such securities shall no longer be deemed to be outstanding and all rights of the Unsuitable Person or any Affiliate of the Unsuitable Person therein, other than the right to receive the Redemption Price, shall cease. The Unsuitable Person shall surrender the certificates for any securities to be redeemed in accordance with the requirements of the Redemption Notice. Notwithstanding the foregoing, so long as the Corporation and Hollywood Park Operating Company are a paired stock real estate investment trust and operating company, the Corporation may, in its sole discretion, convert any securities that are redeemable pursuant to this Section (C)(1) into shares of Excess Stock effective upon written notice to the Unsuitable Person or its Affiliate, and such shares of Excess Stock shall be transferred to a Trust for sale to a Permitted Transferee (as such terms are defined in Article IV) in accordance with Sections (D)(4) through (9) of Article IV.

2. Commencing on the date that a Gaming Authority serves notice of a determination of unsuitability or the loss or threatened loss of a Gaming License upon the Corporation, and until the securities Owned or Controlled by the Unsuitable Person or the Affiliate of an Unsuitable Person are Owned or

Controlled by Persons found by such Gaming Authority to be suitable to own them, it shall be unlawful for the Unsuitable Person or any Affiliate of an Unsuitable Person (i) to receive any dividend, payment, distribution or interest with regard to the securities; (ii) to exercise, directly or indirectly or through any proxy, trustee, or nominee, any voting or other right conferred by such securities, and such securities shall not for any purposes be included in the securities of the Corporation entitled

to vote, or (iii) to receive any remuneration in any form from the Corporation or an Affiliated Company for services rendered or otherwise.

D. Issuance and Transfer of Securities. The Corporation shall not issue or transfer any securities or any interest, claim or charge thereon or thereto except in accordance with applicable Gaming Laws. The issuance or transfer of any securities in violation thereof shall be ineffective until (i) the Corporation shall cease to be subject to the jurisdiction of the applicable Gaming Authorities, or (ii) the applicable Gaming Authorities shall, by affirmative action, validate said issuance or transfer or waive any defect in said issuance or transfer.

E. Indenture Restrictions. The Corporation shall cause to be placed in every indenture or other operative document relating to publicly traded securities (other than capital stock) of the Corporation a provision requiring that any Person or Affiliate of a Person who holds the indebtedness represented by that indenture and is found to be unsuitable to hold such interest shall have the interest redeemed or shall dispose of the interest in the Corporation in the manner set forth in the indenture or other document.

F. Notices. All notices given by the Corporation pursuant to this Article, including Redemption Notices, shall be in writing and shall be deemed given when delivered by personal service or telegram, facsimile, overnight courier or first class mail, postage prepaid, to the Person's address as shown on the Corporation's books and records.

G. Indemnification. Any Unsuitable Person and any Affiliate of an Unsuitable Person shall indemnify the Corporation and its Affiliated Companies for any and all costs, including attorneys' fees, incurred by the Corporation and its Affiliated Companies as a result of such Unsuitable Person's or Affiliate's continuing Ownership or Control or failure to promptly divest itself of any securities in the Corporation.

H. Fiduciary Obligations; Contractual Arrangements; Etc. Nothing contained in this Article XIII shall be construed (i) to relieve any Unsuitable

Person (or Affiliate of such Person) from any fiduciary obligation imposed by law, (ii) to prohibit or affect any contractual arrangement which the Corporation may make from time to time with any holder of securities of the Corporation to purchase all or any part of shares of capital stock or other securities held by them, or (iii) to be in derogation of any action, past or future, which has been or may be taken by the Board of Directors or any holder of securities with respect to the subject matter of this Article XIII.

I. Injunctive Relief. The Corporation is entitled to injunctive relief in any court of competent jurisdiction to enforce the provisions of this Article and each holder of the securities of the Corporation shall be deemed to have acknowledged, by acquiring the securities of the Corporation, that the failure to comply with this Article will expose the Corporation to irreparable injury for which there is no adequate remedy at law and that the Corporation is entitled to injunctive relief to enforce the provisions of this Article.

J. Legend. The restrictions set forth in this Article XIII shall be noted conspicuously on any certificate representing securities of the Corporation in accordance

with the requirements of the Delaware General Corporation Law and applicable Gaming Laws."

4. That the foregoing amendments have been duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law, by approval of the Board of Directors of the Corporation and by the affirmative vote of the holders of at least a majority of the outstanding Common Stock of the Corporation entitled to vote thereon with respect to all amendments, except the amendment deleting ARTICLE XII relating to the required vote for certain transactions, which was approved by the affirmative vote of the holders of at least 70% of the outstanding Common Stock of the Corporation entitled to vote thereon. There are no shares of the Corporation's Preferred Stock outstanding.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment of Certificate of Incorporation to be duly executed by its authorized officer this 5/th/ day of June, 1998.

HOLLYWOOD PARK, INC.

By: /s/ G. Michael Finnigan
G. Michael Finnigan

Title: Executive Vice President; Treasurer
and Chief Financial Officer

STATE OF DELAWARE

OFFICE OF THE SECRETARY OF STATE

_____

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "HOLLYWOOD PARK, INC.", FILED IN THIS OFFICE ON THE TWENTY-SEVENTH DAY OF OCTOBER, A.D. 1997, AT 9:01 O'CLOCK A.M.

/s/ Edward J. Freel

Edward J. Freel, Secretary of State

AUTHENTICATION: 9562544

DATE: 02-08-99

HOLLYWOOD PARK, INC.

CERTIFICATE OF ELIMINATION

OF

THE $70 CONVERTIBLE PREFERRED STOCK

Pursuant to Section 151(g) of the

Delaware General Corporation Law

Hollywood Park, Inc., a corporation organized and existing under and by virtue of the Laws of the State of Delaware (the "Corporation"), hereby

certifies as follows:

1. That the Corporation filed a Certificate of Powers, Designations, Preferences and Rights (the "Certificate of Designation") of the $70 Convertible Preferred Stock ("Convertible Preferred Stock") with the Delaware Secretary of State on February 2, 1993.

2. That at a meeting held on September 16, 1997, the Board of Directors of the Corporation duly adopted the following resolutions providing for the elimination of the Corporation's series of Convertible Preferred Stock:

"NOW, THEREFORE, BE IT RESOLVED, that none of the authorized shares of the Corporation's $70 Convertible Preferred Stock ("Convertible Preferred Stock") are outstanding and no shares of Convertible Preferred Stock will be issued subject to the Certificate of Powers, Designations, Preferences and Rights providing for the creation thereof, which was filed with the Delaware Secretary of State on February 2, 1993 (the "Certificate of Designation");

RESOLVED FURTHER, that the officers of the Corporation, and any of them, be, and they hereby are, authorized, empowered and directed for and on behalf of the Corporation and in its name to prepare or cause to be prepared, execute, acknowledge and file a certificate of elimination of the series of Convertible Preferred Stock (the "Certificate of Elimination") in accordance with Delaware law, indicating therein (i) that none of the authorized shares of Convertible Preferred Stock remain outstanding, (ii) that no shares of Convertible Preferred Stock will be issued subject to the Certificate of Designation and (iii) that the filing the Certificate of Elimination with the Delaware Secretary of State shall have the effect of eliminating from the Corporation's Certificate of Incorporation, as amended, all matters set forth in the Certificate of Designation with respect to the series of Convertible Preferred Stock; and

RESOLVED FURTHER, that the officers of the Corporation, and any of them, be, and they hereby are, authorized, empowered and directed for and on behalf of the Corporation and in its name to do, or cause to be done all such further acts or things and to execute and deliver, or cause to be executed and delivered, all such further documents, instruments and certificates, as such officers, or any of them, may in their discretion deem necessary, advisable or appropriate in connection with the Certificate of Elimination, the execution and delivery of such documents,

instruments and certificates and the taking of any such action conclusively to evidence the due authorization thereof by the Corporation."

3. That no shares of Convertible Preferred Stock issued subject to the Certificate of Designation remain outstanding and none will be issued subject to the Certificate of Designation.

4. That this Certificate of Elimination shall become effective upon filing with the Delaware Secretary of State and shall have the effect of eliminating from the Corporation's Certificate of Incorporation, as amended, all matters set forth in the Certificate of Designation with respect to the series of Convertible Preferred Stock.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Elimination to be duly executed by its authorized officer this 24/th/ day of October, 1997.

HOLLYWOOD PARK, INC.

By: /s/ G. Michael Finnigan

G. Michael Finnigan,
President, Sports and Entertainment;
Executive Vice President; Treasurer;
and Chief Financial Officer

STATE OF DELAWARE

OFFICE OF THE SECRETARY OF STATE

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF CHANGE OF REGISTERED AGENT OF "HOLLYWOOD PARK, INC.", FILED IN THIS OFFICE ON THE TWENTY-SEVENTH DAY OF OCTOBER, A.D. 1997, AT 9 O'CLOCK A.M.

/s/ Edward J. Freel

Edward J. Freel, Secretary of State

AUTHENTICATION: 9562546

DATE: 02-08-99

CERTIFICATE OF CHANGE

OF

LOCATION OF REGISTERED OFFICE

AND REGISTERED AGENT

OF

HOLLYWOOD PARK, INC.

a Delaware corporation

Hollywood Park, Inc., a corporation organized and existing under and by virtue of the Laws of the State of Delaware (the "Corporation"), hereby certifies that the following is a true copy of resolutions duly adopted by the Board of Directors of the Corporation at a meeting held on September 16, 1997:

"NOW, THEREFORE, BE IT RESOLVED, that the location of the Registered Office of the Corporation in the State of Delaware be, and the same hereby is, changed to 30 Old Rudnick Lane, in the City of Dover, County of Kent;

RESOLVED FURTHER, that the name of the Registered Agent of the Corporation in the State of Delaware at such address be, and the same hereby is, changed to CorpAmerica, Inc.; and

RESOLVED FURTHER, that the officers of the Corporation be, and each of them hereby is, authorized, empowered and directed for and on behalf of the Corporation and in its name to prepare or cause to be prepared, execute, acknowledge and file a certificate of change of location of registered office and registered agent in accordance with Delaware law."

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Change of Location of Registered Office and Registered Agent to be duly executed by its authorized officer this 24/th/ day of October, 1997.

HOLLYWOOD PARK, INC.

By: /s/ G. Michael Finnigan

G. Michael Finnigan
President, Sports and Entertainment;
Executive Vice President; Treasurer;
and Chief Financial Officer

STATE OF DELAWARE

OFFICE OF THE SECRETARY OF STATE

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "HOLLYWOOD PARK, INC.", FILED IN THIS OFFICE ON THE TWENTY-NINTH DAY OF JULY, A.D. 1994, AT 9 O'CLOCK A.M.

/s/ Edward J. Freel

Edward J. Freel, Secretary of State

AUTHENTICATION: 9562548

DATE: 02-08-99

CERTIFICATE OF AMENDMENT OF

CERTIFICATE OF INCORPORATION OF

HOLLYWOOD PARK, INC.
---
a Delaware corporation

Hollywood Park, Inc., a corporation organized and existing under and by virtue of the Laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

1. The Certificate of Incorporation of the Corporation is amended to add a new ARTICLE XIV to read in its entirety as follows:

"ARTICLE XIV"

A. So long as the Corporation or any subsidiary thereof engages in, or intends to engage in, the operation of licensed card clubs regulated under the California Gaming Registration Act or any other applicable federal, state or local statutes, ordinances, rules or regulations, all securities of the Corporation shall be held subject to the proviso that if continued Ownership or Control (as defined in paragraph B) of the securities by any person or entity or any of its Affiliates (a "Disqualified Person") would cause the Corporation or any subsidiary thereof to lose or prevent the reinstatement of any government-issued franchise or license necessary for the operation of any such licensed card club, such securities Owned or Controlled by such Disqualified Person or its Affiliates (the "Disqualified Securities") shall be redeemable by the Corporation, out of funds legally available therefor, by action of the Board of Directors, to the extent necessary to prevent the loss or secure the reinstatement of any government-issued franchise or license held by the Corporation

or any subsidiary thereof, which franchise or license is conditioned upon some or all of the holders of the Corporation's securities possessing prescribed qualifications. Any determination made by the Board of Directors that a person or entity is a "Disqualified Person" or an Affiliate of a Disqualified Person shall be final.

B. "Ownership or Control" or "Owned or Controlled" shall refer to (i) ownership of record, (ii) beneficial ownership, or (iii) the power to direct, by agreement, contract, agency or any other manner, the voting or disposition of securities of the Corporation. Any determination made by the Board of Directors regarding the foregoing shall be final.

C. The terms "Affiliate" and "Associate" shall have the respective meaning ascribed to such terms in rule 12b-2 promulgated under the Securities Exchange Act of 1934 (the "Exchange Act") as in effect on April 27, 1994 (the term "registrant" in said Rule 12b-2 meaning in this case the Corporation).

D. Commencing on the earlier of the date that (i) the appropriate governmental authority serves written notice upon the Corporation that a person or entity is or might be a Disqualified Person or (ii) the Corporation serves written notice upon the record holder of Disqualified Securities that it or any other person or entity that Owns or Controls the Disqualified Securities is a Disqualified Person or an Affiliate of a Disqualified Person, it shall be unlawful for the record holder of the Disqualified Securities or the Disqualified Person or Affiliate of such person (a) to receive dividends or interest upon the record holder's securities in the Corporation; (b) to exercise, directly or through any trustee or nominee, any right conferred by such securities, including the right to vote such shares; or (c) to receive any remuneration in any form from the Corporation for services rendered or otherwise. Notices shall be deemed given when delivered by personal service or telegram or telecopy, or upon deposit with any reputable overnight courier or in the United States mails, delivered or mailed, in the case of a record holder of Disqualified Securities, to the record holder's address shown on the Corporation's books and records. Any Disqualified Holder and each Affiliate of such person shall indemnify the Corporation and its subsidiaries for any and all direct or indirect costs, including attorneys' fees, incurred by the Corporation and its subsidiaries as a result of such Disqualified Holder's or Affiliate of such person's continuing ownership or failure to divest promptly of any Disqualified Securities. Notwithstanding the foregoing, a Disqualified Holder or Affiliate of such person need not dispose of its securities during the pendency of any appeal of the determination of unsuitability or disqualification, provided that (a) the Disqualified Holder and each Affiliate of such person indemnifies

the Corporation and its subsidiaries as provided above and (b) the appropriate governmental authorities consent in writing prior to the date set by the Corporation for redemption of such securities to such non-disposal during the pendency of the appeal.

E. The per share redemption price (the "Redemption Price") of any securities to be redeemed pursuant to this Article XIV shall be the closing sales price on the New York Stock Exchange Composite Tape on the date the notice of redemption is given by the Company; or if such shares are not then listed for trading on the New York Stock Exchange, then the closing sales price of such shares on any other national securities exchange on which such shares are then listed; or if such shares are not then listed on any national securities exchange, then the closing sales price as quoted in the NASDAQ National Market System; or if the shares are not then so quoted, then the mean between the representative bid and ask prices as quoted by NASDAQ or another generally recognized reporting system. The redemption price may be paid in cash, by delivery of a promissory note of the Corporation, or a combination of both, at the election of the Corporation. Any such promissory note shall have a maturity of not more than ten years from the date of issuance and shall bear interest at the rate equal to the then-current coupon rate of a ten-year Treasury note as such rate is published in the Wall Street Journal or comparable publication.

F. A notice of redemption (the "Redemption Notice") shall be given by personal delivery, telegram, telecopy, overnight courier or first class mail, postage prepaid, not less than 10 days prior to the date on which the Disqualified Securities are to be redeemed (the "Redemption Date") to the record holder of any Disqualified Securities, delivered to such record holder's address shown on the Corporation's books and records. Each such notice of redemption shall state (i) the Redemption Date; (ii) the number of shares of securities to be redeemed; (iii) the Redemption Price, and the manner of payment thereof; and (iv) the place where certificates for such shares are to be surrendered for payment of the Redemption Price. From and after the Redemption Date, the securities called for redemption shall no longer be deemed to be outstanding and all rights of the holders thereof as stockholders (other than the right to receive the Redemption Price) of the Corporation shall cease. Upon surrender of the certificates for any securities to be redeemed in accordance with the requirements of the notice of redemption (properly endorsed or assigned for transfer if the Board of Directors shall so require and the notice shall so state), such securities shall be redeemed by the Corporation at the Redemption Price.

G. All Securities of the Corporation and any Subsidiary shall also be held subject to the condition that any transfer thereof may be

subject to prior approval by Gaming Authorities.

H. The Corporation shall cause to be placed in every indenture or other operative instrument of Publicly-traded Securities (other than capital stock) of the Corporation entered into from the date of the filing of this Certificate of Incorporation a provision requiring that any holder of such indebtedness who is found to be a Disqualified Person (or Affiliate of such person) shall have his interest redeemed or shall dispose of his interest in the Corporation in the manner set forth in the indenture or other operative document.

I. Nothing contained in this Article XIV shall be construed (1) to relieve any Disqualified Person (or Affiliate of such person) from any fiduciary obligation imposed by law, (2) to prohibit or affect any contractual arrangement which the Corporation may make from time to time with any holder of Securities to purchase all or any part of shares of capital stock or other Securities held by them, or (3) to be in derogation of any action, past or future, which has been or may be taken by the Board of Directors or any holder of Securities with respect to the subject matter of this Article XIV.

J. The Corporation will be entitled to injunctive relief in any court of competent jurisdiction to enforce the provisions of this Article XIV and each holder of the Publicly-traded Securities of the Corporation will be deemed to have acknowledged by acquiring or retaining Securities of the Corporation that failure to comply with this Article XIV will expose the Corporation to irreparable injury for which there is no adequate remedy at

law and that the Corporation is entitled to injunctive relief to enforce the provisions of this Article XIV."

2. That the foregoing amendment to the Certificate of Incorporation has been duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law (i) by resolution of the Board of Directors of the Corporation and (ii) by the affirmative vote of the holders of at least a majority of the outstanding shares of Common Stock and at least two-thirds of the outstanding shares of $70 Convertible Preferred Stock of the Corporation entitled to vote thereon.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to the Certificate of Incorporation to be signed and attested by its duly authorized officers this 22nd day of July, 1994.

HOLLYWOOD PARK, INC.

By: /s/ G. Michael Finnigan

G. Michael Finnigan
Executive Vice President

Attest:

/s/ Donald M. Robbins

Donald M. Robbins
Assistant Secretary

STATE OF DELAWARE

OFFICE OF THE SECRETARY OF STATE

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "HOLLYWOOD PARK, INC.", FILED IN THIS OFFICE THE FIRST DAY OF JUNE, A.D. 1993, AT 9 O'CLOCK A.M.

/s/ Edward J. Freel

Edward J. Freel, Secretary of State

AUTHENTICATION: 9562550

DATE: 02-08-99

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

OF

HOLLYWOOD PARK, INC.

---

a Delaware corporation

Hollywood Park, Inc., a corporation organized and existing under and by virtue of the Laws of the State of Delaware (the "Company"), hereby certifies as follows:

1. That the first sentence of ARTICLE IV of the Certificate of
---

Incorporation of the Company is amended to read in its entirety as follows:

"The amount of the total authorized capital stock of the corporation is 40,250,000 shares which is divided into two classes as follows:

250,000 shares of Preferred Stock having a par value of $1.00 per share; and

40,000,000 shares of Common Stock having a par value of $0.10 per share."

2. That the foregoing amendment to the Certificate of Incorporation has been duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law, by resolution of the Board of Directors of the Company and by the affirmative vote of the holders of at least a majority of the outstanding Common Stock of the company entitled to vote thereon. There are no shares of the Company's Preferred Stock outstanding.

IN WITNESS WHEREOF, the Company has caused this Certificate of Amendment to the Certificate of Incorporation to be signed and attested by its duly authorized officers this 28th day of May, 1993.

HOLLYWOOD PARK, INC.

By: /s/ G. Michael Finnigan

G. Michael Finnigan
Executive Vice President

Attest:

/s/ Donald M. Robbins

Donald M. Robbins
Assistant Secretary

STATE OF DELAWARE

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AGREEMENT OF MERGER, WHICH MERGES:

"HOLLYWOOD PARK, INC.", A DELAWARE CORPORATION,

WITH AND INTO "HOLLYWOOD PARK REALTY ENTERPRISES, INC." UNDER THE NAME OF "HOLLYWOOD PARK REALTY ENTERPRISES, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE FIFTEENTH DAY OF APRIL, A.D. 1982, AT 10 O'CLOCK A.M.

/s/ Edward J. Freel

Edward J. Freel, Secretary of State

AUTHENTICATION: 9562562

DATE: 02-08-99

AGREEMENT OF MERGER

AGREEMENT OF MERGER dated of November 9, 1981, by and between HOLLYWOOD PARK, INC. ("HPI") and HOLLYWOOD PARK REALTY ENTERPRISES, INC. ("Realty" or the "Surviving Corporation") (said two corporations being herein sometimes collectively called the "Constituent Corporations").

RECITALS

A. HPI is a corporation duly organized and existing under the laws of the State of Delaware, its principal office in the State of California being located in Los Angeles County; and

B. Realty is a wholly-owned subsidiary of HPI and is a corporation duly organized and existing under the laws of the State of Delaware, having been incorporated on October 26, 1981 by a Certificate of Incorporation filed with the Secretary of State on that date, its registered office in the State of Delaware being located in New Castle County; and

C. HPI and Realty have entered into an agreement styled "Agreement and Plan of Reorganization" (the "Plan") with Hollywood Park Operating Company ("Operating Company"), a wholly-owned subsidiary of HPI and a corporation duly organized and existing under the laws of the State of Delaware, having been incorporated on October 26, 1981, by a Certificate of Incorporation filed with

the Secretary of State on that date, its registered office in the State of Delaware being located in New Castle County; and

D. HPI, Realty and Operating Company have mutually promised to and desire to execute all documents necessary to conform with the terms and conditions of the Plan; and

E. The respective boards of directors of HPI and Realty have determined that it is advisable that HPI be merged into Realty on the terms and conditions hereinafter set forth; and

F. HP1 has an authorized capitalization consisting of 1,000,000 shares of Preferred Stock, $1.00 per value, of which no shares are outstanding on the date hereof, and 9,000,000 shares of Common Stock $0.80 par value ("HPI Common Stock"), of which 2,456,809 shares are outstanding on the date hereof; and

G. Realty has an authorized capitalization consisting of 250,000 shares of Preferred Stock, $1.00 par value, of which no shares are outstanding on the date hereof, and 4,500,000 shares of Common Stock $0.10 par value ("Realty Common Stock"), of which 100 shares are outstanding on the date hereof; and

NOW, THEREFORE, HPI and Realty do hereby agree in accordance with the provisions of the General Corporation Law of the State of Delaware that HPI shall be, at the effective time of the merger, merged into Realty, which shall be the surviving corporation, and that the terms and conditions of such merger and the mode of carrying it into effect shall be as follows:

AGREEMENT

In order to consumate this Agreement and to effect such merger, the parties hereto agree as follows:

ARTICLE I

Each share of Realty Common Stock immediately outstanding prior to the Effective Time of the Merger shall, at the Effective Time of the Merger cease to exist and be cancelled and returned to the authorized and unissued capital of Realty.

ARTICLE II

At the Effective Time of the merger, HPI shall be merged into Realty, the separate existence of HPI shall cease and Realty shall continue in existence, and, without other transfer, succeed to and possess all of the properties, rights, privileges, immunities, powers, and purposes, and shall be subject to all the obligations, restrictions, disabilities and duties of each of the Constituent Corporations, all without further act or deed.

ARTICLE III

The Certificate of Incorporation of the Surviving Corporation, as amended and in effect at the effective time of the Merger, shall continue in full force and effect until altered, amended, or repealed as provided therein or as provided by law.

ARTICLE IV

The by-laws of the Surviving Corporation, as amended and in effect at the Effective Time of the merger, shall continue in full force and effect until altered, amended or repealed as provided therein or as provided by law.

ARTICLE V

The directors of Realty holding office immediately prior to the Effective Time of the merger shall become the directors of the Surviving Corporation and shall continue until removed as provided by law or until the election of their respective successors. The officers of the Realty at the effective time of the merger shall continue to hold office until removed as provided by law or until the election of their respective successors.

ARTICLE VI

Upon the Effective Time of the merger each share of HPI Common Stock outstanding immediately prior to the merger and all right in respect thereof, shall be converted into and exchanged for one share of Realty Common Stock. Each holder of a certificate or certificates theretofore representing a share or shares of HPI Common Stock shall, upon presentation of such certificate or certificates for surrender to the Surviving Corporation or its agents, be entitled to receive in exchange therefore a certificate or certificates representing the whole shares of fully paid and non-assessable Realty Common Stock to which such holder shall be entitled upon the aforesaid basis of exchange. Each share of HPI Common Stock outstanding immediately prior to the merger shall, upon the Effective Time of the merger, forthwith cease to exist and be cancelled. Until any such

outstanding certificates of HPI shall be so surrendered, no dividend payable to the holder of record of Common Stock of Realty as of any date subsequent to the Effective Time of the Merger shall be paid to the holder of an outstanding certificate of HPI, but upon surrender of such certificate there shall be paid to the record holder of the certificate evidencing ownership of Realty Common Stock issued in exchange therefore the amount of dividends, if any, which

theretofore became payable with respect to the shares of Realty represented by the certificates without any interest being due or paid with respect to such unpaid dividends.

ARTICLE VII

The merger shall become effective upon the filing in the office of the Secretary of State of the State of Delaware of an executed counterpart of this Agreement of Merger and certificates of the Constituent Corporations as provided by the laws of Delaware ("Effective Time"). The Constituent Corporations shall do all other acts and things as shall be necessary or desirable in order to effectuate the merger.

ARTICLE VIII

To the extent permitted by applicable law, HPI and Realty, by mutual consent of their respective duly authorized officers, may amend, modify and supplement this Agreement of Merger in such manner as may be agreed upon by them in writing at any time before or after approval or adoption thereof by the shareholders of HPI or of Realty. However, no condition shall be waived which, in the judgment of the respective Boards of Directors, would be materially adverse to their companies or their shareholders if waived.

ARTICLE IX

This Agreement of Merger may be abandoned at any time before or after approval or adoption thereof by the shareholders of HPI or Realty notwithstanding favorable action on the merger by the shareholders of either or both Constituent Corporations but not later than the Effective Time of the merger, by the mutual consent of the boards of directors of UPI or Realty.

In the event of abandonment by the boards of directors of HPI or Realty as provided above, written notice shall forthwith be given to the other party.

ARTICLE X

This Agreement of Merger may be executed in counterparts, each of which when so executed shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, HPI and REALTY, pursuant to the approval and authority duly given by resolutions adopted by their respective boards of directors, have each caused this Agreement of Merger to be executed by its President or a vie* President and attested by its Secretary or an Assistant Secretary and its

corporate seal to be affixed as of the date and year first above written.

HOLLYWOOD PARK, INC.

By: /s/ Vernon O. Underwood

President

ATTEST:

/s/ James E. Kenney

Secretary

HOLLYWOOD PARK REALTY ENTERPRISES, INC.

By: /s/ John V. Newman

President

ATTEST:

By: _____
Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On this 12 day of April in the year 1982, before me, Hugh G. Gibson Notary Public of said State, duly commissioned and sworn, personally appeared Vernon O. Underwood and James E. Kenney, known to me to be the Chairman and the Secretary, respectively, of HOLLYWOOD PARK, INC., a Delaware corporation, the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF. I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ Hugh G. Gibson

Notary Public in and for said State

[SEAL]

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On this 12 day of April, 1982 the year 1982, before me, Hugh G. Gibson a Notary Public of said State, duly commissioned and sworn, personally appeared John V. Newman and Robert A. Hamilton, known to me to be the President and the Secretary, respectively, of HOLLYWOOD PARK REALTY ENTERPRISES, INC., a Delaware corporation, the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ Hugh G. Gibson
Notary Public in and for said State

[SEAL]

CERTIFICATES

The undersigned, Secretary of HOLLYWOOD PARK, INC., a Delaware corporation, hereby certifies, Pursuant to Sections 251-252 of the General Corporation Law of the state of Delaware that the total number of shares of common stock (the only class of capital stock outstanding) of HOLLYWOOD PARK, INC, outstanding on the record date and entitled to vote an the Merger was 2,456,805; that at a properly noticed meeting of shareholders on April 12, 1982 the principal terms of the attached Agreement of Merger were duly approved by a vote of 2,026,772 shares for the Agreement of Merger, constituting a 82.49% of the outstanding shares of HOLLYWOOD PARK, INC.; and that the number of shares voted in favor of the Agreement of Merger equals or exceeds the number of shares required to approve the Agreement of Merger.

IN WITNESS WHEREOF, the undersigned has executed this Certificate on the 12/th/ day of April, 1982.

The undersigned, Assistant Secretary of HOLLYWOOD PARK REALTY ENTERPRISES, INC., a Delaware corporation, hereby certifies, pursuant to Section 251 of the General Corporation Law of the State of Delaware that the foregoing Agreement of

Merger to which this Certificate is attached was duly approved and adopted on November 9, 1981 by written consent of the holder of all of the outstanding shares of capital stock of HOLLYWOOD PARK REALTY ENTERPRISES, INC., which would have been entitled to vote on such matter had a meeting been called for such purpose, pursuant to Section 228 of the General Corporation Law of the State of Delaware which authorizes such action to be so taken.

IN WITNESS WHEREOF, the undersigned has executed this Certificate on the 12/th/ day of April, 1982.

/s/ Gay Firestone Wray
Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On this 12 day of April 1982 in the year 1982, before me, Hugh G. Gibson a Notary Public of said State, duly commissioned and sworn, personally appeared James E. Kenney, known to me to be the Secretary of HOLLYWOOD PARK, INC., a Delaware corporation, the corporation that executed the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ Hugh G. Gibson
Notary Public in and for said State

[SEAL]

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On this 12 day of April in the year 1982, before me, Hugh G. Gibson a Notary Public of said State, duly commissioned and sworn, personally appeared Gay Firestone Wray, known to me to be the Assistant Secretary of HOLLYWOOD PARK REALTY ENTERPRISES, INC., a Delaware corporation, the corporation that executed

the within Instrument, known to me to be the person who executed the within Instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ Hugh G. Gibson

Notary Public in and for said State

[SEAL]

RE-EXECUTION

The foregoing Agreement of Merger, having been duly executed and delivered on behalf of each of the Constituent Corporations, HOLLYWOOD PARK, INC. and HOLLYWOOD PARK REALTY ENTERPRISES, INC., duly adopted by their respective stockholders, the fact of such adopting having been certified thereon by the Secretary of each of such corporations, all in accordance with Section 251 of the General Corporation Law of the State of Delaware, is hereby, in addition, executed by the President or a Vice President and attested by the Secretary or an Assistant Secretary of each of the Constituent corporations on behalf of such corporations, respectively, on April 12, 1982.

HOLLYWOOD PARK, INC.

By: /s/ Vernon O. Underwood

Vernon O. Underwood

Attest:

/s/ James E. Kenney

James E. Kenney

HOLLYWOOD PARK REALTY ENTERPRISES, INC.

By: /s/ Hal W. Brown, Jr.

Hal W. Brown, Jr.

Attest:

/s/ Gay Firestone Wray

Gay Firestone Wray

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On this 12 day of April in the year 1982, before me, Hugh G. Gibson a Notary Public of said State, duly commissioned and sworn, personally appeared Vernon O. Underwood and James E. Kenney, known to me to be the Chairman and the Secretary, respectively, of HOLLYWOOD PARK, INC., a Delaware corporation, the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ Hugh G. Gibson

Notary Public in and for said State

[SEAL]

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On this 12 day of April in the year 1982, before me, Hugh G. Gibson a Notary Public of said State, duly commissioned and sworn, personally appeared Hal W. Brown, Jr. and Gay Firestone Wray, known to me to be the Chairman and the Assistant Secretary, respectively, of HOLLYWOOD PARK REALTY ENTERPRISES, INC., a Delaware corporation, the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ Hugh G. Gibson

Notary Public in and for said State

[SEAL]

STATE OF DELAWARE

OFFICE OF THE SECRETARY OF STATE

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "HOLLYWOOD PARK REALTY ENTERPRISES, INC.", FILED IN THIS OFFICE ON THE TWENTY-SIXTH DAY OF OCTOBER, A.D. 1981, AT 10 O'CLOCK A.M.

/s/ Edward J. Freel

Edward J. Freel, Secretary of State

AUTHENTICATION: 9562566

DATE: 02-08-99

CERTIFICATE OF INCORPORATION

OF

HOLLYWOOD PARK REALTY ENTERPRISES, INC.

ARTICLE I

The name of the Corporation is: Hollywood Park Realty Enterprises, Inc.

ARTICLE II

The address of its registered office in the State of Delaware is 100 West Tenth Street, Wilmington, County of New Castle. The name of its registered agent is The Corporation Trust Company.

ARTICLE III

The nature of the business to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General

Corporation Law of the State of Delaware.

ARTICLE IV

The amount of the total authorized capital stock of the corporation is 10,000 shares which are divided into two classes as follows:

2,500 shares of Preferred Stock having a par value of $1.00 per share; and

7,500 shares of Common Stock having a par value of $0.10 per share.

The designations, voting powers, preferences and relative participating, optional or other special rights, and qualifications, limitations or restrictions of the above classes of stock are as follows:

A. Preferred Stock

The Board of Directors is expressly authorized, from time to time, (1) to fix the number of shares of one or more series of Preferred Stock; (2) to determine the designation of any such series; (3) to determine or alter, without limitation or restriction, the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock; and (4) within the limits or restrictions stated in any resolution or resolutions of the Board of Directors originally fixing the number of shares constituting any series, to increase or decrease (but not below the number of shares then outstanding) the number of shares of any such series subsequent to the issue of shares of that series.

B. Common Stock.

(i) Subject to the preferential rights of the Preferred Stock, the holders of the Common Stock shall be entitled to receive, to the extent permitted by law, such dividends as may be declared from time to time by the Board of Directors.

(ii) In the event of the voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the corporation, after distribution in full of the preferential amount to be distributed to the holders of shares of the Preferred Stock, holders of the Common Stock shall be entitled to receive all the remaining assets of the corporation of whatever kind available for distribution to stockholders, ratably in proportion to the number of shares of Common Stock held by them respectively. A consolidation, merger or reorganization of the corporation with any other corporation or

corporations, or a sale of all or substantially all of the assets of the corporation, shall not be considered a dissolution, liquidation or winding up of the corporation within the meaning of these provisions.

(iii) Except as may be otherwise required by law, each share of Common Stock shall entitle the holder to one vote in respect of each matter voted by the stockholders.

ARTICLE V

Any and all right, title, interest and claim in or to any dividends declared by the corporation, whether in cash, stock, or otherwise, which are unclaimed by the stockholder entitled thereto for a period of six years after the close of business on the payment date, shall be and is deemed to be extinguished and abandoned; and such unclaimed dividends in the possession of the corporation, its transfer agents or other agents or depositories shall at such time become the absolute property of the corporation, free and clear of any and all claims of any persons whatsoever.

ARTICLE VI

In furtherance and not in limitation of the power conferred by statute, the Board of Directors is expressly authorized to make, alter, amend or repeal the by-laws of the corporation.

ARTICLE VII

Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under the provisions of Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or

class of creditors, and/or of the stockholders or class of stockholders of the corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said

reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation.

ARTICLE VIII

The corporation shall indemnify its officers and directors to the full extent permitted by the Delaware General Corporation Law.

ARTICLE IX

Elections of directors need not be by written ballot unless the by-laws of the corporation so provide.

ARTICLE X

The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

ARTICLE XI

The name and mailing address of the incorporator is as follows:

NAME	MAILING ADDRESS
Candace K. Fullmer	Suite 4100, 55 E. Monroe St. Chicago, Illinois 60603

ARTICLE XII

The affirmative vote or written consent of the holders of 70% of all outstanding shares of all classes of stock of the Corporation entitled to vote thereon, considered for the purposes of this Article TWELFTH as one class, shall be required:

(a) for the adoption of any agreement for the merger of the Corporation with or into any other corporation or for the consolidation of the Corporation with any other corporation;

(b) to authorize any sale, lease, transfer or exchange of all or substantially all of the assets of the Corporation to any other person (as hereinafter defined);

(c) to authorize the dissolution of the Corporation;

(d) to alter, amend or repeal this Article TWELFTH.

For the purposes of this Article TWELFTH, the term person shall mean any corporation, partnership, association, or any other business entity, trust, estate or individual.

This Article TWELFTH shall not apply to a merger if no vote of stockholders of the Corporation is necessary under Delaware law to authorize it.

IN WITNESS WHEREOF, I have signed this Certificate of Incorporation this 23rd day of October, 1981.

/s/ Candace K. Fullmer

Candace K. Fullmer

EXHIBIT 3.2

HOLLYWOOD PARK, INC.

RESTATED BYLAWS

AS OF

APRIL 13, 1998

TABLE OF CONTENTS

<TABLE>
<CAPTION>

<TABLE>
<CAPTION>

</TABLE>

<TABLE>
<CAPTION>

RESTATED BYLAWS

OF

HOLLYWOOD PARK, INC.

(HEREINAFTER REFERRED TO AS THE "CORPORATION")

ARTICLE I - STOCKHOLDERS

Section 1. Annual Meeting.

(1) An annual meeting of the stockholders, for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at such place, on such date, and at such time as the Board of Directors shall each year fix, which date shall be within 13 months of the last annual meeting of stockholders.

(2) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders (a) pursuant to the Corporation's notice of meeting, (b) by or at the direction of the Board of Directors or (c) by any stockholder of the Corporation who was a stockholder of record at the time of giving of the notice provided for in this bylaw, who is entitled to vote at the meeting and who complied with the notice procedures set forth in this bylaw.

(3) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (c) of paragraph (2) of this bylaw, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made by the Corporation. Such stockholder's notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (b) as to any other business that the stockholder proposes to bring before the meeting, a brief

description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and

the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner and (ii) the class and number of shares of the capital stock of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner.

(4) Notwithstanding anything in the second sentence of paragraph (3) of this bylaw to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least 70 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this bylaw shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation.

(5) Only such persons who are nominated in accordance with the procedures set forth in these Bylaws shall be eligible to serve as directors and only such business shall be conducted at an annual meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in these Bylaws. The chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, to declare that such defective proposed nomination or business shall be disregarded.

(6) For purposes of these Bylaws, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(7) Notwithstanding the foregoing provisions of this bylaw, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this bylaw. Nothing in this bylaw shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

Section 2. Special Meetings: Notice.

Special meetings of the stockholders, other than those required by statute, may be called at any time by the Chairman of the Board or by a majority of directors then in office pursuant to a resolution approved by the Board of Directors. Notice of every special meeting, stating the place, date, time and purpose, shall be given by mailing, postage prepaid, at least 10 but not more than 60 days before each such meeting, a copy of such notice addressed to each stockholder of the Corporation at his post office address as recorded on the books of the Corporation. The Board of Directors may postpone or reschedule any previously scheduled special meeting.

Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting.

Section 3. Notice of Meetings.

Written notice of the place, date, and time of all meetings of the stockholders shall be given, not less than 10 nor more than 60 days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or required by law (meaning, here and hereinafter, as required from time to time by the Delaware General Corporation Law or the Certificate of Incorporation of the Corporation).

When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than 30 days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date, and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

Section 4. Quorum.

At any meeting of the stockholders, the holders of one-third (1/3) of all of the shares of the stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law or the rules of the principal stock exchange upon which the Corporation's securities are listed. Where a separate vote by a class or classes is required, one-third (1/3) of the outstanding shares of such class or classes, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter unless or except to the extent that the presence of a larger number may be required by law or the rules of the principal stock exchange upon which the Corporation's securities are listed.

If a quorum shall fail to attend any meeting, the chairman of the meeting may adjourn the meeting to another place, date, or time.

Section 5. Organization.

Such person as the Board of Directors may have designated or, in the absence of such a person, the Chairman of the Board or, in his or her absence, the Chief Executive Officer of the Corporation or, in his or her absence, the President of the Corporation or, in his or her absence, such person as may be designated by the Chairman of the Board or the President or, in the absence of such a person, such person as may be chosen by the holders of one-third (1/3) of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as chairman of the meeting. In the absence of the Secretary of the Corporation, the secretary of the meeting shall be such person as the chairman appoints.

Section 6. Conduct of Business.

The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him or her in order. The chairman shall have the power to adjourn the meeting to another place, date

and time. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

Section 7. Proxies and Voting.

At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this paragraph may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

All voting, including on the election of directors but excepting where otherwise required by law, may be by a voice vote; provided, however, that upon demand therefore by a stockholder entitled to vote or by his or her proxy, a stock vote shall be taken. Every stock vote shall be taken by ballots, each of which shall state the name of the stockholder or proxy voting and such other information as may be required under the procedure established for the meeting.

The Corporation may, and to the extent required by law, shall, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting may, and to the extent required by law, shall, appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. Every vote taken by ballots shall be counted by a duly appointed inspector or inspectors.

All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law, all other matters shall be determined by a majority of the votes cast affirmatively or negatively.

Section 8. Stock List.

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in his or her name, shall be open to the examination of any such stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least 10 days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held.

The stock list shall also be kept at the place of the meeting during the whole time thereof and shall be open to the examination of any such stockholder who is present. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

Section 9. Consent of Stockholders in Lieu of Meeting.

---------- ----------

Unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery

made to the Corporation's registered office shall be made by hand or certified or registered mail, return receipt requested.

Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the date of the earliest dated consent delivered to the Corporation, a written consent or consents signed by a sufficient number of holders to take action are delivered to the Corporation in the manner prescribed in the preceding paragraph.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

ARTICLE II - BOARD OF DIRECTORS

Section 1. Number, Election and Term of Directors.

(1) The Board of Directors shall consist of one (1) or more members. Except as required by law, and subject to the rights of the holders of any series of preferred stock to elect directors under specified circumstances, the number of directors shall be fixed and may be changed from time to time exclusively by the Board of Directors pursuant to a resolution duly adopted by the Board of Directors. Except as provided in Section 2 of this Article, directors shall be elected by the holders of record of a plurality of the votes cast at annual meetings of stockholders, and each director so elected shall hold office until the next annual meeting and until his or her successor is duly elected and qualified, or until his or her earlier resignation or removal. Any director may resign at any time upon written notice to the Corporation. Directors need not be stockholders.

(2) Upon the effectiveness of the merger (the "Merger") of HP Acquisition, Inc., a Delaware corporation, with and into Boomtown, Inc., a Delaware corporation ("Boomtown"), the total number of persons serving on the Board of Directors of the Corporation shall be 11, seven (7) of whom shall be Parent Directors and four (4) of whom shall be Boomtown Directors (as such terms are defined below). The persons to serve on the Board of Directors of the Corporation who are "Parent Directors" shall be selected solely by and at the absolute discretion of the Board of Directors of the Corporation from among persons who are members of the Board of Directors of the Corporation prior to the effective date of the Merger. The persons to serve on the Board of Directors of the Corporation who are "Boomtown Directors" shall be selected

solely by and at the absolute discretion of the Board of Directors of Boomtown from among persons who were members of the Board of Directors of Boomtown prior to the effective date of the Merger. For a period of three (3) years from the effective date of the Merger, the number of members of the Corporation's Board of Directors shall not be greater than 11 members [(plus up to two (2)

representatives of the holders of the Preferred Stock to the extent they exercise their right to elect up to two (2) additional directors to the Corporation's Board of Directors ("Preferred Directors")] unless otherwise approved by a majority of the Boomtown Directors then on the Corporation's Board of Directors (provided that such approval of Boomtown Directors shall not be
----
required in the case of an increase, which is divisible by three (3), in the number of persons serving on the Corporation's Board of Directors where one Boomtown Director (selected by a majority of the Boomtown Directors then on the Corporation's Board of Directors) is added for every two (2) Parent Directors added). [Any Preferred Director shall not be considered to be either a Boomtown Director or a Parent Director.] The Corporation shall cause the Board of Directors of the Corporation and any nominating committee thereof to take such steps as are necessary to nominate the initial Boomtown Directors (or their replacement, which replacement shall be selected by a majority of the Boomtown Directors then on the Corporation's Board of Directors) for re-election at the first three (3) annual stockholders meetings following the effective date of the Merger.

This Section 1(2) may not be amended for a period of three (3) years from the effective date of the Merger without the approval of a majority of Boomtown Directors then on the Corporation's Board of Directors.

Section 2. Newly Created Directorships and Vacancies.
---------- ----------

Except as required by law, and subject to the rights of the holders of any series of preferred stock with respect to such series of preferred stock, and unless the Board of Directors otherwise determines, newly created directorships resulting from any increase in the authorized number of directors or any vacancies on the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled only by a majority vote of the directors then in office, though less than a quorum, and directors so chosen shall hold office for a term expiring at the next annual meeting of stockholders and until such director's successor shall have been duly elected and qualified. No decrease in the number of authorized directors constituting the entire Board of Directors shall shorten the term of any incumbent director.

Section 3. Regular Meetings.
---------- ----------

A regular meeting of the Board of Directors shall be held without other notice than this bylaw, immediately following and at the same place as the annual meeting of stockholders, unless otherwise provided by the Board of Directors. Additional regular meetings of the Board of Directors shall be held at such place or places, on such date or dates, and at such time or times as shall have been established by the Board of Directors and publicized among all directors. A notice of each regular meeting shall not be required.

Section 4. Special Meetings.

Special meetings of the Board of Directors may be called by the Chairman of the Board, or by the President or by a majority of directors then in office and shall be held at such place, on such date, and at such time as they or he or she shall fix. Notice of the place, date, and time of each such special meeting shall be given each director by whom it is not waived by mailing written notice not less than four (4) days before the meeting or by hand delivery to the recipient thereof or by recognized overnight delivery service or by telephone or by telegraphing or telexing or by facsimile transmission of the same not less than 24 hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 5. Quorum.

At any meeting of the Board of Directors, a quorum for all purposes shall consist of the greater of (i) a majority of directors then in office or (ii) one-third (1/3) of the total number of directors including vacancies. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date, or time, without further notice or waiver thereof.

Section 6. Participation in Meetings By Conference Telephone.

Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute presence in person at such meeting.

Section 7. Conduct of Business.

At any meeting of the Board of Directors, business shall be transacted in such order and manner as the Board may from time to time determine, and all matters shall be determined by the vote of a majority of the directors present, except as otherwise provided herein or required by law. Action may be taken by the Board of Directors without a meeting if all members thereof consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors.

Section 8. Powers.

The Board of Directors may, except as otherwise required by law, exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, including, without limiting the generality of the foregoing, the unqualified power:

(1) To declare dividends from time to time in accordance with law;

(2) To purchase or otherwise acquire any property, rights or privileges on such terms as it shall determine;

(3) To authorize the creation, making and issuance, in such form as

it may determine, of written obligations of every kind, negotiable or non-negotiable, secured or unsecured, and to do all things necessary in connection therewith;

(4) To remove any officer of the Corporation with or without cause, and from time to time to devolve the powers and duties of any officer upon any other person for the time being;

(5) To confer upon any officer of the Corporation the power to appoint, remove and suspend subordinate officers, employees and agents;

(6) To adopt from time to time such stock option, stock purchase, bonus or other compensation plans for directors, officers, employees and agents of the Corporation and its subsidiaries as it may determine;

(7) To adopt from time to time such insurance, retirement, and other benefit plans for directors, officers, employees and agents of the Corporation and its subsidiaries as it may determine; and

(8) To adopt from time to time regulations, not inconsistent with these Bylaws, for the management of the Corporation's business and affairs.

Section 9. Compensation of Directors.

Unless otherwise restricted by the Certificate of Incorporation, the Board of Directors shall have the authority to fix the compensation of the directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or paid a stated salary or paid other compensation as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 10. Director Emeritus.

The Board of Directors, may designate any person who has served as a director of this Corporation as Director Emeritus, upon resignation or other retirement or termination of any such director's tenure of office. Any Director Emeritus shall be extended thereafter all of the incidental courtesies of Hollywood Turf Club usually extended to active directors, and so long as such person shall

desire the same, each such person shall be known as a Director Emeritus. Such courtesies shall include the use of a director's badge, together with the use of the Director's Lounge and similar incidental privileges. The Director Emeritus shall not, however, be entitled to attend any meetings of the Board of Directors or of any committee thereof without special invitation nor shall such Director Emeritus have any vote or voice in management other than merely as a stockholder, if he be such a stockholder. The privileges and position of a Director Emeritus hereunder shall be personal, non-transferable and shall cease entirely upon his death and may be revoked by the Board of Directors with or without cause at any time.

ARTICLE III - COMMITTEES

Section 1. Committees of the Board of Directors.

The Board of Directors may designate one (1) or more committees, each committee to consist of one (1) or more of the directors of the Corporation appointed by the Board of Directors or the Chairman of the Board. The Board of Directors or the Chairman of the Board may appoint one (1) or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, or in these Bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by Delaware General Corporation Law to be submitted to stockholders for approval or (ii) adopting, amending or repealing any bylaw of the Corporation.

Section 2. Conduct of Business.

Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by law. Adequate provision shall be made for notice to members of all meetings; one-third (1/3) of the members shall constitute a quorum unless the committee shall consist of one (1) or two (2) members, in which event one (1) member shall constitute a quorum; and all matters shall be determined by a majority vote of the members present. Action may be taken by any committee without a meeting if all members thereof consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of such committee.

Section 3. Standing Executive Committee.

The Board of Directors shall appoint at least three (3) members of the Board to comprise an Executive Committee. The Executive Committee shall have and exercise all the powers and authority of the full Board of Directors in the management of the business and affairs of the Corporation to the fullest extent authorized by the Delaware General Corporation Law, and these Bylaws.

For a period of three (3) years after the effective date of the Merger, the Executive Committee of the Corporation's Board of Directors will consist of six (6) members, comprised of four (4) Parent Directors (the "Parent Committee Members") and two (2) Boomtown Directors (the "Boomtown Committee Members"); provided that if one of the initial Parent Committee Members ceases to be a member of the Executive Committee for any reason or for no reason, the Executive Committee will consist of five (5) members, comprised of three (3) Parent Committee Members and two (2) Boomtown Committee Members. The number of members of the Executive Committee shall not be greater than six (6) members (or five (5) members if one of the initial Parent Committee Members ceases to be a member of the Executive Committee) at any time during such three (3) year period without the consent of the majority of the Boomtown Committee Members. The initial Boomtown Committee Members will be Timothy J. Parrott and Richard J.

Goeglein. If either Messrs. Parrott or Goeglein shall be unavailable to serve, any replacement Boomtown Committee Members shall be selected by a majority of the Boomtown Directors then on the Corporation's Board of Directors. The initial Parent Committee Members shall be R.D. Hubbard and three (3) other Parent Directors selected by a majority of the Parent Directors then on the Corporation's Board of Directors. Subject to the proviso set forth in the first sentence of this paragraph, if either Mr. Hubbard or one or more of such other initial Parent Committee Members shall be unavailable to serve, any replacement Parent Committee Member shall be selected by a majority of the Parent Directors then on the Corporation's Board of Directors. Notice of meetings of the Executive Committee shall state the place, date and hour of the meeting and shall be given to each member of the Executive Committee personally, by mail, courier, telephone, telecopy or telegram on not less than 24 hours' notice. Members of the Executive Committee may participate in such meetings by means of conference telephone. Meetings of the Executive Committee may be held without notice if all the members thereof are present or if all those not present waive such notice in writing whether before or after the meeting.

This Section 3 may not be amended for a period of three (3) years from the effective date of the Merger without the approval of a majority of Boomtown Directors then on the Corporation's Board of Directors.

Section 4. Audit Committee.

The Corporation's Board of Directors shall have an Audit Committee comprised of at least three (3) members, all of whom shall consist solely of non-officer directors who shall meet the standards for membership as set forth in Rule 303.00 of the New York Stock Exchange ("NYSE") Company Guide or any successor rule adopted by the NYSE with respect to such membership.

In addition to such other responsibilities as may be delegated to the Audit Committee from time to time, the Audit Committee shall: (i) review and approve all related party transactions between the Corporation or any of its subsidiaries and any officer or director (or their affiliates) having a total value of more than $60,000 (or such higher amount as may be specified from time to time by applicable rules and regulations of the Securities and Exchange Commission ("SEC") as the threshold at which disclosure of such transactions is required in the Corporation's annual report, proxy statement or other periodic filing), other than compensation arrangements, incentive plans, stock options plans or similar plans or arrangements, and transactions that are subject to approval by another committee of the Board of Directors consisting of a majority of directors who are disinterested in the subject transaction; (ii) require the Corporation's internal audit department to review, at least annually, all such related party transactions and report thereon to the Audit Committee; (iii) report annually on all related party transactions as required by the SEC's proxy rules and shall, at least quarterly, report on any related party transaction involving $2 Million or more, either in the Corporation's quarterly report on Form 10-Q or in its quarterly shareholders report; (iv) recommend an independent firm of certified public accountants to conduct the audit of the Corporation's annual financial statements, and confer with the selected firm as to the scope and procedures of its audit; (v) require the Corporation's independent auditors, as a part of their engagement, to render to the Corporation a "Report to Management" as to the Corporation's system of internal financial and accounting controls. The Audit Committee shall review that report and any response thereto by management. At the conclusion of the annual audit, the Audit Committee shall receive a copy of the report of the independent auditors, and review that report as well as any concerns, comments or suggestions that the auditors may provide; (vi) on at least an annual basis, review the Corporation's internal financial

and accounting controls with the Corporation's financial and accounting officers, and report thereon to the Corporation's Board of Directors with any recommendations for improvement or correction as the Audit Committee may determine appropriate. Thereafter, the Audit Committee shall supervise the implementation of any recommendations of the Board with respect thereto; and (vii) review, at least annually, the adequacy and competency of the Corporation's accounting and financial staff and internal audit department.

The Audit Committee may retain independent experts, including legal counsel and investment counsel, at its discretion and at the Corporation's expense.

Section 5. Compensation Committee.

The Corporation's Board of Directors shall have a Compensation Committee comprised of at least one (1) member. In addition to such other responsibilities and authority as may be delegated to the Compensation Committee from time to time, the Compensation Committee shall have the authority to (i) assist with the administration of the Corporation's compensation plans including recommendations to the Board of Directors with respect to the establishment of such plans and the terms and provisions thereof, (ii) make recommendations to the Board of Directors with respect to the annual salaries and other compensation of the officers of the Corporation, and (iii) provide assistance and recommendations to the Board of Directors with respect to the compensation policies and practices of the Corporation.

ARTICLE IV - OFFICERS

Section 1. Generally.

The officers of the Corporation shall be elected by the Board of Directors and shall consist of a Chairman of the Board, one or more Vice Chairmen of the Board, a President, one or more Vice Presidents, a Secretary, and a Treasurer. The Board of Directors may also appoint an Executive Vice President, a Controller, one or more Assistant Secretaries and Assistant Treasurers, a Chief Operating Officer, a General Manager of the Corporation's racing operations and such other officers as it shall deem necessary from time to time. The principal officers of the Corporation shall be chosen annually by the Board and shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal. Any number of offices may be held by the same person unless the Certificate of Incorporation or these Bylaws otherwise provide.

Section 2. Chairman of the Board.

The Chairman of the Board shall be the Chief Executive Officer of the Corporation and shall, if present, preside at all meetings of the stockholders and of the Board of Directors. If the Chairman of the Board is unable or declines to act as Chief Executive Officer, then the Vice Chairman of the Board shall be Chief Executive Officer. If there is more than one Vice Chairman of the Board appointed, then the Vice Chairman with the longest continuous service on the Board shall assume the duties of Chief Executive Officer in the absence of the Chairman of the Board. If both the Chairman of the Board and any Vice Chairman of the Board are unable or decline to act as Chief Executive Officer, then the President shall become the Chief Executive Officer of the Corporation. The Chief Executive Officer shall be the principal executive officer of the

Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the stockholders and of the Board of Directors and shall see that orders and resolutions of the Board of Directors are carried into effect. He may sign bonds,

mortgages, certificates for shares and all other contracts and documents whether or not under the seal of the Corporation except in cases where the signing and execution thereof shall be expressly delegated by law, by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation. He shall have general powers of supervision and shall be the final arbiter of all differences between officers of the Corporation and his decision as to any matter affecting the Corporation shall be final and binding between the officers of the Corporation subject only to actions of the Board of Directors. He may also delegate such of his duties to the Vice Chairman of the Board or the President or such other officers as the Chairman of the Board from time to time deems appropriate.

Section 3. Vice Chairman of the Board.

The Board of Directors may appoint one or more Vice Chairman of the Board any of whom shall, in the absence of the Chairman of the Board or in the event of his inability or refusal to act, perform the duties of the Chairman of the Board and Chief Executive Officer and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman of the Board and Chief Executive Officer. If more than one Vice Chairman is appointed the Vice Chairman shall assume the duties of the Chairman of the Board in order of their continuous service on this Board with the person having the longest continuous service being the first to act. The Vice Chairman shall perform such other duties as the Chief Executive Officer or the Board of Directors shall prescribe.

Section 4. President.

In the absence of any Chief Executive Officer as the succession to that position is prescribed in these Bylaws or in the event of the inability or refusal of any such Chief Executive Officer to act, the President shall perform the duties of the Chief Executive Officer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer. He shall, at all times, have concurrent power with the Chief Executive Officer to sign bonds, mortgages, certificates for shares and other contracts and documents whether or not under the seal of the Corporation except in cases where the signing and execution thereof shall be expressly delegated by law, by the Board of Directors, or by these Bylaws to some other officer or agent of the Corporation. The President shall also perform such other duties as the Chief Executive Officer or the Board of Directors may from time to time prescribe.

Section 5. Chief Operating Officer.

The Chief Operating Officer shall be an employee of this Corporation and shall serve at the pleasure of the Board of Directors. The Chief Operating Officer may, but need not be, a member of the Board of Directors, but in either event, shall be reportable to and act under the direction of the Chairman of the Board and Board

of Directors. The Chief Operating Officer shall supervise the daily operations and affairs of the Corporation under the direction of the Chairman of the Board or such other persons as the Chairman of the Board may appoint from time to time for that purpose and shall, within the limits specified in this Section, control all of this corporation's racing activities, supervise its employees and personnel, administer this Corporation's operating policies, and make such daily operating decisions as are reasonably necessary for effective management. The Chief Operating Officer shall have no authority to sign bonds, mortgages, certificates for shares or other documents or to obligate this Corporation for any sum in excess of $25,000.00 except as shall be expressly delegated by the Board of Directors or by these Bylaws. The Chief Operating Officer shall make such reports to the Board of Directors and to the Chairman of the Board as may be directed by those entities and shall make a detailed report to the Chairman of the Board and to the Board of Directors on the results of racing operations and on the financial affairs of this Corporation no less frequently than monthly.

Section 6. Vice Presidents.

In the absence of the President or in the event of his inability or refusal to act, the Vice President, if one has been elected by the Board, (or in the event there be more than one Vice President, the Executive Vice President or in the event there is no Executive Vice President, the Vice President with the longest continuous service on the Board of Directors of this Corporation) shall perform the duties of the President, and when so acting, shall have all the power of and be subject to all the restrictions upon the President. The Vice Presidents shall perform such other duties as the Chief Executive Officer or the Board of Directors may from time to time prescribe.

Section 7. Treasurer.

The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chairman of the Board and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as treasurer and of the financial condition of the corporation.

Section 8. Assistant Treasurer.

The Assistant Treasurer shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as the Chairman of the Board or the

Board of Directors may from time to time prescribe or perform such duties of the Treasurer as the Treasurer of this Corporation may delegate from time to time.

Section 9. Secretary.

The Secretary (or Assistant Secretary if appropriately delegated) shall attend all meetings of the Board of Directors and all meetings of the stockholders and record all the proceedings of the meetings of the Corporation and of the Board of Directors in a book for that purpose and shall perform like duties for the standing committee when required. He shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the Chief Executive Officer. He shall have custody of the corporate seal of the Corporation, and he, or an Assistant Secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by his signature or such Assistant Secretary. The Chairman of the Board or the Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his signature.

Section 10. Assistant Secretary.

The Assistant Secretary shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Chairman of the Board or the Board of Directors, or the Secretary may from time to time prescribe.

Section 11. Controller.

The Controller shall keep or cause to be kept correct records of the business and transactions of the Corporation and shall, upon request, at all reasonable times exhibit or cause to be exhibited such records to any of the directors of the Corporation at the place where such records are maintained. He shall perform such other duties as from time to time may be assigned to him by the Chairman of the Board or the Board of Directors.

Section 12. Delegation of Authority.

The Board of Directors may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

Section 13. Removal.

Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors.

Section 14. Resignations.

Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Board or the Chairman of the Board or the Secretary. Any such resignation shall take effect at the time specified therein, or if the time when it shall become effective shall not be specified therein, then it shall take effect immediately upon its receipt by the Board or the Chairman of the Board or Secretary; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 15. Action with Respect to Securities of Other Corporations.

Unless otherwise directed by the Board of Directors, the Chairman of the Board or the President or any officer of the Corporation authorized by the Chairman of the Board or the President shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of stockholders of or with respect to any action of stockholders of any other corporation in which this Corporation may hold securities and otherwise to exercise any and all rights and powers which this Corporation may possess by reason of its ownership of securities in such other corporation.

ARTICLE V - STOCK

Section 1. Certificates of Stock.

Each stockholder shall be entitled to a certificate signed by, or in the name of the Corporation by, the Chairman of the Board, President or a Vice President, and by the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer, certifying the number of shares owned by him or her. Any or all of the signatures on the certificate may be by facsimile.

Section 2. Transfers of Stock.

Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation or by transfer agents designated to transfer shares of the stock of the Corporation. Except where a certificate is issued in accordance with Section 4 of this Article V, an outstanding certificate for the number of shares involved shall be surrendered for cancellation before a new certificate is issued therefor.

Section 3. Record Date.

(1) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders, or to receive payment of any dividend or other distribution or allotment of any rights or to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any

other lawful action, the Board of Directors may, except as otherwise required by law, fix a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted and which record date shall not be more than 60 nor less than 10 days before the date of any meeting of stockholders, nor more than 60 days prior to the time for such other action as hereinbefore described; provided, however, that if no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, and, for determining stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or to exercise any rights of change, conversion or exchange of stock or for any other purpose, the record date shall be at the close of business on the day on which the Board of Directors adopts a resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however,

that the Board of Directors may fix a new record date for the adjourned meeting.

(2) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within 10 days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within 10 days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in the manner prescribed by Article I, Section 9 of these Bylaws. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

Section 4. Lost, Stolen or Destroyed Certificates.

In the event of the loss, theft or destruction of any certificate of stock, another may be issued in its place pursuant to such regulations as the Board of Directors may

establish concerning proof of such loss, theft or destruction and concerning the giving of a satisfactory bond or bonds of indemnity.

Section 5. Regulations.

The issue, transfer, conversion and registration of certificates of stock shall be governed by such other regulations as the Board of Directors may establish.

ARTICLE VI - NOTICES

Section 1. Notices.

Except as otherwise specifically provided herein or required by law, all notices required to be given to any stockholder, director, officer, employee or agent shall be in writing and may in every instance be effectively given by hand delivery to the recipient thereof, by depositing such notice in the mails, postage paid, recognized overnight delivery service or by sending such notice by facsimile, receipt acknowledged, or by prepaid telegram or mailgram. Any such notice shall be addressed to such stockholder, director, officer, employee or agent at his or her last known address as the same appears on the books of the Corporation. The time when such notice is received, if hand delivered, or transmitted or dispatched, if delivered through the mails or by facsimile,

telegram or mailgram, shall be the time of the giving of the notice.

Section 2. Waivers.

A written waiver of any notice, signed by a stockholder, director, officer, employee or agent, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such stockholder, director, officer, employee or agent. Neither the business nor the purpose of any meeting need be specified in such a waiver. Attendance at any meeting shall constitute waiver of notice except attendance for the sole purpose of objecting to the timeliness of notice.

ARTICLE VII - MISCELLANEOUS

Section 1. Facsimile Signatures.

In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

Section 2. Corporate Seal.

The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.

Section 3. Reliance upon Books, Reports and Records.

Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters which such director, committee member, or officer reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 4. Fiscal Year.

The fiscal year of the Corporation shall be as fixed by the Board of Directors.

Section 5. Time Periods.

In applying any provision of these Bylaws which requires that an act be done or not be done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event,

calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

ARTICLE VIII - INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right to Indemnification.

Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or an officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "indemnitee"), whether the basis of such proceeding is an alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation

Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith; provided, however, that, except as provided in Section 3 of this Article VIII with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

Section 2. Right to Advancement of Expenses.

The right to indemnification conferred in Section 1 of this Article VIII shall include the right to be paid by the Corporation the expenses (including attorney's fees) incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Delaware General Corporation Law requires, an advancement of expenses incurred by an indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Section 2 or otherwise. The rights to indemnification and to the advancement of expenses conferred in Sections 1 and 2 of this Article VIII shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators.

Section 3. Right of Indemnitee to Bring Suit.

If a claim under Section 1 or 2 of this Article VIII is not paid in full by the Corporation within 60 days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be 20 days, the indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall also be entitled to be paid the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) in any suit

brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met any applicable standard for indemnification set forth in the Delaware General Corporation Law. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VIII or otherwise shall be on the Corporation.

Section 4. Non-Exclusivity of Rights.

The rights to indemnification and to the advancement of expenses conferred in this Article VIII shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Corporation's Certificate of Incorporation or Bylaws, any agreement, or by vote of the Corporation's stockholders or disinterested directors or otherwise.

Section 5. Insurance.

The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

Section 6. Indemnification of Employees and Agents of the Corporation.

The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of

expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

ARTICLE IX - AMENDMENTS

In furtherance and not in limitation of the powers conferred by law, the Board of Directors is expressly authorized to make, alter, amend and repeal these Bylaws subject to the power of the holders of capital stock of the Corporation to alter, amend or repeal the Bylaws; provided, however, that, with respect to the powers of holders of capital stock to make, alter, amend and repeal Bylaws of the Corporation, notwithstanding any other provision of these Bylaws or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any particular class or series of the capital stock of the Corporation required by law, these Bylaws or any preferred stock, the affirmative vote of the holders of at least 66 K% of the voting power of all of the then-outstanding shares entitled to vote generally in the election of directors, voting together as a single class, shall be required to make, alter, amend or repeal any provision of these Bylaws.

EXHIBIT 3.26

SECOND AMENDED AND RESTATED PARTNERSHIP AGREEMENT

OF

LOUISIANA-I GAMING,

A LOUISIANA PARTNERSHIP IN COMMENDAM

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE REGULATORY AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS AGREEMENT OF LIMITED PARTNERSHIP OR THE LIMITED PARTNERSHIP INTERESTS PROVIDED FOR HEREIN. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE LIMITED PARTNERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), IN RELIANCE UPON THE EXEMPTIONS SET FORTH IN SECTION 4(2) THEREOF AND IN RULE 506 OF REGULATION D PROMULGATED THEREUNDER; THE ISSUER IS UNDER NO OBLIGATION TO REGISTER THE LIMITED PARTNERSHIP INTERESTS UNDER THE 1933 ACT.

A LIMITED PARTNERSHIP INTEREST MAY NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER THE 1933 ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE GENERAL PARTNER THAT SUCH REGISTRATION IS NOT REQUIRED. ADDITIONAL RESTRICTIONS ON THE TRANSFER OF LIMITED PARTNERSHIP INTERESTS ARE CONTAINED IN SECTION 6 OF THIS AGREEMENT. BASED UPON THE FOREGOING, A PURCHASER OF A LIMITED PARTNERSHIP INTEREST MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF INVESTMENT THEREIN FOR AN INDEFINITE PERIOD OF TIME.

TABLE OF CONTENTS

SECOND AMENDED AND RESTATED PARTNERSHIP AGREEMENT

OF

LOUISIANA-I GAMING,

A LOUISIANA PARTNERSHIP IN COMMENDAM

THIS SECOND AMENDED AND RESTATED PARTNERSHIP AGREEMENT (this "Agreement") of Louisiana-I Gaming, a Louisiana Partnership in Commendam (the "Partnership"), is entered into as of August 8, 1997, by and among Louisiana Gaming Enterprises, Inc., a Louisiana corporation (the "General Partner"), Boomtown, Inc., a Delaware corporation ("Boomtown"), as a limited partner, and those other persons who have executed this Agreement as limited partners (collectively with Boomtown, the partners in commendam or "Limited Partners"). The General Partner and the Limited Partners are referred to collectively as the "Partners" and each individually as a "Partner."

WITNESSETH:

WHEREAS, the original Partnership Agreement of Louisiana-I Gaming, a Louisiana Partnership in Commendam, was entered into on April 20, 1993; and

WHEREAS, the original Partnership Agreement was amended and restated by that certain Amended and Restated Partnership Agreement of Louisiana-I Gaming, a Louisiana Partnership in Commendam, dated September 16, 1993, by the General Partner, Boomtown and Eric Skrmetta ("Skrmetta"), pursuant to which (among other things) Skrmetta was admitted as a limited partner of the Partnership;

WHEREAS, Boomtown has purchased from Skrmetta, and Skrmetta has sold and assigned to Boomtown, all right, title and interest of Skrmetta in, under and to the Partnership pursuant to that certain Assignment of Partnership Interest dated August 6, 1997, between Skrmetta, as assignor, and Boomtown, as assignee; and

WHEREAS, the General Partner and Boomtown are the only remaining partners of the Partnership and desire again to amend and restate in its entirety the Partnership Agreement of Louisiana-I Gaming, a Louisiana Partnership in Commendam, to set forth their understandings with respect to the business affairs of the Partnership;

NOW, THEREFORE, in consideration of the mutual promises made herein, the parties intending to be legally bound, hereby agree that the Partnership Agreement is hereby amended and restated in its entirety to read as follows:

SECTION 1
DEFINITIONS

As used in this Agreement:

Act shall mean the Louisiana Partnership Law, Louisiana Civil Code Articles 2801-2848.

Additional Capital Contribution shall mean any contribution to the capital of the Partnership (including the initial capital contribution of a person admitted as an additional Limited Partner pursuant to Section 3.3) made on a date subsequent to the date of this Agreement. Each Additional Capital Contribution shall be deemed to be made as of the close of business on the date thereof.

Authorized Transferee shall have the meaning set forth in Section 6.1(a)(iv).

Bankruptcy shall mean, with respect to a Partner, the commencement of any

bankruptcy or insolvency case or proceeding against such Partner which shall continue and remain unstayed and in effect for a period of 60 consecutive days, or the filing by such Partner of a petition, answer or consent seeking relief under any applicable Federal or state bankruptcy, insolvency or similar law.

Capital Account shall mean, for each Partner, a separate account that is:

(a) increased by (i) the amount of such Partner's Capital Contribution and (ii) allocations of Profits to such Partner pursuant to Section 4.2;

(b) decreased by (i) the amount of cash distributed to such Partner by the Partnership, (ii) the fair market value of any other property distributed to such Partner by the Partnership (determined as of the date of distribution, without regard to Section 7701(g) of the Code, and net of liabilities secured by such property that the Partner assumes or to which the Partner's ownership of the property is subject), and (iii) allocations of Losses to such Partner pursuant to Section 4.2; and

(c) otherwise adjusted so as to conform to the requirements of Sections 704(b) and (c) of the Code and the regulations issued thereunder.

Capital Contribution shall mean, for any Partner, the net amount of cash and the fair market value, without regard to Section 7701(g) of the Code, of any other property (determined as of the date of contribution and net of liabilities secured by such property that the Partnership assumes or to which the Partnership's ownership of the property is subject) contributed by such Partner to the capital of the Partnership. A Partner's Capital Contribution shall include such Partner's Additional Capital Contributions.

Code shall mean the Internal Revenue Code of 1986, as amended.

Dissolution of a Partner which is not a natural person shall mean that such Partner has terminated its existence (whether as a partnership, corporation or other legal entity) and

dissolved; provided, however, that a change in the membership of a Partner that is a partnership shall not constitute a "Dissolution" of such Partner, so long as the business of the Partner is continued in partnership form, regardless of whether such Partner is deemed technically dissolved for partnership or tax law purposes.

Distributable Income shall have the meaning set forth in Section 4.1(a).

Fiscal Year shall mean the period from January 1 through December 31 of each year (unless otherwise required by law).

Indemnified Person shall have the meaning set forth in Section 8.2.

Liquidating Partner shall mean the General Partner unless another person is selected pursuant to Section 7.2.

Majority-In-Interest of the Limited Partners shall mean a group of Limited Partners whose aggregate Percentage Interests are in excess of 50 percent of the total Percentage Interests of all of the Limited Partners.

Minimum Gain of the Partnership shall, as provided in Treasury Regulation Section 1.704-2, mean the total amount of gain the Partnership would realize for Federal income tax purposes if it disposed of all assets subject to nonrecourse liability for no consideration other than full satisfaction thereof.

Nonrecourse Deduction shall mean an item of loss, expense or deduction (other than a Partner Nonrecourse Deduction) attributable to a nonrecourse liability of the Partnership within the meaning of Treasury Regulation Section 1.704-2(b).

Partner Nonrecourse Deduction shall mean an item of loss, expense or deduction attributable to a nonrecourse liability of the Partnership for which a Partner bears the economic risk of loss within the meaning of Treasury Regulation Section 1.704-2(i).

Percentage Interest shall have the meaning set forth in Section 3.7.

Profits and Losses of the Partnership shall mean items of income and gain (including items not subject to Federal income tax) and items of loss, expense and deduction (including items not deductible, depreciable, amortizable or otherwise excludable from income for Federal income tax purposes), respectively, as determined under Federal income tax principles.

Project shall mean the riverboat gaming facility and related improvements owned and operated by the Partnership in Harvey, Louisiana.

Required License shall have the meaning set forth in Section 2.7.

Substitute Partner shall have the meaning set forth in Section 6.1(a).

Transfer shall have the meaning set forth in Section 6.1.

Transferring Partner shall have the meaning set forth in Section 6.1(a)(i).

Unreturned Capital Contribution shall mean, with respect to each Partner, the amount of such Partner's Capital Contribution reduced by the amount distributed to such Partner pursuant to Section 4.1(a)(i). For purposes of the preceding sentence, the "amount distributed" with regard to any distribution of property in kind shall be equal to the fair market value of such property, without regard to Section 7701(g) of the Code, determined as of the date of distribution and net of liabilities secured by the property that the distributee Partner assumes or to which the distributee Partner's ownership of the property is subject.

SECTION 2

FORMATION OF LIMITED PARTNERSHIP

2.1 Formation, Name and Principal Office. The Partners hereby enter into and form the Partnership for the limited purpose and scope set forth in this Agreement. Except as otherwise provided herein, the Partnership shall be a partnership in commendam governed by the Act. The name of the Partnership shall be "Louisiana-I Gaming, a Louisiana Partnership in Commendam." The principal and registered office of the Partnership shall be c/o Smith Martin, 700 Camp Street, New Orleans, Louisiana 70130 or, upon written notice to the Limited Partners, at such other place as may be designated by the General Partner. The federal tax identification number of the Partnership is 72-1238179.

2.2 Purpose and Scope of the Partnership. The purpose of the Partnership shall be to:

(i) lease or otherwise acquire property;

(ii) develop one or more of the following on the property, to the extent allowed by and in conformance with applicable law: (a) a riverboat gaming vessel; (b) a dockside gaming vessel; or (c) a land-based casino;

(iii) develop any facilities that are related to, necessary for the operation of, or compatible with and enhance the gaming operation to be conducted on the property, including parking areas, entertainment and lodging facilities, food and beverage service, passenger ticketing facilities, docking facilities, storage and maintenance facilities (including fueling facilities for any riverboat vessel);

(iv) engage in any other lawful activities determined by the General Partner to be necessary or advisable in furtherance of the foregoing.

2.3 Names and Addresses of the Partners. The name and address of each Partner shall be set forth on Schedule A.

2.4 Term of the Partnership. The Partnership commenced on April 20, 1993 and shall continue for a period of 99 years thereafter, unless earlier dissolved and terminated pursuant to Section 7.

2.5 Required Documents.

(a) Partnership Documents. The General Partner shall cause to be field, recorded or amended, as necessary, a certificate of limited partnership or partnership in commendam and any other documents required to be filed, recorded or amended in connection with the formation or operation of the Partnership pursuant to the laws of the State of Louisiana or any other jurisdiction in which the Partnership's business is conducted.

(b) Other Documents. The Limited Partners shall execute and acknowledge as requested by the General Partner such documents as may be necessary or desirable to (i) comply with legal requirements applicable to the formation of the Partnership or the operation of the Partnership's business, or (ii) otherwise give effect to the terms of this Agreement.

(c) Special Power of Attorney. Each Limited Partner hereby grants to the General Partner a special power of attorney irrevocably appointing the General Partner as the Limited Partner's attorney-in-fact with power and authority to execute and acknowledge, in the Limited Partner's name and on its behalf, any document described in Section 2.5(b). Such special power of attorney is coupled with an interest.

2.6 Title to Property. Title to all Partnership property shall be held in the name of the Partnership.

2.7 Required Licenses. Each Partner shall use its reasonable efforts to obtain and continue to hold all governmental licenses, permits and similar authorizations that are necessary or advisable in connection with the business of the Partnership, as determined by the General Partner in its reasonable discretion ("Required Licenses").

SECTION 3
CAPITALIZATION OF THE PARTNERSHIP

3.1 Initial Capital Contribution. Each Partner shall make a contribution to the capital of the Partnership. The initial capital contribution of the General Partner shall be $250,000 payable not later than the date on which the Partnership commences to conduct gaming operations. The initial capital contribution of Boomtown shall be $4,750,000 payable not later than the date on which the Partnership commences to conduct gaming operations. Each other Limited Partner's initial capital contribution shall be in such amount as shall be agreed to by the General Partner and shall be set forth on Schedule A.

3.2 Additional Capital Contributions.

(a) General. Except as otherwise specifically provided in this Section 3.2, no Partner shall be permitted or required to make an Additional Capital Contribution.

(b) Mandatory Additional Contributions by the General Partner. The General Partner shall make any capital contribution required in connection with the dissolution of the Partnership pursuant to Section 7.3(e). In addition, the General Partner

shall make any capital contributions necessary for it to maintain, at all times during the term of the Partnership, a positive Capital Account balance at least equal to the lesser of (i) one percent of the aggregate positive Capital Account balances of the Partners or (ii) $500,000.

(c) Other Additional Contributions. Prior to completion of the Project, any Partner may contribute additional capital to the Partnership upon the consent of the General Partner. Once the Project has been completed, if the General Partner determines in its sole discretion that the Partnership needs additional capital for any purpose, the General Partner may offer to the Partners the opportunity to make Additional Capital Contributions.

3.3 Admission of Additional Limited Partners. Subject to its authority to approve Transfers of limited partnership interests under Section 6, the General Partner may admit additional persons as Limited Partners only with the consent of all the Limited Partners and only in compliance with applicable gaming laws.

3.4 Withdrawal and Return of Capital. Except as provided in Sections 4.1, 6.2 and 7.3, (i) no Partner may withdraw any portion of its Capital Contribution without the prior consent of the General Partner and a Majority-In-Interest of the Limited Partners and (ii) no Partner shall be entitled to a return of such Partner's Capital Contribution.

3.5 Loans to the Partnership. If the General Partner determines that the Partnership needs additional capital for any purpose, the General Partner may offer to the Partners, pro rata in proportion to their respective Percentage Interests, the opportunity to lend a specified amount of cash to the Partnership at a rate of interest equal to the prime rate of interest quoted from time to time by the Bank of America N.T.S.A. San Francisco main branch plus two percent (but not to exceed the maximum rate permitted under applicable law). If any Partner declines to lend its pro rata share of such amount to the Partnership, the other Partners may elect to lend to the Partnership all or a portion of the amount necessary to cover the resulting shortfall (in such proportions as the General Partner may determine in its sole discretion). Notwithstanding the foregoing, the General Partner shall not raise capital through Partner loans to the Partnership without first offering the Partners an opportunity to contribute the needed capital through Additional Capital Contributions pursuant to Section 3.2(c).

3.6 Limitation of Liability. Except as otherwise required by the Act or in connection with a claim against a Limited Partner for recovery of distributions received by such Limited Partner in violation of this Agreement, the liability of each Limited Partner for Partnership Losses shall not exceed the value of such Limited Partner's interest in the Partnership. Any cash or property that a Limited Partner is obligated to return to the Partnership shall be returned immediately upon demand therefor by the General Partner. A Limited Partner obligated to return property may, at its option, return cash equal to the fair market value of the property (determined by the General Partner in its reasonable discretion as of the date of such return). If, as a result of a Limited Partner receiving a distribution of cash or property that it is required to return, Losses which otherwise would have been allocated to the Limited Partner were allocated to the General Partner (and such allocation has not been reversed pursuant to Section 4.2(b)(iv)), the Capital Accounts of the Partners shall be adjusted to reflect the allocation of such Losses to the Limited Partner.

3.7 Percentage Interest.

(a) Upon execution of this Agreement by the Partners, the percentage interests ("Percentage Interests") of the Partners shall be as follows: .

General Partner	5%
Boomtown	95%

Except as specifically provided in Section 3.7(b), the Percentage Interests of the Partners shall not subsequently be adjusted.

(b) If, after completion of the Project, there is an Additional Capital Contribution, the Percentage Interests of the Partners shall immediately

thereafter be adjusted so that the Percentage Interest of each Partner is equal to the ratio that (A) the sum of such Partner's share of the Additional Capital Contributions made on such date and the fair market value of such Partner's interest in the Partnership (determined as of the time immediately prior to such Additional Capital Contributions, bears to (B) the sum of all Additional Capital Contributions made on such date and the aggregate fair market value of the Partners' interests in Partnership (determined as of the time immediately prior to such Additional Capital Contributions).

3.8 Interest on Capital. No Partner shall be entitled to interest on such Partner's Capital Contribution.

SECTION 4

DISTRIBUTIONS, PROFITS AND LOSSES

4.1 Distributions.

(a) Except as otherwise required pursuant to Section 4.1(b) or (c) or applicable law, the Partnership shall make distributions of cash or property from time to time at the discretion of the General Partner; provided, however, that, subject to the foregoing limitations, the Partnership shall make quarterly distributions of Distributable Income as follows:

(i) Within 45 days after the end of each of the first three quarters of each Fiscal Year, 75 percent of the Partnership's Distributable Income for such quarter shall be distributed to the Partners in proportion to their respective Percentage Interests; and

(ii) Within 60 days after the end of the final quarter of each Fiscal Year, 100 percent of any previously undistributed Distributable Income for such Fiscal Year shall be distributed to the Partners in proportion to their respective Percentage Interests.

For purposes of this Section 4.1(a), "Distributable Income" for any period shall mean:

(i) the sum of the Partnership's (A) net income, (B) depreciation and amortization charges, and (C) provision for income taxes or similar governmental fees; reduced by

(ii) the sum of the Partnership's (A) capital expenditures in the normal course of operation, (B) scheduled principal repayments on indebtedness, and (C) income taxes or similar governmental fees actually paid (all of the foregoing items in this sentence to be determined with regard to amounts accrued or incurred in accordance with generally accepted accounting principles consistently applied); and further reduced by

(iii) 50 percent of the aggregate deficit in Distributable Income, if any, for all prior periods (provided, however, that the reduction required under this clause (iii) shall not be applied for purposes of determining the historic Distributable Income for any prior period).

(b) Notwithstanding Section 4.1(a), cash or property of the Partnership available for distribution upon the dissolution of the Partnership (including cash or property received upon the sale or other disposition of assets in anticipation of or in connection with such dissolution) shad be distributed in accordance with the provisions of Section 7.3.

(c) No distribution shall be made to a Limited Partner pursuant to Section4.1(a) if and to the extent that, upon a hypothetical liquidation of the Partnership in accordance with the provisions of Section 7.3 immediately subsequent to such distribution, the Limited Partner would have a deficit Capital Account balance.

4.2 Allocations of Partnership Profits and Losses.

(a) Except as otherwise provided in this Section 4.2, Profits and Losses of the Partnership shall be allocated among the Partners as follows:

(i) Profits of the Partnership shall be allocated:

(A) First, to the Partners in proportion to their respective negative Capital Account balances until no Partner has a negative Capital Account balance;

(B) Next, to the Partners in proportion to their respective Unreturned Capital Contributions until the Capital Account balance of each Partner is not less than such Partner's Unreturned Capital Contribution; and

(C) Finally, to the Partners in proportion to their respective Percentage Interests.

(ii) Next, Losses of the Partnership shall be allocated:

(A) First, to the Partners in proportion to the amounts by which the Capital Account balance of each Partner exceeds such Partner's Unreturned Capital Contribution until the Capital Account balance of each Partner does not exceed such Partner's Unreturned Capital Contribution;

(B) Next, to the Partners in proportion to their respective Unreturned Capital Contributions until the Capital Account balance of each Partner does not exceed zero; and

(C) Finally, to the Partners in proportion to their respective Percentage Interests.

(iii) Notwithstanding the foregoing provisions of this Section 4.2(a):

(A) Nonrecourse Deductions shall be allocated among the Partners in proportion to their respective Percentage Interests;

(B) In accordance with the provisions of Treasury Regulation Section 1.704-2(i), each item of Partner Nonrecourse Deduction shall be allocated among the Partners in proportion to the economic risk of loss that the Partners bear with respect to the nonrecourse liability of the Partnership to which such item of Partner Nonrecourse Deduction is attributable; and

(C) Solely for purposes of determining the amounts to be allocated among the Partners under Section 4.2 (a)(i) and (ii) , the Capital Account balances of the Partners shall not reflect any reduction thereof caused by (1) the allocation to the Partners' Capital Accounts of Nonrecourse Deductions or Partner Nonrecourse Deductions under this Section 4.2(a)(iii), or (2) any distributions that, notwithstanding the provisions of Section 4.5, are allocable to increases in the Partnership's Minimum Gain under Treasury Regulation Section 1.704-2(h) (except to the extent that such Nonrecourse

Deductions, Partner Nonrecourse Deductions or distributions have been offset by operation of the minimum gain chargeback provisions of Section 4.2(b)(iii)).

(b) Allocation Adjustments Required to Comply With Section 704 (b) of the Code.

(i) Limitations on Allocation of Losses. Notwithstanding the provisions of Section 4.2(a)(ii), there shall be no allocation of Losses to any Limited Partner which would create or increase a deficit balance in such Limited Partner's Capital Account unless such allocation would be treated as valid under Section 704(b) of the Code. Any Losses that cannot be allocated to a Limited Partner pursuant to the preceding sentence shall be reallocated to the General Partner.

(ii) Qualified Income Offset. Notwithstanding the provisions of Section 4.2(a)(i), if in any Fiscal Year a Limited Partner receives (or is reasonably expected to receive) a distribution, or an allocation or adjustment to such Limited Partner's Capital Account, that creates or increases (or is reasonably expected to create or increase) a deficit balance in such Limited Partner's Capital Account, there shall be allocated to the Limited Partner such items of Partnership income or gain as are necessary to satisfy the requirements of a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b).

(iii) Minimum Gain Chargeback. Notwithstanding the provisions of Section 4.2(a), this Section 4.2(b)(iii) hereby incorporates by reference the "minimum gain chargeback" provisions of Treasury Regulation Section 1.704-2. In general, upon a reduction of the Partnership's Minimum Gain, the preceding sentence shall require that items of income and gain be allocated among the Partners in a manner that reverses prior allocations of Nonrecourse and Partner Nonrecourse Deductions as well as reductions in the Partners' Capital Account balances resulting from distributions that, notwithstanding Section 4.5, are allocable to increases in the Partnership's Minimum Gain. Subject to the provisions of Section 704 of the Code and the regulations thereunder, if the General Partner determines at any time that operation of such "minimum gain chargeback" provisions likely will not achieve such a reversal by the conclusion of the liquidation of the Partnership, the General Partner shall adjust the allocation provisions of this Section 4.2 as necessary to accomplish that result.

(iv) Allocations Subsequent to Certain Allocation Adjustments. Any allocations of items of Profits or Losses pursuant to Section 4.2(b)(i) or (ii) shall be taken into account in computing subsequent allocations pursuant to Section 4.2(a) so that the net amount of any item so allocated and all other items allocated to each Partner pursuant to Section 4.2(a) shall, to the extent possible, be equal to the net amount that would have been allocated to each Partner pursuant to the provisions of Section 4.2(a) without application of Section 4.2(b)(i) or (ii).

(c) Book Tax Accounting Disparites. If Partnership property is reflected in the Capital Accounts of the Partners at a book value that differs from the adjusted tax basis of such property (whether because such property was contributed to the Partnership by a Partner or because of a revaluation of the Partners' Capital Accounts under Treasury Regulation Section

1.704-1(b)), allocations of depreciation, amortization, income, gain or loss with respect to such property shall be made among the Partners in a manner which takes such difference into account in accordance with Code Section 704(c) and Treasury Regulation Section 1.704-1(b).

(d) Minimum Allocations to General Partner. Notwithstanding anything in this Agreement to the contrary, but subject to the provisions of Section 4.2(b)(ii) and (iii), the General Partner shall be allocated pro rata at least one percent of each item of Partnership income, gain, loss, expense or deduction .

(e) Special Allocations in Connection with Certain Transactions. Subject to the provisions of Section 4.2(b), if the Partnership is entitled to a tax deduction in connection with the acquisition or receipt by the General Partner of an interest in the Partnership, then the deduction shall be allocated entirely to such Partner. Any amount that such Partner is required to include in income for Federal income tax purposes in connection with the acquisition or receipt of such interest shall be treated as a contribution to the capital of the Partnership by such Partner.

(f) Allocation in Event of Transfer. If an interest in the Partnership is Transferred in accordance with Section 6, there shall be allocated to the Transferring Partner during the Fiscal Year of Transfer the product of (i) the Partnership's Profits or Losses allocable to such Transferred interest for such Fiscal Year and (ii) a fraction, the numerator

of which is the number of days such Partner held the Transferred interest during such Fiscal Year and the denominator of which is the total number of days in such Fiscal Year. All remaining Partnership Profits and Losses allocable to such Transferred interest for such Fiscal Year shall be allocated to the Substitute Partner acquiring such interest. Such allocations shall be made without regard to the date, amount or recipient of any distributions which may have been made with respect to such Transferred interest. As of the date of such Transfer, the Substitute Partner shall succeed to the Capital Account and Capital Contribution of the Transferring Partner to the extent attributable to the Transferred interest.

(g) Adjustment to Capital Accounts for Distributions of Property. If property distributed in kind is reflected in the Capital Accounts of the Partners at a book value that differs from the fair market value of such property on the date of distribution, the difference shall be treated as Profit or Loss on the sale of the property and shall be allocated among the Partners in accordance with the provisions of this Section 4.2.

(h) Tax Credits and Similar Items. Any tax credits or similar items not allocable pursuant to Section 4.2(a) through (g) shall be allocated to the Partners in proportion to their respective Percentage Interests; provided, however, that at least one percent of each such item shall be allocated to the General Partner.

4.3 Modifications to Preserve Underlying Economic Objectives. If, in the opinion of counsel to the Partnership, there is a change in the Federal income

tax law (including the Code as well as the regulations, rulings, and administrative practices thereunder) which makes it necessary or prudent to modify the allocation provisions of this Section 4 in order to preserve the underlying economic objectives of the Partners as reflected in this Agreement, the General Partner shall make the minimum modification necessary to achieve such purpose.

4.4 Withholding Taxes and Fees. The Partnership shall withhold taxes and similar governmental fees from distributions to, and allocations among, the Partners to the extent required by law (as determined by the General Partner in its sole discretion). Any amount so withheld by the Partnership with regard to a Partner shall be treated for purposes of this Agreement as in amount actually distributed to such Partner. An amount shall be considered withheld by the Partnership if remitted to a governmental agency without regard to whether such remittance occurs at the same time as the distribution or allocation to which it relates. To the extent operation of the foregoing provisions of this Section 4.4 would create or increase a deficit balance in a Limited Partner's Capital Account (excluding for this purpose any portion of such deficit attributable to the Partner's share of the Partnership's Minimum Gain as determined under Treasury Regulation Section 1.704-2), the amount of the deemed distribution shall instead be treated as a distribution received in violation of this Agreement and subject to the provisions of Section 3.6.

4.5 Nonallocation of Distributions to Increases in Minimum Gain. To the extent permitted under Treasury Regulation Section 1.704-2(h), distributions to Partners shall not be allocable to increases in the Partnership's Minimum Gain. In general, and except as provided in such regulation, the preceding sentence is intended to insure that reductions in a Partner's Capital Account balance resulting from distributions of money or other property to

that Partner are not reversed by the minimum gain chargeback provisions of Section 4.2(b)(iii).

4.6 Allocation of Liabilities. Solely for purposes of determining the Partners' respective shares of the nonrecourse liabilities of the Partnership within the meaning of Treasury Regulation Section 1.752-3(a)(3), each Partner's interest in Partnership Profits shall be equal to such Partner's Percentage Interest.

SECTION 5
ADMINISTRATIVE PROVISIONS

5.1 Power of Limited Partners.

(a) No Management by Limited Partners. Except as specifically required under the Act or permitted under this Agreement, the Limited Partners shall not take part in the management or control of, and shall not bind or act for, the Partnership.

(b) Majority-In-Interest Approval for Certain Actions. The approval of a Majority-In-Interest of the Limited Partners shall be required in order for the General Partner to:

(i) liquidate substantially all of the Partnership's assets; or

(ii) otherwise discontinue the Partnership's business,

5.2 Management by the General Partner. The General Partner shall devote such time and attention, and shall diligently perform those duties, as are reasonably necessary to manage effectively the Partnership's affairs.

Subject to the provisions of the Act and this Agreement, the General Partner shall have the power to perform acts necessary or appropriate for the efficient management of the Partnership including, without limitation, the right to:

(a) Acquire, manage, develop, hold, lease, improve, control, operate, and sell or otherwise dispose of property on behalf of the Partnership;

(b) Borrow money on behalf of the Partnership or encumber Partnership property solely for the purpose of obtaining financing for the Partnership's business, and to extend or modify any obligations of the Partnership;

(c) Employ or retain any qualified person to perform services or provide advice for the benefit of the Partnership and pay reasonable compensation therefor;

(d) Compromise, arbitrate or otherwise adjust claims in favor of or against the Partnership, and commence or defend litigation with respect to the Partnership or any assets of the Partnership, at the Partnership's expense;

(e) Cause the Partnership to maintain, at the Partnership's expense, insurance coverage reasonably satisfactory to the General Partner with regard to any circumstance or condition which may affect the Partnership or the liability of the General Partner in its capacity as such;

(f) Open, conduct business regarding, draw checks or other payment orders upon, and close cash, checking, custodial or similar accounts with banks or brokers on behalf of the Partnership and pay the customary fees and charges applicable to transactions in respect of all such accounts;

(g) Cause the Partnership to enter into, make and perform such contracts, agreements and other undertakings, and to do such other acts, as it may deem necessary or advisable for, or as may be incidental to, the conduct of the business of the Partnership, including, without limitation, contracts, agreements, undertakings and transactions with any Partner or with any other person or entity related to any Partner, provided however, that transactions with such persons and entities for the account of the Partnership shall be on terms no less favorable to the Partnership than are generally afforded to unrelated third parties in comparable transactions; and

(h) Assume and exercise all powers and responsibilities granted a general partner by the laws of the State of Louisiana.

5.3 Restrictions on Powers of the General Partner. The General Partner shall not do any act in contravention of this Agreement or, subject to the provisions of Section 5 4, any act which is detrimental to the business of the Partnership. The General Partner shall have fiduciary responsibility for the safekeeping and use of all funds and assets of the Partnership. The General Partner shall not use, or permit another to use, such funds or assets in any

manner except for the exclusive benefit of the Partnership.

5.4 Competing Ventures. The Limited Partners understand that the General Partner may have other business activities which may take the major part of the General Partner's total time devoted to business matters. Accordingly, the General Partner shall not be bound to devote all of the General Partner's business time to the affairs of the Partnership, but shall devote such time and attention to the Partnership's business as may be required in order to assure that the Partnership's business is conducted in a diligent and proper manner. During the continuance of this Agreement, Boomtown and the General Partner and/or their respective affiliated entities may (i) engage in any activity whether or not in direct competition with the Partnership for such Partner's own profit and advantage without the consent of any other Partner or the Partnership, or (ii) possess an interest in any other business venture of any nature or description independently or with others. Neither the Partnership nor any Partner shall have any right by virtue of this Agreement in and to any Partner's separate business venture or to the income or profits derived therefrom.

5.5 Disclosures. Each Partner shall furnish any data with respect to itself reasonably required in connection with financing or operation of the Partnership's business.

5.6 Reimbursement to the General Partner. The General Partner shall be reimbursed for amounts paid to third parties for, or on behalf of, the Partnership (including, without limitation, amounts paid in connection with the formation of the Partnership).

5.7 Compensation. Partners and affiliates of Partners shall be entitled to receive fair market value compensation (as determined by the General Partner in its reasonable discretion and in accordance with the provisions of Section 5.2(g)) for services provided to, or for the benefit of, the Partnership.

5.8 Tax Matters Partner.

(a) General. The General Partner is hereby designated the "tax matters partner" of the Partnership within the meaning of Section 6231(a)(7) of the Code. Except as specifically provided in the Code and the regulations issued thereunder, the General Partne in its sole discretion shall have exclusive authority to act for or on behalf of the Partnership with regard to tax matters, including, without limitation, the authority to make (or decline to make) any available tax elections.

(b) Notice of Inconsistent Treatment of Partnership Item. No Partner shall file a notice with the Internal Revenue Service under Section 6222(b) of the Code in connection with such Partner's intention to treat an item on such Partner's Federal income tax return in a manner which is inconsistent with the treatment of such item on the Partnership's Federal income tax return unless such Partner has, not less than 30 days prior to the filing of such notice, provided the General Partner with a copy of the notice and thereafter in a timely manner provides such other information related thereto as the General Partner shall reasonably request.

(c) Notice of Settlement Agreement. Any Limited Partner entering into

a settlement agreement with the Secretary of the Treasury which concerns a Partnership item shall notify the General Partner of such settlement agreement and its terms within 60 days from the date thereof.

5.9 Books, Records and Annual Financial Statements.

(a) The Partnership shall maintain or cause to be maintained true and proper books, records, reports, and accounts in which shall be entered, on the accrual basis, all transactions of the Partnership. Such books, records, reports and accounts shall be located at the principal place of business of the Partnership and shall be available to any Partner for inspection and copying during reasonable business hours.

(b) The Partnership shall cause to be delivered to each Partner within 90 days after the expiration of each Fiscal Year an annual report containing all Partnership information necessary for preparation of the Federal, state and local income tax returns of such Partner. Upon election by the General Partner or written request from a Limited Partner that is a "10-percent owner" of the Partnership within the meaning of Section 6654(d)(1)(E) of the Code, the Partnership shall make reasonable efforts (as determined by the General Partner in its sole discretion) to provide interim Partnership financial information necessary for such Partner, or its constituent partners or shareholders, to compute its or their quarterly Federal estimated tax Liability.

SECTION 6
TRANSFER OF A PARTNERSHIP INTEREST; WITHDRAWALS

6.1 Transfers. No sale, transfer, assignment or other disposition (a "Transfer") of a Partner's interest in violation of this Agreement shall be valid or effective.

(a) Limited Partners -- Voluntary Transfers. The Transfer of a Limited Partner's interest in the Partnership to another person (a "Substitute Partner") shall be valid and effective if the following conditions are satisfied:

(i) Execution of Documents. The Limited Partner whose interest is Transferred (the "Transferring Partner") and the Substitute Partner shall properly execute documents or instruments which the General Partner reasonably determines to be necessary or desirable to effect such Transfer, including written acceptance, ratification and approval of all of the terms and conditions of this Agreement and any amendments hereto.

(ii) Compliance With Applicable Laws and Rules. The Transfer of shall not at the time of the Transfer and will not thereafter, to the reasonable satisfaction of the General Partner, violate any applicable law or governmental rule, including, without limitation, any Federal or state securities or gaming law or rule (based upon the presumption, for this purpose, that the business operations of the Partnership shall not be changed to accommodate the Transfer of a Limited Partner's interest in the Partnership).

(iii) Tax Effects. The Transfer of the interest shall not, to the reasonable of the General Partner, cause the Partnership to (A) terminate within

the meaning of Section 708 of the Code; (B) qualify as a "publicly traded partnership" within the meaning of Section 469(k), 512(c)(2) or 7704 of the Code; or (C) be classified for Federal income tax purposes as an association taxable as a corporation.

(iv) Consent of the General Partner. The prior written consent of the General Partner to such Transfer shall be obtained by the Transferring Partner, the granting or denial of which shall be in the General Partner's sole discretion.

(b) Limited Partners --Involuntary Transfers. A person may become the assignee of all or a portion of a Limited Partner's interest in the Profits and Losses of the Partnership upon (i) the death, Bankruptcy, incapacity, or Dissolution of such Limited Partner; (ii) foreclosure against that portion of such Limited Partner's interest in the Partnership which was pledged as security for an obligation; or (iii) a transfer to such Limited Partner's spouse pursuant to a divorce decree or settlement. In the event a person becomes the assignee of an interest in the Profits and Losses of the Partnership under the preceding sentence, the General Partner shall, in its sole discretion, (i) admit such assignee to the Partnership as a Substitute Partner (provided, however, that the requirement of Section 6.1(a)(ii) and (iii) shall in all events be satisfied) or (ii) redeem such assignee's interest by treating such assignee as a withdrawing Limited Partner under the rules set forth in Section 6.2.

(c) Transfers by the General Partner. The General Partner shall not its interest in the Partnership in violation of applicable law or without the prior written consent of all the Limited Partners; provided, however, that the General Partner shall not be required to obtain such consent for a Transfer which consists solely of an assignment of all or a portion of the General Partner's interest in the allocations and distributions of the Partnership.

6.2 Withdrawal of a Limited Partners. A Limited Partner shall not withdraw from the Partnership without the written consent of the General Partner, the granting or denial of which shall be in the General Partner's sole discretion. A Limited Partner permitted to withdraw from the Partnership pursuant to this Section 6.2 shall receive the amount of cash and/or property (as determined in the reasonable discretion of the General Partner) that such limited Partner would have received if, on the effective date of such withdrawal, the Partnership had been dissolved and liquidated pursuant to Section 7.3. Upon the withdrawal of a Limited Partner from the Partnership, such Limited Partner's Percentage Interest shall be allocated among the remaining Partners in proportion to the remaining Partners' respective Percentage Interests as in effect immediately prior to the withdrawal.

SECTION 7
DISSOLUTION AND LIQUIDATION OF THE PARTNERSHIP

7.1 Dissolving Events. The Partnership shall be dissolved upon the occurrence of any of the following events:

(a) Expiration of the Partnership term;

(b) Issuance of an order by a court of competent jurisdiction requiring the dissolution of the Partnership;

(c) Permanent cessation of the Partnership's business;

(d) Consent of the General Partner and a Majority-in-Interest of the Limited Partners to dissolve;

(e) The withdrawal, retirement, Bankruptcy, Dissolution, death or incapacity of the General Partner, unless the remaining Partners elect to continue the Partnership pursuant to Section 7.2; and

(f) Any other event which results in dissolution of the Partnership under the Act.

7.2 Special Meeting to Dissolve or Continue the Partnership. Upon the withdrawal, retirement, Bankruptcy, Dissolution, death or incapacity of the General Partner, the two Limited Partners having the largest Capital Account balances shall, in accordance with the provisions of the Act, notify the remaining Limited Partners of a special meeting of the Limited Partners to be held not less than 10 nor more than 60 days after the date of such event. At that meeting the Limited Partners may by unanimous vote elect to continue the

business of the Partnership and agree to the appointment of a new General Partner. If the Limited Partners do not elect to continue the business of the Partnership and to appoint a new General Partner, a Liquidating Partner shall be elected by a Majority-In-Interest of the Limited Partners; the Liquidating Partner shall then cause the Partnership to be liquidated in accordance with the provisions of Section 7.3.

Written consent of a Partner to continuation of the Partnership and the election of a new General Partner or to dissolution of the Partnership and the election of a Liquidating Partner shall be counted as a vote at such special meeting.

7.3 Winding Up of the Partnership.

(a) Upon dissolution of the Partnership, the Liquidating Partner shall promptly wind up the affairs of the partnership in accordance with the provisions of this Section 7.3. The partnership shall engage in no further business except as may be necessary, in the reasonable discretion of the Liquidating Partner, to preserve the value of the Partnership's assets during the period of dissolution and liquidation.

(b) Distributions to the Partners in liquidation may be made in cash or in kind, or partly in cash and partly in kind, as determined by the Liquidating Partner, Distributions in kind shall be valued at fair market value as reasonably determined by the Liquidating Partner and shall be subject to such conditions and restrictions as may be necessary or advisable in the reasonable discretion of the Liquidating Partner to preserve the value of the property so distributed.

(c) The Profits and Losses of the Partnership during the Period of dissolution and liquidation shall be allocated among the Partners in accordance with the provisions of Section 4.2. If any property is distributed in kind, the Capital Accounts of the Partners shall be adjusted in accordance with the provisions of Section 4.2(g).

(d) The assets of the Partnership (including, without limitation,

proceeds from the sale or other disposition of any assets during the period of dissolution and liquidation) shall be applied as follows:

(i) First, to repay any indebtedness of the Partnership, whether to third parties or the Partners, in the order of priority required by law;

(ii) Next, to any reserves which the Liquidating Partner reasonably deems necessary for contingent or unforeseen liabilities or obligations of the Partnership (which reserves when they become unnecessary shall be distributed in the remaining priorities set forth in this Section 7.3(d)); and

(iii) Next, to the Partners in proportion to their respective positive Capital Account balances (after taking into account all adjustments to the Partners' Capital Accounts required under Section 7.3(c)).

(e) If, after allocation of all Profits and Losses of the Partnership pursuant to Section 73(c), the Capital Account balance of the General Partner is less than zero, the General Partner shall, prior to application and distribution of the Partnership's assets

pursuant to Section 7.3(d), contribute to the capital of the Partnership sufficient cash and/or property to increase the General Partner's Capital Account balance to zero.

SECTION 8
LIABILITY AND INDEMNIFICATION OF THE GENERAL PARTNER

8.1 Liability. Except as otherwise specifically provided in this Agreement, the General Partner (and its affiliates) shall not be personally liable for the return of any contributions made to the capital of the Partnership by the Limited Partners. In the absence of fraud, gross negligence, material breach of fiduciary duty, or willful misconduct by the General Partner, the General Partner (and its affiliates) shall not be liable to the Partnership or the Limited Partners for any act or omission concerning the Partnership's business.

8.2 Indemnification. In the absence of fraud, gross negligence, material breach of fiduciary duty, or willful misconduct on the part of an Indemnified Person, the Partnership shall indemnify and hold each Indemnified Person harmless from and against any loss, expense, damage or injury suffered or sustained by any of them by reason of any acts, or omissions, or alleged acts or omissions arising out of any activity performed on behalf of the Partnership. This indemnification shall include, but not be limited to: (i) payment of reasonable attorneys' fees and other expenses incurred in settling any claim or threatened action, or incurred in any finally-adjudicated legal proceeding, and (ii) the removal of any liens affecting the property of an Indemnified Person (which liens shall be deemed a debt of the Partnership to such Indemnified Person to be repaid in full before any distributions are made to the Partners pursuant to this Agreement). As used herein, "Indemnified Person" means the General Partner, any business entity of which the General Partner is an officer, director, partner or shareholder, or any employee or agent thereof. The total obligation of the Partnership to all Indemnified Person under this Section 8.2 shall be limited to the assets of the Partnership (excluding, solely for purposes of this sentence, any obligation of the General Partner to restore a deficit balance in its Capital Account pursuant to Section 7.3(e)).

SECTION 9
GENERAL PROVISIONS

9.1 Special Meetings. Subject to the provisions of the Act, the General Partner may call a special meeting of all Partners at any reasonable time on not less than 10 nor more than 60 days notice.

9.2 Entire Agreement. This Agreement contains the entire understanding the Partners and supersedes any prior written or oral agreement between them respecting the Partnership. There are no representations, agreements, arrangements, or understandings, oral or written, among the Partners relating to the Partnership which are not fully expressed in this Agreement.

9.3 Amendments.

(a) General. This Agreement is subject to amendment only with the written consent of the General Partner and a Majority-In-Interest of the Limited Partners; provided, however, that there shall be no amendment to this Agreement which reduces a Limited Partner's interest in the Profits, distributions or capital of the Partnership without the consent of such Limited Partner.

(b) Amendments to Comply with Gaming or Similar Laws. Notwithstanding the provisions of Section 9.3(a), the Partners hereby agree in advance that this Agreement shall be amended as necessary to comply with the requirements of any gaming or similar law or governmental rule that regulates or otherwise pertains to the business of the Partnership.

9.4 Governing Law. All questions with respect to the interpretation of this Agreement and the rights and liabilities of the Partners shall be governed by the laws of the State of Louisiana as they are applied to contracts entered into between residents of Louisiana.

9.5 Severability. In the event any one or more of the provisions of this Agreement are determined to be invalid or unenforceable, such provision or provisions shall be deemed severable from the remainder of this Agreement and shall not cause the invalidity or unenforceability of the remainder of this Agreement.

9.6 Counterparts. This Agreement may be executed in any number of counterparts and when so executed, all of such counterparts shall constitute a single instrument binding upon all parties notwithstanding the fact that all parties are not signatory to the original or to the same counterpart.

9.7 Survival of Rights. Subject to the restrictions against unauthorized assignment or transfer set forth in this Agreement, the provisions

of this Agreement shall inure to the benefit of and be binding upon each Partner and such Partner's heirs, devises, legatees, personal representatives, successors, and assigns.

9.8 Arbitration and Attorneys' Fees. Any controversy or claim arising or relating to this Agreement, the Partnership, or the Partners' respective rights and duties shall be settled by arbitration in the State of Nevada. Such arbitration shall be in accordance with the rules of the American Arbitration Association, and judgment upon the award may be entered in any court of competent jurisdiction. The prevailing Partner or Partners in such arbitration and any ensuing legal action shall be reimbursed by the Partner or Partners who do not prevail for their reasonable attorney's, accountant's and expert's fees and the costs of such actions.

9.9 Notices. Any notice shall be in writing and shall be deemed duly given when personally delivered to the Partner to whom it is directed, or in lieu of such personal service, when deposited in the United States mail, registered or certified mail, postage prepaid, to the address set forth on Schedule A for such Partner, or to any other address of which the General Partner is notified by such Partner in writing. Notice also shall be deemed duly

given when actually received by the Partner to whom it is directed via telecopy, electronic transfer, telex or telegram.

9.10 Consents. All consents, agreements and approvals provided for or permitted by this Agreement shall be in writing and signed copies thereof shall be retained with the books of the Partnership.

9.11 No Partition. Except as otherwise permitted by this Agreement, no Partner shall have the right, and each Partner does hereby agree that it shall not seek, to cause a partition of the Partnership's property whether by court action or otherwise.

9.12 Representation of Limited Partners. Each Limited Partner hereby represents that, with respect to its limited partnership interest in the Partnership: (i) it is acquiring or has acquired such interest for purposes of investment only, for its own account (or a trust account if such Limited Partner is a trustee), and not with a view to resell or distribute the same or any part thereof; and (ii) no other person has any interest in such limited partnership interest or in the rights of such Limited Partner under this Agreement other than a spouse having a community property or similar interest under applicable state law. Each Limited Partner also warrants to the Partnership and the other Partners that it has the business and financial knowledge and experience necessary to purchase a limited partnership interest in the Partnership in the amount of its capital contributions to the Partnership on the terms contemplated herein and that it has the ability to bear the risks of such investment (including the risk of sustaining a complete loss of all such capital contributions) without the need for the investor protections provided by the registration requirements of the Securities Act of 1933, as amended.

9.13 Valuation. If (i) the fair market value of any asset or other item of property (including, without limitation, a limited partnership interest in the Partnership) is required to be determined under the terms of this Agreement or any other agreement or arrangement to which the Partnership is subject, and (ii) no standard for determining such fair market value is provided

for under the applicable provision of this Agreement or such other agreement or arrangement, then the fair market value of the asset or other item of property shall be determined by the General Partner in its reasonable discretion.

9.14 Mutual Selection. Each Partner hereby specifically consents to and endorses the selection of all other Partners admitted to the Partnership pursuant to the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

GENERAL PARTNER:	LIMITED PARTNER:
LOUISIANA GAMING ENTERPRISES, INC., a Louisiana corporation	BOOMTOWN, INC., a Delaware corporation
By: /s/ Robert F. List	By: /s/ Robert F. List
Robert F. List, Senior Vice President	Robert F. List, Executive Vice President and Corporate Counsel

SCHEDULE A

<TABLE>
<CAPTION>

Name and Address	Capital Contribution	Percentage Interest
<S>	<C>	<C>
Louisiana Gaming Enterprises, Inc. 700 Camp Street New Orleans, LA 70130		5%
Boomtown, Inc. P.O. Box 399 Verdi, NV 89439		95%

</TABLE>

REGISTERED ADDRESS OF PARTNERSHIP:

4132 Peters Road
Harvey, LA 70058

STATE OF MISSISSIPPI

SECRETARY OF STATE
DICK MOLPUS

==========

Mississippi Corporation Information System

Corporation Name
BILOXI CASINO CORP.

Corp ID: 0586827

Filed: 08/17/1990 at 8:00 A.M.

Dick Molpus
Secretary of State

Filing Fee Receipt: $50.00

Secretary of State
P.O. Box 136
Jackson, MS 39205
(601) 359-1333

==========

401 MISSISSIPPI STREET . P.O. BOX 136 . JACKSON, MS 39205
TELEPHONE (601) 359-1350

ARTICLES OF INCORPORATION

(ATTACH CONFORMED COPY)

X PROFIT ___ NONPROFIT

(MARK APPROPRIATE BOX)

The undersigned persons, pursuant to Section 79-4-2.02 (if a profit corporation) or Section 79-11-137 (if a nonprofit corporation) of the Mississippi Code of 1972, hereby execute the following document and set forth:

1. The name of the corporation is:

Biloxi Casino Corp.

2. Domicile address is: 1900 24/th/ Avenue
STREET
Gulfport, MS 39501
CITY/STATE/ZIP

3. The period of duration is: 99 years

4. (a) The number (and classes, if any) of shares the corporation is authorized to issue is (are) as follows: (THIS IS FOR PROFIT ONLY):

Classes(es)	No. of Shares Authorized
COMMON	10,000
(one class only)	

4. (b) If more than one (1) class of shares is authorized, the preferences,

limitations, and relative rights of each class are as follows:

5. The street address of its initial registered office is:
1900 24/th/ Avenue

STREET
Gulfport, MS 39501

NAME/STREET ADDRESS/CITY/STATE/ZIP

and the name of its initial registered agent at such address is:
Virgil G. Gillespie
---
6. The name and complete address of each incorporator is as follows (PLEASE TYPE OR PRINT):
Virgil G. Gillespie

1900 24/th/ Avenue, Gulfport, MS 39501

NAME/STREET ADDRESS/CITY/STATE/ZIP

7. Other provisions: Shareholders have preemptive right to acquire a
---
proportionate share of any additional stock issued or sale of treasury
---
stock, based upon the pro rata share of stock of any given stockholder, as
---
his shares bear to the total amount of stock issued.

/s/ Virgil G. Gillespie

Virgil G. Gillespie

INCORPORATORS (SIGNATURES)

August 16, 1990

MISSISSIPPI SECRETARY OF STATE
CORPORATE DIVISION
P.O. BOX 136
JACKSON, MS 39205

RE: INCORPORATION OF BILOXI CASINO CORP.

Dear Sir:

We enclose the Articles of Incorporation of Dixieland Casino Corp. The articles are executed in original and exact copy. The necessary parties have signed the document in black ink.

Our check for the $50 filing fee is enclosed, along with a stamped, self addressed envelope for return mailing of evidenced copy of filing.

If you have any questions please call me.

Sincerely,

/s/ Robert G. Gillespie, Jr.

Robert G. Gillespie, Jr.

EXHIBIT 3.27

Certificate of Incorporation

HP Yakama Consulting, Inc.

a Delaware corporation

FIRST: The name of the corporation is HP Yakama Consulting, Inc.

SECOND: The address of the corporation's registered office in the State of Delaware is 30 Old Rudnick Lane, in the City of Dover, County of Kent. The name of the corporation's registered agent at such address is CorpAmerica, Inc.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

FOURTH: The total number of shares of stock which the corporation is authorized to issue is three thousand (3,000) shares of common stock, having a par value of one cent ($0.01) per share.

FIFTH: The business and affairs of the corporation shall be managed by or under the direction of the board of directors, and the directors need not be elected by ballot unless required by the bylaws of the corporation.

SIXTH: In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the board of directors is expressly authorized to make, amend and repeal the bylaws.

SEVENTH: A director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General

Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended. Any repeal or modification of this provision shall not adversely affect

any right or protection of a director of the corporation existing at the time of such repeal or modification.

EIGHTH: The corporation reserves the right to amend and repeal any provision contained in this Certificate of Incorporation in the manner from time to time prescribed by the laws of the State of Delaware and all rights herein conferred upon stockholders are granted subject to this reservation.

NINTH: The incorporator is S. A. Morgan, whose mailing address is 1800 Avenue of the Stars, Suite 900, Los Angeles, California 90067.

I, THE UNDERSIGNED, being the incorporator, for the purpose of forming a corporation under the laws of the State of Delaware do make, file and record this Certificate of Incorporation, and, accordingly, have hereto set my hand this 13th day of August, 1997.

/s/ S. A. Morgan

S. A. Morgan, Incorporator

EXHIBIT 3.28

.....

HP Yakama Consulting, Inc.

BYLAWS

.....

TABLE OF CONTENTS

<TABLE>
<CAPTION>

</TABLE>

<TABLE>
<CAPTION>

</TABLE>

<TABLE>
<CAPTION>

</TABLE>

Bylaws

of

HP Yakama Consulting, Inc.

(hereinafter called the "Corporation")

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the Corporation shall be in the City of Dover, County of Kent, State of Delaware.

Section 2. Other Offices. The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. Place of Meetings. Meetings of the stockholders for the election of directors or for any other purpose shall be held at such time and place, either within or without the State of Delaware, as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual Meetings. The Annual Meetings of Stockholders shall be held on such date and at such time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting, at which meetings the stockholders shall elect by a plurality vote a Board of Directors, and transact such other business as may properly be brought before the meeting.

Section 3. Special Meetings. Special meetings of the stockholders may be called by the Board of Directors, the Chairman of the Board, the President, or by the holders of shares entitled to cast not less than 10% of the votes at the meeting. Upon request in writing to the Chairman of the Board, the President, any Vice President or the Secretary by any person (other than the board) entitled to call a special meeting of stockholders, the officer forthwith shall cause notice to be given to the stockholders entitled to vote that a meeting will be held at a time requested by the person or persons calling the meeting, not less than thirty-five (35) nor more than sixty (60) days after the receipt of the request. If the notice is not given within 20 days after receipt of the request, the persons entitled to call the meeting may give the notice.

Section 4. Notice of Meetings. Written notice of the place, date, and time of all meetings of the stockholders shall be given not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or as required from time to time by the Delaware General Corporation Law or the Certificate of Incorporation.

Section 5. Quorum; Adjournment. At any meeting of the stockholders, the holders of a majority of all of the shares of the stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law or the Certificate of Incorporation. If a quorum shall fail to attend any meeting, the chairman of the meeting or the holders of a majority of the shares of stock entitled to vote who are present, in person or by proxy, may adjourn the meeting to another place, date, or time without notice other than announcement at the meeting, until a quorum shall be present or represented.

When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date, and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

Section 6. Proxies and Voting. At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing filed in accordance with the procedure established for the meeting.

Each stockholder shall have one vote for every share of stock entitled to vote which is registered in his name on the record date for the meeting, except as otherwise provided herein or required by law or the Certificate of Incorporation.

All voting, including on the election of directors but excepting where otherwise provided herein or required by law or the Certificate of Incorporation, may be by a voice vote; provided, however, that upon demand therefor by a stockholder entitled to vote or such stockholder's proxy, a stock vote shall be taken. Every stock vote shall be taken by ballots, each of which shall state the name of the stockholder or proxy voting and such other information as may be required under the procedure established for the meeting. Every vote taken by ballots shall be counted by an inspector or inspectors appointed by the chairman of the meeting.

All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law or the Certificate of Incorporation, all other matters shall be determined by a majority of the votes cast.

Section 7. Stock List. A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in such stockholder's name, shall be open to the examination of any such stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held.

The stock list shall also be kept at the place of the meeting during the whole time thereof and shall be open to the examination of any such stockholder who is present. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

Section 8. Actions by Stockholders. Unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent

shall be given to those stockholders who have not consented in writing.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Duties and Powers. The business of the Corporation shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law or by the Certificate of Incorporation or by these Bylaws directed or required to be exercised or done by the stockholders.

Section 2. Number and Term of Office. The Board of Directors shall consist of one (1) or more members. The number of directors shall be fixed and may be changed from time to time by resolution duly adopted by the Board of Directors or the stockholders, except as otherwise provided by law or the Certificate of Incorporation. Except as provided in Section 3 of this Article, directors shall be elected by the holders of record of a plurality of the votes cast at Annual Meetings of Stockholders, and each director so elected shall hold office until the next Annual Meeting and until his or her successor is duly elected and qualified, or until his or her earlier resignation or removal. Any director may resign at any time upon written notice to the Corporation. Directors need not be stockholders.

Section 3. Vacancies. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director or by the stockholders entitled to vote at any Annual or Special Meeting held in accordance with Article II, and the directors so chosen shall hold office until the next Annual or Special Meeting duly called for that purpose and until their successors are duly elected and qualified, or until their earlier resignation or removal.

Section 4. Meetings. The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Delaware. The first meeting of each newly-elected Board of Directors shall be held immediately following the Annual Meeting of Stockholders and no notice of such meeting shall be necessary to be given the newly-elected directors in order legally to constitute the meeting, provided a quorum shall be present. Regular meetings of the Board of Directors may be held without notice at such time and at such place as may from time to time be determined by the Board of Directors. Special meetings of the Board of Directors may be called by the Chairman of the Board, the President or a majority of the directors then in office. Notice

thereof stating the place, date and hour of the meeting shall be given to each director either by mail not less than forty-eight (48) hours before the date of the meeting, by telephone or telegram on twenty-four (24) hours' notice, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances. Meetings may be held at any time without notice if all the directors are present or if all those not present waive such notice in accordance with Section 2 of Article VI of these Bylaws.

Section 5. Quorum. Except as may be otherwise specifically provided by law, the Certificate of Incorporation or these Bylaws, at all meetings of the Board of Directors, a majority of the directors then in office shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 6. Actions of Board Without a Meeting. Unless otherwise provided by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee.

Section 7. Meetings by Means of Conference Telephone. Unless otherwise provided by the Certificate of Incorporation or these Bylaws, members of the Board of Directors of the Corporation, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all

persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 7 shall constitute presence in person at such meeting.

Section 8. Committees. The Board of Directors may, by resolution passed by a majority of the directors then in office, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. In the absence or disqualification of a member of a committee, and in the absence of a designation by the Board of Directors of

an alternate member to replace the absent or disqualified member, the member or members thereof present at any meeting and not disqualified from voting, whether or not such members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any committee, to the extent allowed by law and provided in the Bylaw or resolution establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it. Each committee shall keep regular minutes and report to the Board of Directors when required.

Section 9. Compensation. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 10. Removal. Unless otherwise restricted by the Certificate of Incorporation or Bylaws, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of shares entitled to vote at an election of directors.

ARTICLE IV

OFFICERS

Section 1. General. The officers of the Corporation shall be appointed by the Board of Directors and shall consist of a Chairman of the Board or a President, or both, a Secretary and a Treasurer (or a position with the duties and responsibilities of a Treasurer). The Board of Directors may also appoint one or more vice presidents, assistant secretaries or assistant treasurers, and such other officers as the Board of Directors, in its discretion, shall deem necessary or appropriate from time to time. Any

number of offices may be held by the same person, unless the Certificate of Incorporation or these Bylaws otherwise provide.

Section 2. Election; Term of Office. The Board of Directors at its first

meeting held after each Annual Meeting of Stockholders shall elect a Chairman of the Board or a President, or both, a Secretary and a Treasurer (or a position with the duties and responsibilities of a Treasurer), and may also elect at that meeting or any other meeting, such other officers and agents as it shall deem necessary or appropriate. Each officer of the Corporation shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors together with the powers and duties customarily exercised by such officer; and each officer of the Corporation shall hold office until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any officer may resign at any time upon written notice to the Corporation. The Board of Directors may at any time, with or without cause, by the affirmative vote of a majority of directors then in office, remove any officer.

Section 3. Chairman of the Board. The Chairman of the Board, if there shall be such an officer, shall be the chief executive officer of the Corporation. The Chairman of the Board shall preside at all meetings of the stockholders and the Board of Directors and shall have such other duties and powers as may be prescribed by the Board of Directors from time to time.

Section 4. President. The President shall be the chief operating officer of the Corporation, shall have general and active management of the business of the Corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall have and exercise such further powers and duties as may be specifically delegated to or vested in the President from time to time by these Bylaws or the Board of Directors. In the absence of the Chairman of the Board or in the event of his inability or refusal to act, or if the Board has not designated a Chairman, the President shall perform the duties of the Chairman of the Board, and when so acting, shall have all of the powers and be subject to all of the restrictions upon the Chairman of the Board.

Section 5. Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one vice president, the vice presidents in the order designated by the directors, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The vice presidents shall perform such other duties and have such other powers as the Board of Directors or the President may from time to time prescribe.

Section 6. Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of stockholders and record all the proceedings thereat in a book or books to be kept for that purpose; the Secretary shall also perform like duties for the standing committees when required. The Secretary shall give, or cause to be

given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President. If the Secretary shall be unable or shall refuse to cause to be given notice of all meetings of the stockholders and special meetings of the Board of Directors, and if there be no Assistant Secretary, then either the Board of Directors or the President may choose another officer to cause such notice to be given. The Secretary shall have custody of the seal of the Corporation and the Secretary or any Assistant Secretary, if there be one, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by the signature of the Secretary or by the signature of any such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his or her signature. The Secretary shall see that all books, reports, statements, certificates and other documents and records required by law to be kept or filed are properly kept or filed, as the case may be.

Section 7. Assistant Secretaries. Except as may be otherwise provided in these Bylaws, Assistant Secretaries, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the President, or the Secretary, and shall have the authority to perform all functions of the Secretary, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary.

Section 8. Treasurer. The Treasurer shall be the Chief Financial Officer, shall have the custody of the corporate funds and securities, shall keep complete and accurate accounts of all receipts and disbursements of the Corporation, and shall deposit all monies and other valuable effects of the Corporation in its name and to its credit in such banks and other depositories as may be designated from time to time by the Board of Directors. The Treasurer shall disburse the funds of the Corporation, taking proper vouchers and receipts for such disbursements, and shall render to the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall, when and if required by the Board of Directors, give and file with the Corporation a bond, in such form and amount and with such surety or sureties as shall be satisfactory to the Board of Directors, for the faithful performance of his or her duties as Treasurer. The Treasurer shall have such other powers and perform such other duties as the Board of Directors or the President shall from time to time prescribe.

Section 9. Assistant Treasurers. Except as may be otherwise provided in these Bylaws, Assistant Treasurers, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board

of Directors, the President, or the Treasurer, and shall have the authority to perform all functions of the Treasurer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Treasurer.

Section 10. Other Officers. Such other officers as the Board of Directors may choose shall perform such duties and have such powers as from time to time may be

assigned to them by the Board of Directors. The Board of Directors may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

ARTICLE V

STOCK

Section 1. Form of Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate signed, in the name of the Corporation (i) by the Chairman of the Board or the President or a Vice President and (ii) by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by such holder in the Corporation.

Section 2. Signatures. Any or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 3. Lost Certificates. The Board of Directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or such owner's legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 4. Transfers. Stock of the Corporation shall be transferable in the manner prescribed by law and in these Bylaws. Transfers of stock shall be made on the books of the Corporation only by the person named in the certificate or by such person's attorney lawfully constituted in writing and upon the surrender of the certificate therefor, which shall be cancelled before a new certificate shall be issued.

Section 5. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days before the date of such meeting, nor more

than sixty (60) days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 6. Beneficial Owners. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

Section 7. Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chairman of the Board, the President, any Vice President or the Secretary and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

ARTICLE VI

NOTICES

Section 1. Notices. Whenever written notice is required by law, the Certificate of Incorporation or these Bylaws, to be given to any director, member of a committee or stockholder, such notice may be given by mail, addressed to such director, member of a committee or stockholder, at such person's address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally or by telegram, telex or cable and such notice shall be deemed to be given at the time of receipt thereof if given personally or at the time of transmission thereof if given by telegram, telex or cable.

Section 2. Waiver of Notice. Whenever any notice is required by law, the Certificate of Incorporation or these Bylaws to be given to any director, member or a committee or stockholder, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting or by any Committee of the Board of Directors having such authority at any meeting thereof, and may be paid in cash, in property, in shares of the capital stock or in any combination thereof. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for any proper purpose, and the Board of Directors may modify or abolish any such reserve.

Section 2. Disbursements. All notes, checks, drafts and orders for the payment of money issued by the Corporation shall be signed in the name of the Corporation by such officers or such other persons as the Board of Directors may from time to time designate.

Section 3. Corporation Seal. The corporate seal, if the Corporation shall have a corporate seal, shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE VIII
DIRECTORS' LIABILITY AND INDEMNIFICATION

Section 1. Directors' Liability. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended. Any repeal or modification of this provision shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

This Section 1 is also contained in Article SEVENTH of the Corporation's Certificate of Incorporation, and accordingly, may be altered, amended or repealed only to the extent and at the time such Certificate Article is altered, amended or repealed.

Section 2. Right to Indemnification. Each person who was or is made a party to or is threatened to be made a party to or is involuntarily involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he or she is or was a director or officer of the Corporation, or is or was serving (during his or her tenure as director and/or officer) at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, whether the basis of such Proceeding is an alleged action or inaction in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law (or other applicable law), as the same exists or may hereafter be amended, against all expense, liability and

loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection with such Proceeding. Such director or officer shall have the right to be paid by the Corporation for expenses incurred in defending any such Proceeding in advance of its final disposition; provided, however, that, if the Delaware General Corporation Law (or other applicable law) requires, the payment of such expenses in advance of the final disposition of any such Proceeding shall be made only upon receipt by the Corporation of an undertaking by or on behalf of such director or officer to repay all amounts so advanced if it should be determined ultimately that he or she is not entitled to be indemnified under this Article or otherwise.

Section 3. Right of Claimant to Bring Suit. If a claim under Section 2 of this Article is not paid in full by the Corporation within ninety (90) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, together with interest thereon, and, if successful in whole or in part, the claimant shall also be entitled to be paid the expense of prosecuting such claim, including reasonable attorneys' fees incurred in connection therewith. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any Proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law (or other applicable law) for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (or of its full Board of Directors, its directors who are not parties to the Proceeding with respect to which indemnification is claimed, its stockholders, or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law (or other applicable law), nor an actual determination by any such person or persons that such claimant has not met such applicable standard of conduct, shall be a defense to such action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 4. Non-Exclusivity of Rights. The rights conferred by this Article shall not be exclusive of any other right which any director, officer, representative, employee or other agent may have or hereafter acquire under the Delaware General Corporation Law or any other statute, or any provision contained in the Corporation's Certificate of Incorporation or Bylaws, or any agreement, or pursuant to a vote of stockholders or disinterested directors, or otherwise.

Section 5. Insurance and Trust Fund. In furtherance and not in limitation of the powers conferred by statute:

(1) the Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of law; and

(2) the Corporation may create a trust fund, grant a security interest and/or use other means (including, without limitation, letters of credit, surety bonds and/or other similar arrangements), as well as enter into contracts providing indemnification to the fullest extent permitted by law and including as part thereof provisions with respect to any or all of the foregoing, to ensure the payment of such amount as may become necessary to effect indemnification as provided therein, or elsewhere.

Section 6. Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, including the right to be paid by the Corporation the expenses incurred in defending any Proceeding in advance of its final disposition, to any employee or agent of the Corporation to the fullest extent of the provisions of this Article VIII or otherwise with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

Section 7. Amendment. Any repeal or modification of this Article VIII shall not change the rights of an officer or director to indemnification with respect to any action or omission occurring prior to such repeal or modification.

ARTICLE IX

AMENDMENTS

Except as otherwise specifically stated within an Article to be altered, amended or repealed, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted at any meeting of the Board of Directors or of the stockholders, provided notice of the proposed change was given in the notice of the meeting.

The undersigned, as the Incorporator of HP Yakama Consulting, Inc. hereby adopts the foregoing Bylaws as the Bylaws of said corporation.

Dated as of August 13, 1997.

/s/ S. A. Morgan

S. A. Morgan, Incorporator

The undersigned, constituting the Board of Directors of HP Yakama Consulting, Inc. hereby adopt the foregoing Bylaws as the Bylaws of said corporation.

Dated as of August 13, 1997.

/s/ R. D. Hubbard

R. D. Hubbard, Director

/s/ G. Michael Finnigan

G. Michael Finnigan, Director

/s/ Bruce Rimbo

Bruce Rimbo, Director

THIS IS TO CERTIFY:

That I am the duly elected, qualified and acting Secretary of HP Yakama Consulting, Inc. and that the foregoing Bylaws were adopted as the Bylaws of said corporation as of the 13th day of August, 1997, by the Board of Directors of said corporation.

Dated as of August 13, 1997.

/s/ Bruce Rimbo

Bruce Rimbo, Secretary

EXHIBIT 3.29

State of Minnesota

SECRETARY OF STATE

Certificate of Merger

I, Joan Anderson Growe, Secretary of State of Minnesota, certify that: the documents required to effectuate a merger between the entities listed below and designating the surviving entity have been filed in this office on the date noted on this certificate; and the qualification of any non-surviving entity to do business in Minnesota is terminated on the effective date of this merger.

Merger Filed Pursuant to Minnesota Statutes, Chapter: 302A

State of Formation and Names of Merging Entities:

MN: HP ACQUISITION II, INC.
MN: CASINO MAGIC CORP.

State of Formation and Name of Surviving Entity:

MN: CASINO MAGIC CORP.

Effective Date of Merger: October 15, 1998

Name of Surviving Entity After Effective Date of Merger:

CASINO MAGIC CORP

This certificate has been issued on: October 15, 1998

/s/ Joan Anderson Growe

Secretary of State.

ARTICLES OF MERGER

OF

HP ACQUISITION II, INC.

AND

CASINO MAGIC CORP.

To the Secretary of State

State of Minnesota

Pursuant to the provisions of the Minnesota Business Corporation Act governing the merger of two or more domestic corporations for profit, the corporations hereinafter named do hereby adopt the following Articles of Merger.

1. The names of the merging corporations are HP Acquisition II, Inc., which is a corporation for profit organized under the laws of the State of Minnesota, and which is subject to the provisions of the Minnesota Business Corporation Act, and Casino Magic Corp., which is a corporation for profit organized under the laws of the State of Minnesota, and which is subject to the provisions of the Minnesota Business Corporation Act.

2. Annexed hereto as Exhibit A and made a part hereof is the Plan of Merger for merging HP Acquisition II, Inc. with and into Casino Magic Corp. as approved by resolution of the directors and as approved by the shareholders of each of said merging corporations.

3. The Plan of Merger has been approved by HP Acquisition II, Inc. and Casino Magic Corp. pursuant to Chapter 302A, Minnesota Statutes.

4. Casino Magic Corp. will continue its existence as the surviving corporation under its present name pursuant to the provisions of the Minnesota Business Corporation Act.

5. The merger of HP Acquisition II, Inc. with and into Casino Magic Corp. shall become effective when the Secretary of State of the State of Minnesota files these Articles of Merger.

The undersigned hereby certify that they are each authorized to execute this document and further certify that they understand that by signing this document, they are subject to the penalties of perjury as set forth in Section 609.48, as if they had signed this document under oath.

Executed on October 13, 1998.

HP ACQUISITION II, INC.

By: /s/ G. Michael Finnigan

G. Michael Finnigan

Its: Chief Executive Officer, Secretary and Chief Financial Officer
---

CASINO MAGIC CORP.

By: /s/ James E. Ernst

James E. Ernst

Its: President and Chief Executive Officer

EXHIBIT A

PLAN OF MERGER

OF

CASINO MAGIC CORP. AND HP ACQUISITION II, INC.

WHEREAS, Casino Magic Corp. (the "Company") is a corporation duly organized, validly existing and in good standing under the laws of the state of Minnesota.

WHEREAS, HP Acquisition II, Inc. ("HP Acquisition") is a corporation duly organized, validly existing and in good standing under the laws of the state of Minnesota.

WHEREAS, the Company, HP Acquisition and Hollywood Park, Inc., a Delaware corporation, entered into an Agreement and Plan of Merger dated February 19, 1998 (the "Agreement") which contemplates that upon satisfaction of certain conditions HP Acquisition will merge with and into the Company.

WHEREAS, the Agreement contemplates that the terms under which HP Acquisition shall be merged into the Company are to be set forth in this Plan of Merger.

WHEREAS, on February 19, 1998, the respective Boards of Directors of the Company and HP Acquisition approved (i) the execution and delivery of the Agreement; (ii) this Plan of Merger, and (iii) the submission of this Plan of Merger and the Agreement to the respective shareholders of the Company and HP Acquisition for approval as required by law.

THE MERGER

SECTION 1. THE MERGER. In accordance with the provisions of the Minnesota Business Corporation Act (the "MBCA", at the Effective Time (as defined in Section 2), HP Acquisition shall be merged with and into the Company (the "Merger"). Following the Merger, the separate existence of HP Acquisition shall cease and the Company shall be the surviving corporation in the Merger and retain the name "Casino Magic Corp."

SECTION 2. EFFECTIVE TIME OF MERGER. The Merger shall become effective upon the filing of Articles of Merger containing this Plan of Merger and such other documents as are required by the MBCA to be filed with the Minnesota

Secretary of State (the time of such filing being the "Effective Time").

SECTION 3. ARTICLES OF INCORPORATION AND BY-LAWS OF THE SURVIVING CORPORATION. The Articles of Incorporation and By-Laws of the Company at the Effective Time shall remain the Articles of Incorporation and By-Laws of the Company as the surviving corporation in the Merger.

SECTION 4. BOARD OF DIRECTORS AND OFFICERS OF THE SURVIVING CORPORATION. The directors and officers of the Company at the Effective Time shall continue to be the directors and officers of the Company, as the surviving corporation in the Merger, until their respective successors are duly elected or appointed.

SECTION 5. CONVERSION OF SHARES. At the Effective Time, by virtue of the Merger and without any action on the part of the holders thereof:

a. each share of $0.01 par value common stock of the Company which is issued and outstanding immediately prior to the Effective Time which is held by a shareholder who does not dissent from the Merger as provided under Sections 302A.471 and 302A.473 of the MBCA, shall, be converted into the right to receive $2.27 (the "Merger Consideration"); and

b. each share of capital stock of HP Acquisition which is issued and outstanding immediately prior to the Effective Time shall be converted into and become a fully paid and nonassessable share of the $0.01 par value common stock of the Company.

SECTION 6. EXCHANGE OF OPTIONS. Promptly following the Effective Time, as provided in the Agreement, Hollywood Park, Inc. will exchange options to purchase shares of the $0.10 par value common stock of Hollywood Park, Inc. for the options to purchase shares of the $0.01 par value common stock of the Company which are outstanding immediately prior to the Effective Time. Each such existing option of the Company which is outstanding immediately prior to the Effective Time will be exchanged for a new option having similar terms and conditions except that the exercise price of the new option shall be obtained by (i) dividing the exercise price of the old option by $2.27, and (ii) multiplying the resulting amount by $15.075; and that the number of shares purchasable under the new option shall be obtained by multiplying the number of shares purchasable under the existing option by 0.15058.

SECTION 7. DISSENTING SHARES. Notwithstanding anything in this Plan of Merger to the contrary, shares of the Company which are held immediately prior to the Effective Time by shareholders that dissent from the Merger in compliance with all relevant provisions of Sections 302A.471 and 302A.473 of the MBCA shall not be converted into the right to receive the Merger Consideration, but shall instead be surrendered to the Company and the Company shall make payment therefore pursuant to such provisions of the MBCA.

SECTION 8. PAYMENT OF THE MERGER CONSIDERATION. Prior to the Effective Time, Hollywood Park, Inc. shall appoint a bank or trust company as its paying agent (the "Paying Agent") and deposit with the Paying Agent immediately

available funds in an amount sufficient to pay the aggregate Merger Consideration. Promptly following the Effective Time, Hollywood Park, Inc. will cause the Paying Agent to mail to each record owner of common stock of the Company outstanding immediately prior to the Effective Time instructions for the surrender to the Paying Agent of certificates for the shares in exchange for the payment of the Merger Consideration. The Merger Consideration will be payable upon surrender of the certificates for the shares surrendered accompanied by a properly completed letter of instruction and transmittal (the "Transmittal Document") in such form as the Paying Agent may reasonably require to be used. Risk of loss and title to certificates being surrendered shall pass only upon the proper delivery of the certificate to the Paying

Agent. Upon receipt by the Paying Agent of the certificate and the Transmittal Document, the certificate shall be cancelled and the Paying Agent shall effect the payment of the Merger Consideration as provided for in the Transmittal Document.

SECTION 9. AMENDMENT OF PLAN OF MERGER. Following approval of this Plan of Merger by the shareholders of the Company and HP Acquisition, but prior to the Effective Time, the respective Boards of Directors of the Company and HP Acquisition shall have the authority to amend Sections 5 and 6 of this Plan of Merger solely for the purpose of implementing an increase in the amount of the Merger Consideration as may be agreed to between the Company and Hollywood Park, Inc. pursuant to the Agreement.

State of Minnesota

SECRETARY OF STATE

CERTIFICATE OF INCORPORATION

I, Joan Anderson Growe, Secretary of State of Minnesota, do certify that: Articles of Incorporation, duly signed and acknowledged under oath, have been filed on this date in the Office of the Secretary of State, for the incorporation of the following corporation, under and in accordance with the provisions of the chapter of Minnesota Statutes listed below.

This corporation is now legally organized under the laws of Minnesota.

Corporate Name: Casino Magic Corp

Corporate Charter Number: 7K-37

Chapter Formed Under: 302A

This certificate has been issued on 04/17/1992.

/s/ Joan Anderson Growe

Secretary of State.

ARTICLES OF INCORPORATION

OF

CASINO MAGIC CORP.

The undersigned, being of full age, for the purpose of organizing a corporation under Minnesota Statutes, Chapter 302A, and acts amendatory thereto, does hereby adopt, sign and acknowledge the following Articles of Incorporation.

ARTICLE I

Name

The name of the corporation shall be "Casino Magic Corp."

ARTICLE II

Registered Office

The address of the corporation's registered office in the State of Minnesota is 580 International Centre, 900 Second Avenue South, Minneapolis, MN 55402.

ARTICLE III

Authorized Shares

The corporation shall have the authority to issue an aggregate of 17,500,000 shares, all of which shall be common voting shares having a par value of $0.01 per share, and 2,500,000 undesignated shares.

The Board of Directors of the corporation may, from time to time, establish by resolution different classes or series of shares from the undesignated shares and may fix the rights and preferences of said shares in any class or series.

ARTICLE IV

Incorporator

The name and address of the sole incorporator of the corporation is Roger H. Frommelt, 580 International Centre, 900 Second Avenue South, Minneapolis, MN 55402.

ARTICLE V

Cumulative Voting

No shareholder of the corporation shall have any right to cumulate votes with respect to shares of the corporation in the election of members of the Board of Directors of the corporation, or when voting on any other matter.

ARTICLE VI

Preemptive Rights

No shareholder of the corporation, by reason of such status as a shareholder, shall have any right to acquire any portion of the unissued shares or other securities of the corporation, or any rights to purchase such shares or other securities, which the corporation may from time to time offer or sell to any person.

ARTICLE VII

Director Liability

No member of the Board of Directors of the corporation shall have personal liability to the corporation or its shareholders for monetary damages for any breach of fiduciary duty, except for the following:

(a) any breach of a director's duty of loyalty to the corporation or its shareholders;

(b) any act or omission not in good faith, or that involves intentional misconduct or a knowing violation of law;

(c) any act prohibited under or regulated by Minnesota Statutes, Section 302A.559 concerning illegal distributions, or by Minnesota Statutes, Section 80A.23 concerning civil liabilities for securities violations; or

(d) any transaction from which the director derives an improper personal benefit.

ARTICLE VIII

Control Share Acquisitions

Neither Section 302A.671 of the Minnesota Statutes, nor any other provision contained in the Minnesota Statutes relating to any "control share acquisition" as defined in Section 302A.011, Subd. 38 of the Minnesota Statutes, shall apply to this corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of April, 1992.

/s/ Roger H. Frommelt

Roger H. Frommelt

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

On this 16th day of April, 1992, before me, a Notary Public, personally appeared Roger H. Frommelt to me personally known to be the person described in and who executed the foregoing instrument, and he acknowledged that he executed the same as his free act and deed.

/s/ Jean M. Davis

Notary Public

ARTICLES OF AMENDMENT TO

ARTICLES OF INCORPORATION OF

CASINO MAGIC CORP.

I, Marlin F. Torguson, Chief Executive Officer of Casino Magic Corp., a Minnesota corporation (the "Company") , hereby certify that the following is a true and correct copy of a resolution amending the Company's Articles of Incorporation, adopted pursuant to the terms of Minnesota Statutes, Chapter 302A by the shareholders of the Company at a duly constituted meeting of such shareholders held on May 14, 1993:

"RESOLVED, that the Articles of Incorporation of Casino Magic Corp. (the "Articles") are hereby amended to add the following as Article III of the Articles and it shall supersede and replace in its entirety the existing Article III of the Articles:

'ARTICLE III

Authorized Shares

The corporation shall have the authority to issue an aggregate of 50,000,000 shares, all of which shall be common voting shares having a par value of $0.01 per share, and 2,500,000 undesignated shares.

The Board of Directors of the corporation may, from time to time, establish by resolution different classes or series of shares from the undesignated shares and may fix the rights and preferences of said shares in any class or series.'"

IN WITNESS WHEREOF, the undersigned, being duly authorized by the Company, has executed these Articles of Amendment as of the 14th day of May, 1993.

/s/ Marlin F. Torguson

Marlin F. Torguson
Chief Executive Officer

STATE OF MISSISSIPPI)
) ss.
COUNTY OF HANCOCK)

The foregoing instrument was acknowledged before me this 14th day of May, 1993, by Marlin F. Torguson, to me personally known to be the Chief Executive Officer of Casino Magic Corp., a Minnesota corporation, who declared that the execution of said instrument is the act and deed of said corporation and that the facts stated therein are true.

/s/ Michele Kimmel

Notary Public

EXHIBIT 3.30

BY-LAWS

OF

CASINO MAGIC CORP.

(A MINNESOTA CORPORATION)

ARTICLE I
DEFINITIONS

BY-LAW 1.01. The following words or phrases when used in these By-Laws, shall have the meanings set forth below:

a. "Articles of Incorporation" shall mean the Articles of Incorporation of the Corporation.

b. "Board of Directors" shall mean the Board of Directors of the Corporation.

c. "Corporation" shall mean Casino Magic Corp.

d. "Director" shall mean a member of the Board of Directors.

e. "Shares" shall mean the authorized shares of the Corporation as identified in the Corporation's Articles of Incorporation.

f. "Shareholder" or "shareholders" shall mean a shareholder or the shareholders of record of the Corporation.

g. "Statute" shall mean the applicable statute or statutes of the Minnesota Business Corporation Act, being Chapter 270 of the 1981 Laws of Minnesota.

h. "Voting Shares" shall mean the shares which entitle the record owner to vote on matters relating to the affairs of the Corporation under the Articles of Incorporation or by statute.

ARTICLE II
OFFICES, BOOKS AND RECORDS

BY-LAW 2.01 REGISTERED AND OTHER OFFICES. The registered office of the Corporation in Minnesota shall be that most recently adopted either in the Articles of Incorporation or any amendment thereto, or by the Board of Directors in a statement filed with the Secretary of State of Minnesota establishing the registered office in the manner prescribed by law. The Corporation may have such other offices, within or without the State of Minnesota, as the Board of Directors shall, from time to time, determine.

BY-LAW 2.02 MAINTENANCE OF RECORDS. The original books and records of the Corporation, or copies thereof, shall be maintained at the principal executive office of the Corporation. Certain records, statements and agreements, or copies thereof, shall be available for examination by the shareholders on such terms and conditions as the Board of Directors may from time to time impose, consistent with statute.

ARTICLE III
SHAREHOLDERS' MEETING

BY-LAW 3.01 PLACE. Meetings of the shareholders shall be held in the county where the principal executive office of the Corporation is located; provided that any meeting not called by or at the demand of a shareholder or shareholders pursuant to statute, may be held at such other place as the chief executive officer or the Board of Directors may designate.

BY-LAW 3.02 REGULAR MEETING. A regular meeting of the shareholders shall be held during the third month following the end of the Corporation's fiscal year for federal income tax purposes, on such date, and at such time and place, as may be specified by the chief executive officer, unless some other date, time or place is specified by the Board of Directors.

BY-LAW 3.03 SPECIAL MEETING. A special meeting of the shareholders may be called for any purpose by the chief executive officer, the chief financial officer, the Board of Directors, or a shareholder or shareholders holding at least ten percent of the voting shares of the Corporation. A special meeting of the shareholders shall be called by the Board of Directors on the demand, pursuant to statute, of shareholders holding at least ten percent of the outstanding voting shares of the Corporation. Business transacted at any special meeting of the shareholders shall be confined to the purposes stated in the notice of such meeting.

BY-LAW 3.04 NOTICE. Written notice of the place, date and time of any meeting of the shareholders shall be given to each shareholder entitled to vote

thereat by mailing said notice postage prepaid, to the shareholder's address of record. Notice of a regular meeting of the shareholders shall be given at least ten days before the meeting. Notice of a special meeting shall be given at least five days before the meeting. No notice of any meeting of the shareholders may be mailed more than sixty days before such meeting. The notice of any special meeting shall set forth the purposes of the meeting and, in a general nature, the business to be transacted. In determining the number of days of notice required under this By-Law, the date upon which any notice is deposited in the U.S. Mail shall be included as one day and the date of the meeting which is the subject of the notice shall not be included.

BY-LAW 3.05 WAIVER OF NOTICE; CONSENT MEETINGS. Notice of the time, place and purpose of any meeting of the shareholders may be waived by any shareholder before, at, or after any such meeting. Any action which may be taken at a meeting of the shareholders may be taken without a meeting if authorized by a writing signed by all shareholders who would be entitled to a notice of meeting for such purpose. Attendance at a meeting of the shareholders is a waiver of the notice of that meeting, unless at the beginning of that meeting a shareholder objects that the meeting is not lawfully called or convened, or unless prior to the vote on any item of business, a shareholder objects that the item may not be lawfully

considered at that meeting and such shareholder does not participate in the consideration of that item at that meeting.

BY-LAW 3.06 QUORUM; ADJOURNMENT. The presence at any meeting, in person or by proxy, of the shareholders owning at least one-third of the outstanding voting shares shall constitute a quorum for the transaction of business. Once a quorum is established at any meeting of the shareholders, the voluntary withdrawal of any shareholder from the meeting shall not affect the authority of the remaining shareholders to conduct any business which properly comes before the meeting. In the absence of a quorum, those present may adjourn the meeting from day to day or time to time without further notice other than announcement at such meeting of such date, time and place of the adjourned meeting. At an adjourned meeting of the shareholders at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed.

BY-LAW 3.07 VOTING; RECORD DATE. At each meeting of the shareholders, each shareholder entitled to vote thereat may vote in person or by proxy duly appointed by an instrument in writing subscribed by such shareholder. At a meeting of the shareholders, each shareholder shall have one vote for each voting share standing in such shareholder's name on the books of the Corporation, or on the books of any transfer agent appointed by the Corporation, on the record date established by the Board of Directors, which date may not be

more than sixty days from the date of any such meeting. If no record date has been established, the record date shall be as of the close of business on the date of the original notice of the meeting of the shareholders, or the date immediately preceding the date such notice is mailed to the shareholders, whichever is earlier. Upon the demand of any shareholder at the meeting, the vote for directors, or the vote upon any question before the meeting, shall be by written ballot. All elections shall be effected, and all questions shall be decided, by shareholders owning a majority of the shares present in person and by proxy, except as otherwise specifically provided for by statute or by Articles of Incorporation.

BY-LAW 3.08 VOTING; CUMULATIVE. Except to the extent limited or prevented by the Articles of Incorporation, shareholders may cumulate their votes in the election of directors, if, more than 48 hours, prior to any meeting of the shareholders at which such directors are to be elected, any officer of the Corporation receives written notice from a shareholder of such shareholder's intention to cumulate votes in the election of directors. If such notice is received, the person presiding as chairman over such meeting shall announce, before the election of such directors, that all shareholders shall cumulate their votes in the election of directors. A shareholder shall cumulate votes by multiplying the number of members of the Board of Directors to be elected by the number of shares owned by such shareholder, and casting the resulting number of votes for one candidate, or dividing such votes among any number of candidates, for membership on the Board of Directors.

BY-LAW 3.09 PRESIDING OFFICER. The chief executive officer of the Corporation or any person so designated by the chief executive officer shall preside as chairman over all meetings of the shareholders; provided, however, that in the absence of the chief executive officer or his designee at any meeting of the shareholders, the meeting shall choose any person present to act as the presiding officer of the meeting.

BY-LAW 3.10 CONDUCT OF MEETINGS OF SHAREHOLDERS. Subject to the following, meetings of shareholders generally shall follow accepted rules of parliamentary procedure:

a. The chairman of the meeting shall have absolute authority over matters of procedure and there shall be no appeal from the ruling of the chairman. If the chairman, in his absolute discretion, deems it advisable to dispense with the rules of parliamentary procedure as to any one meeting of shareholders or part thereof, the chairman shall so state and shall clearly state the rules under which the meeting or appropriate part thereof shall be conducted.

b. If disorder should arise which prevents continuation of the

legitimate business of the meeting, the chairman may quit the chair and announce the adjournment of the meeting; and upon his so doing, the meeting is immediately adjourned.

c. The chairman may ask or require that anyone leave the meeting who is not a bona fide shareholder of record entitled to notice of the meeting, or a duly appointed proxy thereof.

BY-LAW 3.11 INSPECTORS OF ELECTION. The Board of Directors in advance of any meeting of shareholders may appoint one or more inspectors to act at such meeting or adjournment thereof. If inspectors of election are not so appointed, the person acting as chairman of any such meeting may, and on the request of any shareholder or his or her proxy shall, make such appointment. In case any person appointed as inspector shall fail to appear to act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting, or at the meeting by the officer or person acting as chairman. The inspectors of election shall determine the number of shares outstanding, the voting power of each, the shares represented at the meeting, the existence of a quorum, the authenticity, validity and effect of proxies, and shall receive votes, ballots, assents or consents, hear and determine all challenges and questions in any way arising and announce the result, and do such acts as may be proper to conduct the election or vote with fairness to all shareholders. No inspector whether appointed by the Board of Directors or by the officer or person acting as chairman need be a shareholder.

ARTICLE IV
BOARD OF DIRECTORS

BY-LAW 4.01 NUMBER, ELECTION AND TERM. The Board of Directors shall consist of one or more members. The number of the members of the Board of Directors to be elected at any meeting of the shareholders shall be determined from time to time by the Board of Directors and, if the Board of Directors does not expressly fix the number of directors to be so elected, then the number of directors shall be the number of directors elected at the preceding regular meeting of shareholders. The number of directors may be increased at any subsequent special meeting of shareholders called for the election of additional directors, by the number so elected. A director need not be a shareholder. Directors shall be elected at each regular meeting of the shareholders, and each director shall be elected to serve for an indefinite term, terminating at the next regular meeting of the shareholders and the election

of a qualified successor by the shareholders, or the earlier death, resignation, removal or disqualification of such director.

BY-LAW 4.02 REGULAR MEETINGS. Unless otherwise specified by the directors,

the regular meeting of the Board of Directors shall be held at the place of, and immediately following the adjournment of, the regular meeting of the shareholders. At such meeting of the Board of Directors, the Board of Directors shall elect such officers as are deemed necessary for the operation and management of the Corporation, and transact such other business as may properly come before it.

BY-LAW 4.03 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the chief executive officer, the President or any director at any time, to be held at the principal executive office of the Corporation, or at some other location which is either within 50 miles of the principal executive offices of the Corporation, determined at any prior meeting of the Board of Directors, or agreed to by a majority of the members of the Board of Directors.

BY-LAW 4.04 NOTICE. Notice of the date, time and place of meetings of the Board of Directors shall be given to each director personally or by telegraph dispatched at least two days prior to the meeting, or shall be given by mail dispatched at least four days prior to the meeting. In determining the number of days of notice required under this By-Law, the date upon which any such notice is delivered, deposited in the U.S. Mail, or telegraphed, shall be included as one day, and the date of the meeting which in the subject of the notice shall not be included. In the case of meetings held by voice communication as provided in By-Law 4.05 below, such notice shall set forth the specific manner in which the meeting is to be held. Any director may, before, at, or after a meeting of the Board of Directors, waive notice thereof. Any director who attends a meeting shall be deemed to have waived notice of the meeting, unless such director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called and does not participate in the meeting. Unless otherwise provided by the Board of Directors, the provisions of this By-Law shall apply in all respects to the notice requirements of meetings of any committee established by the Board of Directors.

BY-LAW 4.05 TELEPHONE AND CONSENT MEETINGS. Participation in any meeting of the Board of Directors or of any committee established by the Board of Directors by conference telephone or other similar means of communication, whereby all persons participating in the meeting can simultaneously and continuously hear each other, shall constitute presence in person at that meeting. Any action which might be taken at a meeting of the Board of Directors or any committee established by the Board of Directors may be taken without a meeting if done in writing, signed by all members of the Board of Directors or such committee, as the case may be.

BY-LAW 4.06 QUORUM/VOTING. At all meetings of the Board of Directors or of any committee established by the Board of Directors, a majority of the members must be present to constitute a quorum for the transaction of business. Each

member shall have one vote. Voting by proxy, or the establishment of a quorum by proxy, is prohibited. The act of the majority of the members present at any meeting at which there is a quorum shall be the act of the Board of Directors or such committee, as the case may be. In the absence of a

quorum, a majority of those present may adjourn the meeting from day to day or time to time without notice other than announcement at such meeting of the date, time and place of the adjourned meeting.

BY-LAW 4.07 ORDER OF BUSINESS/RECORD. The Board of Directors, or any committee established by the Board of Directors, may, from time to time, determine the order of the business at any meeting thereof. If a Secretary of the Corporation has been elected by the Board of Directors, such Secretary shall keep a record of all proceedings at a meeting of the Board of Directors; otherwise, a Secretary Pro Tem, chosen by the person presiding over the meeting as chairman, shall so act.

BY-LAW 4.08 VACANCY. A vacancy in membership of the Board of Directors shall be filled by the affirmative vote of the remaining members of the Board of Directors, though less than a quorum, and a member so elected shall serve until his successor is elected by the shareholders at their next regular meeting, or at a special meeting duly called for that purpose.

BY-LAW 4.09 COMMITTEES. The directors may, by resolution adopted by a majority of the members of the Board of Directors, designate one or more persons to constitute a committee which, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the Corporation. Any such committee shall act only in the interval between meetings of the Board of Directors and shall be subject at all times to the control and direction of the Board of Directors. Unless otherwise provided by the Board of Directors, a meeting of any committee established by the Board of Directors may be called by any member thereof.

BY-LAW 4.10 OTHER POWERS. In addition to the powers and authorities conferred upon them by By-Laws, the Board of Directors shall have the power to do all acts necessary and expedient to the conduct of the business of the Corporation which are not conferred upon the shareholders by statute, these By-Laws, or the Articles of Incorporation.

ARTICLE V
SHARES

BY-LAW 5.01 ISSUANCE OF SECURITIES. The Board of Directors is authorized to

issue securities of the Corporation, and rights thereto, to the full extent authorized by the Articles of Incorporation, in such amounts, at such times and to such persons as may be determined by the Board of Directors and permitted by law, subject to any limitations specified in these By-Laws.

BY-LAW 5.02 CERTIFICATES FOR SHARES. Every shareholder shall be entitled to a certificate, to be in such form as prescribed by law and adopted by the Board of Directors, evidencing the number of shares of the Corporation owned by such shareholder. The certificates shall be signed by the chief executive officer; provided that if a transfer agent has been appointed for the Corporation's shares, such signature may be a facsimile.

BY-LAW 5.03 TRANSFER OF SHARES. Subject to any applicable or reasonable restrictions which may be imposed by the Board of Directors, shares of the corporation shall be transferred upon written demand of the shareholder named in the certificate, or the

shareholder's legal representative, or the shareholder's duly authorized attorney-in-fact, accompanied by a tender of the certificates to be transferred properly endorsed, and payment of all transfer taxes due thereon, if any. The Corporation may treat, as the absolute owner of shares of the Corporation, the person or persons in whose name or names the shares are registered on the books of the Corporation.

BY-LAW 5.04 LOST CERTIFICATE. Any shareholder claiming a certificate evidencing ownership of shares to be lost, stolen or destroyed shall make an affidavit or affirmation of that fact in such form as the Board of Directors may require, and shall, if the Board of Directors so require, give the Corporation (and its transfer agent, if a transfer agent be appointed) a bond of indemnity in such form with one or more sureties satisfactory to the Board of Directors, in such amount as the Board of Directors may require, whereupon a new certificate may be issued of the same tenor and for the same number of shares as the one alleged to have been lost, stolen or destroyed.

BY-LAW 5.05 PREEMPTIVE RIGHTS. Except to the extent limited or prevented in the Articles of Incorporation or by statute, each shareholder shall have the right to acquire a fraction of the unissued shares or rights to purchase unissued shares, of the same class or series held by the shareholder, which the Corporation proposes to issue. The fraction of the shares of the new issue which may be purchased under this paragraph shall be the ratio that the number of shares of that class or series owned by the shareholder before the new issue bears to the total number of shares of that class or series outstanding before the new issue.

ARTICLE VI
OFFICERS

BY-LAW 6.01 ELECTION OF OFFICERS. The Board of Directors, at its regular meeting held after each regular meeting of shareholders shall, and at any special meeting may, elect a Chief Executive Officer and a Chief Financial Officer. Except as may otherwise be determined from time to time by the Board of Directors, such officers shall exercise such powers and perform such duties as are prescribed by these By-Laws. The Board of Directors may elect such other officers and agents as it shall deem necessary from time to time, including Vice Presidents and a Chairman of the Board who shall exercise such powers and perform such duties, not in conflict with the duties of officers designated in these By-Laws, as shall be determined from time to time by the Board of Directors.

BY-LAW 6.02 TERMS OF OFFICE. The officers of the Corporation shall hold office until their successors are elected and qualified, notwithstanding an earlier termination of their office as directors. Any officer elected by the Board of Directors may be removed with or without cause by the affirmative vote of a majority of the Board of Directors present at a meeting.

BY-LAW 6.03 SALARIES. The salaries of all officers of the Corporation shall be determined by the Board of Directors.

BY-LAW 6.04 CHIEF EXECUTIVE OFFICER. The President shall be the chief executive officer of the Corporation, unless the Board of Directors shall elect a Chairman of the Board, and

designate such Chairman as the Chief Executive Officer, in which case the Chairman of the Board shall be the chief executive officer. The chief executive officer shall;

a. have general active management of the business of the Corporation;

b. when present, and except where the Board of Directors elect a Chairman of the Board, preside at all meetings of the Board of Directors and of the shareholders;

c. see that all orders and resolutions of the Board of Directors are carried into effect;

d. sign and deliver in the name of the Corporation any deeds,

mortgages, bonds, contracts or other instruments pertaining to the business of the Corporation, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is expressly delegated by the Articles of Incorporation or these By-Laws or by the Board of Directors to some other officer or agent of the Corporation;

e. maintain records of and, whenever necessary, certify all proceedings of the Board of Directors and the shareholders; and

f. perform other duties prescribed by the Board of Directors.

BY-LAW 6.05 CHIEF FINANCIAL OFFICER. The Treasurer shall be the chief financial officer of the Corporation, and as such shall:

a. keep accurate financial records for the Corporation;

b. deposit all money, drafts, and checks in the name of and to the credit of the Corporation in the banks and depositories designated by the Board of Directors;

c. endorse for deposit all notes, checks, and drafts received by the Corporation as ordered by the Board of Directors, making proper vouchers therefor;

d. disburse funds of the Corporation, and issue checks and drafts in the name of the Corporation, as ordered by the Board of Directors;

e. render to the chief executive officer and the Board of Directors, whenever requested, an account of all transactions by the Treasurer and of the financial condition of the Corporation; and

f. perform other duties prescribed by the Board of Directors or by the chief executive officer, under whose supervision the Treasurer shall be.

BY-LAW 6.06 SECRETARY. The Secretary, if elected, shall:

a. attend all meetings of the Board of Directors at the request of the chief executive officer or the Board of Directors, and shall attend all meetings of the shareholders and record all votes and the minutes of all proceedings in a book kept for that purpose; and shall perform like duties for a committee when required by the chief executive officer; and

b. perform other duties prescribed by the Board of Directors or by the chief executive officer, under whose supervision the Secretary shall be.

BY-LAW 6.07 DELEGATION OF AUTHORITY. Except where prohibited or limited by the Board of Directors, an officer elected by the Board of Directors may delegate some or all of the duties or powers of his or her office to another person, provided that such delegation is in writing, and a copy of such written delegation, identifying the person to whom those duties or powers are delegated, and specifying the nature, extent and any limitations of the duties or powers delegated, is delivered in the same manner as provided for notices of meetings of the Board of Directors to all members of the Board of Directors prior to such delegation becoming effective.

ARTICLE VII
MISCELLANEOUS

BY-LAW 7.01 CORPORATE SEAL. If so directed by the Board of Directors, the Corporation may use a corporate seal. The failure to use such seal, however, shall not affect the validity of any documents executed on behalf of the Corporation. The seal need only include the word "seal," but it may also include, at the discretion of the Board of Directors, such additional wording as is permitted by the statute.

BY-LAW 7.02 REIMBURSEMENT BY DIRECTORS AND OFFICERS. Any payments made to any officer or director of this Corporation, such as salary, commission, bonus, interest, or rent, or entertainment expenses incurred by him, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer or director to the Corporation to the full extent of such disallowance. It shall be the duty of the Board of Directors to enforce payment of each said amount disallowed. In lieu of payment by the officer or director, subject to the determination of the Board of Directors, proportionate amounts may be withheld from his future compensation payments until the amount owed to the Corporation has been recovered.

BY-LAW 7.03 AMENDMENTS TO BY-LAWS. These By-Laws may be amended or altered by the vote of a majority of all of the members of the Board of Directors at any meeting. Such authority of the Board of Directors is subject to the power of the shareholders to adopt, amend or repeal By-Laws adopted, amended or repealed by the Board of Directors, pursuant to statute at any regular or special meeting called for that purpose.

The foregoing By-Laws of this Corporation were adopted by the Board of Directors on the 20th day of April, 1992.

/s/ Marlin F. Torguson

Marlin F. Torguson
Chief Executive Officer

RESOLUTION ADOPTED BY BOARD OF DIRECTORS

OF

CASINO MAGIC CORP.

ON

AUGUST 17, 1992

RESOLVED, that By-Law 4.01 of the By-Laws of Casino Magic Corp. is hereby amended to read as follows, and it shall supercede and replace in its entirety the existing By-Law 4.01:

"BY-LAW 4.01 NUMBER, ELECTION AND TERM. The Board of Directors shall consist of one or more members. The number of the members of the Board of Directors to be elected at any meeting of the shareholders shall be determined from time to time by the Board of Directors and, if the Board of Directors does not expressly fix the number of directors to be so elected, then the number of directors shall be the number of directors elected at the preceding regular meeting of the shareholders, provided that prior to January 1, 1993, the directors may increase the number of members of the Board of Directors and elect additional directors to the vacancies so created subject to the power of the shareholders at the next meeting of shareholders to remove the director(s) so elected and to reduce the size of the Board. The number of directors may be increased at any subsequent special meeting of shareholders called for the election of additional directors, by the number so elected. A director need not be a shareholder. Directors shall be elected at each regular meeting of the shareholders, and each director shall be elected to serve for an indefinite term, terminating at the next regular meeting of the shareholders and the election of a qualified successor, or the earlier death, resignation, removal or disqualification of such director."

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS
OF
CASINO MAGIC CORP.
ON
APRIL 4, 1995

RESOLVED, that pursuant to the authority provided to the Casino Magic Corp. (the "Corporation") Board of Directors set forth in By-Law 7.03, By-Law 4.09 of the By-Laws of the Corporation is hereby amended to read as follows, and it shall supersede and replace in its entirety the existing By-Law 4.09:

"BY-LAW 4.09 COMMITTEES. The Directors may, by resolution adopted by a majority of the members of the Board of Directors present at any duly held meeting thereof, designate one or more persons to constitute a committee which, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the Corporation. The authority of any such committee and any member thereof, may be terminated at the discretion of the Board of Directors. Unless otherwise provided by the Board of Directors, a meeting of any committee established by the Board of Directors may be called by any member thereof."

RESOLUTIONS ADOPTED BY THE BOARD OF DIRECTORS
OF
CASINO MAGIC CORP.
ON
APRIL 16, 1996

RESOLVED, that the By-Laws of Casino Magic Corp. (the "Corporation") are hereby amended to add a By-Law 4.11, which will read as follows:

"BY-LAW 4.11 REMOVAL BY BOARD OF DIRECTORS. The Board of Directors may remove as a member of the Board of Directors any person who has:

(i) been convicted of a felony, or indicted by a grand jury for the commission of a felony, while nominated for or serving as a member of the Board of Directors;

(ii) been convicted of a felony at any time, unless all relevant facts and circumstances relating to such conviction were disclosed in writing by such member to each member of the Board of Directors at least 90 but not more than 180 days prior to such member's initial nomination and election as a member of the Board of Directors;

(iii) has been convicted of a gross misdemeanor involving moral turpitude while nominated for or serving as a member of the Board of Directors; or

(iv) has been found ineligible or otherwise unsuitable to serve as a member of the Board of Directors by any governmental authority which regulates gaming and has jurisdiction over the operations or license application of, or license, permit or franchise granted to, the Corporation or any subsidiary thereof.

The authority to remove a member pursuant to this By-Law provision may be exercised by a majority of the disinterested members of the board of Directors. For the purpose of this By-Law provision, all members of the Board of Directors, except for the member whose removal is being proposed, shall be deemed to be disinterested."

RESOLVED FURTHER, that the Secretary of the Corporation is authorized and directed to make the foregoing By-Law 4.11 a part of the Corporation's permanent records.

AMENDMENT OF BY-LAWS

OF

CASINO MAGIC CORP.

A MINNESOTA CORPORATION

Section 4.01 of the By-Laws of Casino Magic Corp., a Minnesota corporation, was amended by resolution duly adopted by Written Consent of the Sole Shareholder as of October 15, 1998 to read in its entirety as follows:

BY-LAW 4.01 Number, Election and Term. The Board of Directors shall consist of one or more members. The number of the members of the Board of Directors shall be determined from time to time by the majority vote or unanimous written consent of the shareholders as providedby the Minnesota Business Corporation Act. A director need not be a shareholder. Directors shall be elected at each regular meeting of the shareholders, and each director shall be elected to serve for an indefinite term, terminating at the next regular meeting of the shareholders and the election of a qualified successor, or the earlier death, resignation, removal or disqualification of such director.

Section 6.04 of the By-Laws of Casino Magic Corp., a Minnesota corporation, was amended by resolution duly adopted by Written Consent of the Sole Director as of October 15, 1998 to read in its entirety as follows:

BY-LAW 6.04 Chief Executive Officer. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be general manager and chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general active management of the business of the corporation. He shall preside at all meetings of the shareholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. The President shall see that all orders and resolutions of the Board are carried into effect, shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as

may be prescribed by the Board of Directors or these By-Laws. He shall sign and deliver in the name of the Corporation any deeds, mortgages, bonds, contracts or other instruments pertaining to the business of the Corporation, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is delegated by the Board of Directors to some other officer or agent of the Corporation.

EXHIBIT 3.31

State of Minnesota

SECRETARY OF STATE

CERTIFICATE OF INCORPORATION

I, Joan Anderson Growe, Secretary of State of Minnesota, do certify that: Articles of Incorporation, duly signed and acknowledged under oath, have been filed on this date in the Office of the Secretary of State, for the incorporation of the following corporation, under and in accordance with the provisions of the chapter of Minnesota Statutes listed below.

This corporation is now legally organized under the laws of Minnesota.

Corporate Name: Casino Magic American Corp.

Corporate Charter Number: 8C-739

Chapter Formed Under: 302A

This certificate has been issued on 02/01/1994.

Joan Anderson Growe

Secretary of State

ARTICLES OF INCORPORATION

OF

CASINO MAGIC AMERICAN CORP.

The undersigned, being of full age, for the purpose of organizing a corporation under Minnesota Statutes, Chapter 302A, and acts amendatory thereto, does hereby adopt, sign and acknowledge the following Articles of Incorporation.

ARTICLE I

Name

The name of the corporation shall be "Casino Magic American Corp."

ARTICLE II

Registered Office

The address of the corporation's registered office in the State of Minnesota is 580 International Centre, 900 Second Avenue South, Minneapolis, Minnesota 55402.

ARTICLE III

Authorized Shares

The corporation shall have the authority to issue an aggregate of 1,000 shares, all of which shall be common voting shares having a par value of $0.01 per share.

The Board of Directors of the corporation may, from time to time, establish by resolution different classes or series of shares ; and may fix the rights and preferences of said shares in any class or series.

ARTICLE IV

Incorporator

The name and address of the sole incorporator of the corporation is James W. Rude, Esq., Frommelt & Eide, Ltd., 580 International Centre, 900 Second Avenue South, Minneapolis, Minnesota 55402.

ARTICLE V

Cumulative Voting

No shareholder of the corporation shall have any right to cumulate votes with respect to shares of the corporation in the election of members of the Board of Directors of the corporation, or when voting on any other matter.

ARTICLE VI

Preemptive Rights

No shareholder of the corporation, solely by reason of such status as a

shareholder, shall have any right to acquire any portion of the unissued shares or other securities of the corporation, or any rights to purchase such shares or other securities, which the corporation may from time to time offer or sell to any person.

ARTICLE VII

Director Liability

No member of the Board of Directors of the corporation shall have personal liability to the corporation or its shareholders for monetary damages for any breach of fiduciary duty, except for the following:

(a) any breach of a director's duty of loyalty to the corporation or its shareholders;

(b) any act or omission not in good faith, or that involves intentional misconduct or a knowing violation of law;

(c) any act prohibited under or regulated by Minnesota Statutes, Section 302A.559 concerning illegal distributions, or by Minnesota Statutes, Section 80A.23 concerning civil liabilities for securities violations; or

(d) any transaction from which the director derives an improper personal benefit.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of February, 1994.

/s/

James W. Rude

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

On this 1st day of February, 1994, before me, a Notary Public, personally appeared James W. Rude to me personally known to be the person described in and who executed the foregoing instrument, and he acknowledged that he executed the same as his free act and deed.

Susan Nichols

Notary Public

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
FEB 01 1994
Joan Anderson Growe
Secretary of State

EXHIBIT 3.32

BY-LAWS

OF

CASINO MAGIC AMERICAN CORP.

(A MINNESOTA CORPORATION)

ARTICLE I
DEFINITIONS

BY-LAW 1.01. The following words or phrases when used in these By-Laws, shall have the meanings set forth below:

a. "Articles of Incorporation" shall mean the Articles of Incorporation of the Corporation.

b. "Board of Directors" shall mean the Board of Directors of the Corporation.

c. "Corporation" shall mean Casino Magic Management Services Corp.

d. "Director" shall mean a member of the Board of Directors.

e. "Shares" shall mean the authorized shares of the Corporation as identified in the Corporation's Articles of Incorporation.

f. "Shareholder" or "shareholders" shall mean a shareholder or the shareholders of record of the Corporation.

g. "Statute" shall mean the applicable statute or statutes of the Minnesota Business Corporation Act, being Chapter 270 of the 1981 Laws of Minnesota.

h. "Voting Shares" shall mean the shares which entitle the record owner to vote on matters relating to the affairs of the Corporation under the Articles of Incorporation or by statute.

ARTICLE II
OFFICES, BOOKS AND RECORDS

BY-LAW 2.01 REGISTERED AND OTHER OFFICES. The registered office of the

Corporation in Minnesota shall be that most recently adopted either in the Articles of Incorporation or any amendment thereto, or by the Board of Directors in a statement filed with the Secretary of State of Minnesota establishing the registered office in the manner prescribed by law. The Corporation may have such other offices, within or without the State of Minnesota, as the Board of Directors shall, from time to time, determine.

BY-LAW 2.02 MAINTENANCE OF RECORDS. The original books and records of the Corporation, or copies thereof, shall be maintained at the principal executive office of the Corporation. Certain records, statements and agreements, or copies thereof, shall be available for examination by the shareholders on such terms and conditions as the Board of Directors may from time to time impose, consistent with statute.

ARTICLE III
SHAREHOLDERS' MEETING

BY-LAW 3.01 PLACE. Meetings of the shareholders shall be held in the county where the principal executive office of the Corporation is located; provided that any meeting not called by or at the demand of a shareholder or shareholders pursuant to statute, may be held at such other place as the chief executive officer or the Board of Directors may designate.

BY-LAW 3.02 REGULAR MEETING. A regular meeting of the shareholders shall be held during the third month following the end of the Corporation's fiscal year for federal income tax purposes, on such date, and at such time and place, as may be specified by the chief executive officer, unless some other date, time or place is specified by the Board of Directors.

BY-LAW 3.03 SPECIAL MEETING. A special meeting of the shareholders may be called for any purpose by the chief executive officer, the chief financial officer, the Board of Directors, or a shareholder or shareholders holding at least ten percent of the voting shares of the Corporation. A special meeting of the shareholders shall be called by the Board of Directors on the demand, pursuant to statute, of shareholders holding at least ten percent of the outstanding voting shares of the Corporation. Business transacted at any special meeting of the shareholders shall be confined to the purposes stated in the notice of such meeting.

BY-LAW 3.04 NOTICE. Written notice of the place, date and time of any meeting of the shareholders shall be given to each shareholder entitled to vote thereat by mailing said notice postage prepaid, to the shareholder's address of record. Notice of a regular meeting of the shareholders shall be given at least

ten days before the meeting. Notice of a special meeting shall be given at least five days before the meeting. No notice of any meeting of the shareholders may be mailed more than sixty days before such meeting. The notice of any special meeting shall set forth the purposes of the meeting and, in a general nature, the business to be transacted. In determining the number of days of notice required under this By-Law, the date upon which any notice is deposited in the U.S. Mail shall be included as one day and the date of the meeting which is the subject of the notice shall not be included.

BY-LAW 3.05 WAIVER OF NOTICE; CONSENT MEETINGS. Notice of the time, place and purpose of any meeting of the shareholders may be waived by any shareholder before, at, or after any such meeting. Any action which may be taken at a meeting of the shareholders may be taken without a meeting if authorized by a writing signed by all shareholders who would be entitled to a notice of meeting for such purpose. Attendance at a meeting of the shareholders is a waiver of the notice of that meeting, unless at the beginning of that meeting a shareholder objects that the meeting is not lawfully called or convened, or unless prior to the vote on any item of business, a shareholder objects that the item may not be lawfully

considered at that meeting and such shareholder does not participate in the consideration of that item at that meeting.

BY-LAW 3.06 QUORUM; ADJOURNMENT. The presence at any meeting, in person or by proxy, of the shareholders owning at least twenty five percent of the outstanding voting shares shall constitute a quorum for the transaction of business. Once a quorum is established at any meeting of the shareholders, the voluntary withdrawal of any shareholder from the meeting shall not affect the authority of the remaining shareholders to conduct any business which properly comes before the meeting. In the absence of a quorum, those present may adjourn the meeting from day to day or time to time without further notice other than announcement at such meeting of such date, time and place of the adjourned meeting. At an adjourned meeting of the shareholders at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed.

BY-LAW 3.07 VOTING: RECORD DATE. At each meeting of the shareholders, each shareholder entitled to vote thereat may vote in person or by proxy duly appointed by an instrument in writing subscribed by such shareholder. At a meeting of the shareholders, each shareholder shall have one vote for each voting share standing in such shareholder's name on the books of the Corporation, or on the books of any transfer agent appointed by the Corporation, on the record date established by the Board of Directors, which date may not be more than sixty days from the date of any such meeting. If no record date has been established, the record date shall be as of the close of business on the

date of the original notice of the meeting of the shareholders, or the date immediately preceding the date such notice is mailed to the shareholders, whichever is earlier. Upon the demand of any shareholder at the meeting, the vote for directors, or the vote upon any question before the meeting, shall be by written ballot. All elections shall be effected, and all questions shall be decided, by shareholders owning a majority of the shares present in person and by proxy, except as otherwise specifically provided for by statute or by Articles of Incorporation.

BY-LAW 3.08 PRESIDING OFFICER. The chief executive officer of the Corporation or any person so designated by the chief executive officer shall preside as chairman over all meetings of the shareholders; provided, however, that in the absence of the chief executive officer or his designee at any meeting of the shareholders, the meeting shall choose any person present to act as the presiding officer of the meeting.

BY-LAW 3.09 CONDUCT OF MEETINGS OF SHAREHOLDERS. Subject to the following, meetings of shareholders generally shall follow accepted rules of parliamentary procedure:

a. The chairman of the meeting shall have absolute authority over matters of procedure and there shall be no appeal from the ruling of the chairman. If the chairman, in his absolute discretion, deems it advisable to dispense with the rules of parliamentary procedure as to any one meeting of shareholders or part thereof, the chairman shall so state and shall clearly state the rules under which the meeting or appropriate part thereof shall be conducted.

b. If disorder should arise which prevents continuation of the legitimate business of the meeting, the chairman may quit the chair and announce the

adjournment of the meeting; and upon his so doing, the meeting is immediately adjourned.

c. The chairman may ask or require that anyone leave the meeting who is not a bona fide shareholder of record entitled to notice of the meeting, or a duly appointed proxy thereof.

BY-LAW 3.10 INSPECTORS OF ELECTION. The Board of Directors in advance of any meeting of shareholders may appoint one or more inspectors to act at such meeting or adjournment thereof. If inspectors of election are not so appointed, the person acting as chairman of any such meeting may, and on the request of any shareholder or his or her proxy shall, make such appointment. In case any person appointed as inspector shall fail to appear to act, the vacancy may be

filled by appointment made by the Board of Directors in advance of the meeting, or at the meeting by the officer or person acting as chairman. The inspectors of election shall determine the number of shares outstanding, the voting power of each, the shares represented at the meeting, the existence of a quorum, the authenticity, validity and effect of proxies, and shall receive votes, ballots, assents or consents, hear and determine all challenges and questions in any way arising and announce the result, and do such acts as may be proper to conduct the election or vote with fairness to all shareholders. No inspector whether appointed by the Board of Directors or by the officer or person acting as chairman need be a shareholder.

ARTICLE IV
BOARD OF DIRECTORS

BY-LAW 4.01 NUMBER, ELECTION AND TERM. The Board of Directors shall consist of one or more members. The number of the members of the Board of Directors to be elected at any meeting of the shareholders shall be determined from time to time by the Board of Directors and, if the Board of Directors does not expressly fix the number of directors to be so elected, then the number of directors shall be the number of directors elected at the preceding regular meeting of shareholders. The number of directors may be increased at any subsequent special meeting of shareholders called for the election of additional directors, by the number so elected. A director need not be a shareholder. Directors shall be elected at each regular meeting of the shareholders. Each director shall be elected to serve for an indefinite term, terminating at the next regular meeting of the shareholders and the election of a qualified successor by the shareholders, or the earlier death, resignation, removal or disqualification of such director.

BY-LAW 4.02 REGULAR MEETINGS. Unless otherwise specified by the directors, the regular meeting of the Board of Directors shall be held at the place of, and immediately following the adjournment of, the regular meeting of the shareholders. At such meeting of the Board of Directors, the Board of Directors shall elect such officers as are deemed necessary for the operation and management of the Corporation, and transact such other business as may properly come before it.

BY-LAW 4.03 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the chief executive officer, the President or any director at any time, to be held at the principal executive office of the Corporation, or at some other location which is either

within 50 miles of the principal executive offices of the Corporation, determined at any prior meeting of the Board of Directors, or agreed to by a

majority of the members of the Board of Directors.

BY-LAW 4.04 NOTICE. Notice of the date, time and place of meetings of the Board of Directors shall be given to each director personally or by telegraph dispatched at least two days prior to the meeting, or shall be given by mail dispatched at least four days prior to the meeting. In determining the number of days of notice required under this By-Law, the date upon which any such notice is delivered, deposited in the U.S. Mail, or telegraphed, shall be included as one day, and the date of the meeting which in the subject of the notice shall not be included. In the case of meetings held by voice communication as provided in By-Law 4.05 below, such notice shall set forth the specific manner in which the meeting is to be held. Any director may, before, at, or after a meeting of the Board of Directors, waive notice thereof. Any director who attends a meeting shall be deemed to have waived notice of the meeting, unless such director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called and does not participate in the meeting. Unless otherwise provided by the Board of Directors, the provisions of this By-Law shall apply in all respects to the notice requirements of meetings of any committee established by the Board of Directors.

BY-LAW 4.05 TELEPHONE AND CONSENT MEETINGS. Participation in any meeting of the Board of Directors or of any committee established by the Board of Directors by conference telephone or other similar means of communication, whereby all persons participating in the meeting can simultaneously and continuously hear each other, shall constitute presence in person at that meeting. Any action which might be taken at a meeting of the Board of Directors or any committee established by the Board of Directors may be taken without a meeting if done in writing, signed by all members of the Board of Directors or such committee, as the case may be.

BY-LAW 4.06 QUORUM/VOTING. At all meetings of the Board of Directors or of any committee established by the Board of Directors, a majority of the members must be present to constitute a quorum for the transaction of business. Each member shall have one vote. Voting by proxy, or the establishment of a quorum by proxy, is prohibited. The act of the majority of the members present at any meeting at which there is a quorum shall be the act of the Board of Directors or such committee, as the case may be. In the absence of a quorum, a majority at those present may adjourn the meeting from day to day or time to time without notice other than announcement at such meeting of the date, time and place of the adjourned meeting.

BY-LAW 4.07 ORDER OF BUSINESS/RECORD. The Board of Directors, or any committee established by the Board of Directors, may, from time to time, determine the order of the business at any meeting thereof. If a Secretary of the Corporation has been elected by the Board of Directors, such Secretary shall keep a record of all proceedings at a meeting of the Board of Directors;

otherwise, a Secretary Pro-Tem, chosen by the person presiding over the meeting as chairman, shall so act.

BY-LAW 4.08 VACANCY. A vacancy in membership of the Board of Directors shall be filled by the affirmative vote of the remaining members of the Board of Directors, though

less than a quorum, and a member so elected shall serve until his successor is elected by the shareholders at their next regular meeting, or at a special meeting duly called for that purpose.

BY-LAW 4.09 COMMITTEES. The directors may, by resolution adopted by a majority of the members of the Board of Directors, designate one or more persons to constitute a committee which, to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the Corporation. Any such committee shall act only in the interval between meetings of the Board of Directors and shall be subject at all times to the control and direction of the Board of Directors. Unless otherwise provided by the Board of Directors, a meeting of any committee established by the Board of Directors may be called by any member thereof.

BY-LAW 4.10 OTHER POWERS. In addition to the powers and authorities conferred upon them by By-Laws, the Board of Directors shall have the power to do all acts necessary and expedient to the conduct of the business of the Corporation which are not conferred upon the shareholders by statute, these By-Laws, or the Articles of Incorporation.

ARTICLE V
SHARES

BY-LAW 5.01 ISSUANCE OF SECURITIES. The Board of Directors is authorized to issue securities of the Corporation, and rights thereto, to the full extent authorized by the Articles of Incorporation, in such amounts, at such times and to such persons as may be determined by the Board of Directors and permitted by law, subject to any limitations specified in these By-Laws.

BY-LAW 5.02 CERTIFICATES FOR SHARES. Every shareholder shall be entitled to a certificate, to be in such form as prescribed by law and adopted by the Board of Directors, evidencing the number of shares of the Corporation owned by such shareholder. The certificates shall be signed by the chief executive officer; provided that if a transfer agent has been appointed for the Corporation's shares, such signature may be a facsimile.

BY-LAW 5.03 TRANSFER OF SHARES. Subject to any applicable or reasonable restrictions which may be imposed by the Board of Directors, shares of the corporation shall be transferred upon written demand of the shareholder named in the certificate, or the shareholder's legal representative, or the shareholder's duly authorized attorney-in-fact, accompanied by a tender of the certificates to be transferred properly endorsed, and payment of all transfer taxes due thereon, if any. The Corporation may treat, as the absolute owner of shares of the Corporation, the person or persons in whose name or names the shares are registered on the books of the Corporation.

BY-LAW 5.04 LOST CERTIFICATE. Any shareholder claiming a certificate evidencing ownership of shares to be lost, stolen or destroyed shall make an affidavit or affirmation of that fact in such form as the Board of Directors may require, and shall, if the Board of Directors so require, give the Corporation (and its transfer agent, if a transfer agent be appointed) a bond of indemnity in such form with one or more sureties satisfactory to the Board of Directors, in such amount as the Board of Directors may require, whereupon a new

certificate may be issued of the same tenor and for the same number of shares as the one alleged to have been lost, stolen or destroyed.

ARTICLE VI
OFFICERS

BY-LAW 6.01 ELECTION OF OFFICERS. The Board of Directors, at its regular meeting held after each regular meeting of shareholders shall, and at any special meeting may, elect a Chief Executive Officer and a Chief Financial Officer. Except as may otherwise be determined from time to time by the Board of Directors, such officers shall exercise such powers and perform such duties as are prescribed by these By-Laws. The Board of Directors may elect such other officers and agents as it shall deem necessary from time to time, including Executive Vice Presidents, Vice Presidents, Secretary, Treasurer and a Chairman of the Board who shall exercise such powers and perform such duties, not in conflict with the duties of officers designated in these By-Laws, as shall be determined from time to time by the Board of Directors.

BY-LAW 6.02 TERMS OF OFFICE. The officers of the Corporation shall hold office until their successors are elected and qualified, notwithstanding an earlier termination of their office as directors. Any officer elected by the Board of Directors may be removed with or without cause by the affirmative vote of a majority of the Board of Directors present at a meeting.

BY-LAW 6.03 SALARIES. The salaries of all officers of the Corporation shall be determined by the Board of Directors.

BY-LAW 6.04 CHIEF EXECUTIVE OFFICER. The President shall be the chief executive officer of the Corporation, unless the Board of Directors shall elect a Chairman of the Board, and designate such Chairman as the Chief Executive Officer, in which case the Chairman of the Board shall be the chief executive officer. The chief executive officer shall;

a. have general active management of the business of the Corporation;

b. when present, and except where the Board of Directors elects a Chairman of the Board, preside at all meetings of the Board of Directors and of the shareholders;

c. see that all orders and resolutions of the Board of Directors are carried into effect;

d. sign and deliver in the name of the Corporation any deeds, mortgages, bonds, contracts or other instruments pertaining to the business of the Corporation, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is expressly delegated by the Articles of Incorporation or these By-Laws or by the Board of Directors to some other officer or agent of the Corporation;

e. maintain records of and, whenever necessary, certify all proceedings of the Board of Directors and the shareholders; and

f. perform other duties prescribed by the Board of Directors.

BY-LAW 6.05 CHIEF FINANCIAL OFFICER. The Treasurer shall be the chief financial officer of the Corporation, and as such shall:

a. keep accurate financial records for the Corporation;

b. deposit all money, drafts, and checks in the name of and to the credit of the Corporation in the banks and depositories designated by the Board of Directors;

c. endorse for deposit all notes, checks, and drafts received by the Corporation as ordered by the Board of Directors, making proper vouchers therefor;

d. disburse funds of the Corporation, and issue checks and drafts in the name of the Corporation, as ordered by the Board of Directors;

e. render to the chief executive officer and the Board of Directors, whenever requested, an account of all transactions by the Treasurer and of the financial condition of the Corporation; and

f. perform other duties prescribed by the Board of Directors or by the chief executive officer, under whose supervision the Treasurer shall be.

BY-LAW 6.06 SECRETARY. The Secretary, if elected, shall:

a. attend all meetings of the Board of Directors at the request of the chief executive officer or the Board of Directors, and shall attend all meetings of the shareholders and record all votes and the minutes of all proceedings in a book kept for that purpose; and shall perform like duties for a committee when required by the chief executive officer; and

b. perform other duties prescribed by the Board of Directors or by the chief executive officer, under whose supervision the Secretary shall be.

BY-LAW 6.07 DELEGATION OF AUTHORITY. Except where prohibited or limited by the Board of Directors, an officer elected by the Board of Directors may delegate some or all of the duties or powers of his or her office to another person, provided that such delegation is in writing, and a copy of such written delegation, identifying the person to whom those duties or powers are delegated, and specifying the nature, extent and any limitations of the duties or powers delegated, is delivered in the same manner as provided for notices of meetings of the Board of Directors to all members of the Board of Directors prior to such delegation becoming effective.

ARTICLE VII
MISCELLANEOUS

BY-LAW 7.01 CORPORATE SEAL. If so directed by the Board of Directors, the Corporation may use a corporate seal. The failure to use such seal, however, shall not affect the validity

of any documents executed on behalf of the Corporation. The seal need only include the word "seal," but it may also include, at the discretion of the Board of Directors, such additional wording as is permitted by the statute.

BY-LAW 7.02 REIMBURSEMENT BY DIRECTORS AND OFFICERS. Any payments made to any officer or director of this Corporation, such as salary, commission, bonus, interest, or rent, or entertainment expenses incurred by him, which shall be disallowed in whole or in part as a deductible expense by the Internal Revenue Service, shall be reimbursed by such officer or director to the Corporation to the full extent of such disallowance. It shall be the duty of the Board of Directors to enforce payment of each said amount disallowed. In lieu of payment by the officer or director, subject to the determination of the Board of Directors, proportionate amounts may be withheld from his future compensation payments until the amount owed to the Corporation has been recovered.

BY-LAW 7.03 AMENDMENTS TO BY-LAWS. These By-Laws may be amended or altered by the vote of a majority of all of the members of the Board of Directors at any meeting. Such authority of the Board of Directors is subject to the power of the shareholders to adopt, amend or repeal By-Laws adopted, amended or repealed by the Board of Directors, pursuant to statute at any regular or special meeting called for that purpose.

The foregoing By-Laws of this Corporation were adopted by the Board of Directors on the ____ day of _____, 1993.

/s/ Marlin F. Torguson

Marlin F. Torguson
Chief Executive Officer

EXHIBIT 3.33

STATE OF MISSISSIPPI

SECRETARY OF STATE
DICK MOLPUS

==========

Mississippi Corporation Information System

Corporation Name
BILOXI CASINO CORP.

Corp ID: 0586827

Filed: 08/27/1992 at 8:00 A.M.

Dick Molpus
Secretary of State

Filing Fee Receipt: $50.00

Secretary of State
P.O. Box 136
Jackson, MS 39205
(601) 359-1333

==========

401 MISSISSIPPI STREET. P.O. BOX 136. JACKSON, MS 39205
TELEPHONE (601) 359-1350

ARTICLES OF INCORPORATION
(Attach conformed copy)

X PROFIT ___ NONPROFIT

(MARK APPROPRIATE BOX)

The undersigned persons, pursuant to Section 79-4-2.02 (if a profit corporation) or Section 79-11-137 (if a nonprofit corporation) of the Mississippi Code of 1972, hereby execute the following document and set forth:

1. The name of the corporation is:
Biloxi Casino Corp.

2. Domicile address is: 1900 - 24/th/ Avenue
STREET
Gulfport, Mississippi 39501
CITY/STATE/ZIP

3. FOR NON-PROFITS ONLY: 99 years or

4. (a) The number (and classes, if any) of shares the corporation is authorized is issue is (are) as follows: (THIS IS FOR PROFIT ONLY):

Classes(es)	No. of Shares Authorized
Common	10,000
(one class only)	

4. (b) If more than one (1) class of shares is authorized, the preferences, limitations, and relative rights of each class are as follows:

5. The street address of its initial registered office is:
1900 - 24/th/ Avenue
STREET
Gulfport, Mississippi 39501
CITY/STATE/ZIP
and the name of its initial registered agent at such address is:

Virgil G. Gillespie

---

6. The name and complete address of each incorporator is as follows (PLEASE TYPE OR PRINT):

Virgil G. Gillespie

1900 - 24/th/ Avenue, Gulfport, Mississippi 39501

NAME/STREET ADDRESS/CITY/STATE/ZIP

7. Other provisions: Shareholders have preemptive right to acquire a proportionate share of any additional stock issued or sale of treasury stock, based upon the pro rata share of stock of any given stockholder, as his shares bear to the total amount of stock issued.

/s/ Virgil G. Gillespie

Virgil G. Gillespie

INCORPORATORS (SIGNATURES)

March 13, 1992

Secretary Of State
P.O. Box 136
Jackson, Mississippi 39205

RE: ARTICLES OF INCORPORATION
BILOXI CASINO CORP.

Dear Sir:

I enclose herewith duplicate originals of Articles of Incorporation for Biloxi Casino Corp., which I would thank you to file and return to me. Also enclosed is my check for $50.00 as a filing fee.

Yours very truly,

/s/ Virgil G. Gillespie
Virgil G Gillespie

VGG/jpc

Enclosures

EXHIBIT 3.34

BY-LAWS
OF
BILOXI CASINO CORP.

ARTICLE I

NAME AND LOCATION

SECTION 1. The name of the corporation is BILOXI CASINO CORP. Business will be conducted under the name of BILOXI CASINO CORP.

SECTION 2. The initial registered office shall be located at 1900 24th Avenue, Gulfport, Mississippi, 39501. The Corporation may have other offices, including its principal office, at other locations. An annual Shareholders meeting will be held at the principal office unless otherwise designated in the Notice of the Meeting or in Waiver of such Notice.

ARTICLE II

SHAREHOLDERS

SECTION 1. The annual meeting of the Shareholders shall be held at 10:00 a.m. on the first Monday of January of each year at the principal office of the corporation, or at such other place as may be designated in the Notice of the Meeting or Waiver of Notice thereof. At such meeting, the Shareholders shall elect directors to serve until their successors shall be elected and qualified.

SECTION 2. Special meetings of Shareholders may be held at such place as may be designated in the call thereof by consent in writing of all Shareholders, or by demand signed by the holders of at least ten percent (10%) of the stock. Special meetings of

the Shareholders may also be called by resolution of the Board of Directors at a duly held meeting of said Board of Directors.

SECTION 3. Notice of the time and place of all annual and special meetings shall be mailed or personally delivered by the Secretary to each Shareholder no

fewer than ten (10) days but not more than sixty (60) days before the date thereof, unless Waiver of said Notice and Call is given.

SECTION 4. The President of the corporation shall preside at all shareholders' meetings.

SECTION 5. At every such meeting each Shareholder shall be entitled to cast one (1) vote for each share of stock held in his name, either in person or by written proxy. All proxies shall be filed with the Secretary and by him/her entered of record in the Minutes of the meeting. In voting for Directors of the corporation, each Shareholder shall be authorized to cumulate his vote in accordance with the laws of the State of Mississippi.

SECTION 6. A quorum for the transaction of business shall consist of a number of shares, present personally or by proxy, representing the majority of shares of stock issued and outstanding.

SECTION 7. Official Shareholders action may be taken in the absence of annual, special, or any other duly called meeting, where said action is taken by consent in writing of the Shareholders themselves representing One Hundred percent (100%) of the shares of stock issued and outstanding.

ARTICLE III

DIRECTORS

SECTION 1. The business and property of the corporation shall be managed by a Board of one or more Directors, who shall be elected by the Shareholders at their annual meeting, except that vacancies on the Board of Directors may be filled by an election at a duly constituted meeting of the Board of Directors and Directors so elected shall serve the remaining portion of the term of the former Director. A Director need not be a Shareholder. Each year at the annual meeting of Shareholders, the Shareholders shall establish the size of the Board of Directors and thus fix the number of Directors to be elected. If not established at such annual meeting the size of the Board shall remain as theretofore constituted. The initial number of Directors shall be one.

SECTION 2. All Directors shall hold office for one (1) year and until their successors are duly elected and qualified.

SECTION 3. The regular meeting of the Directors shall be held at the principal office of the corporation at 1900 24th Avenue, Gulfport, MS 39501, or at such place as may be designated in the written Notice of the Meeting, or in the Waiver of Notice thereof, immediately after the adjournment of each annual Shareholder's meeting.

SECTION 4. Special meetings of the Board of Directors may be held at the same place or places as provided for the annual meeting thereof, and may be called by the President or by consent of all Directors, or at the request of any Director and on Notice in writing at least five (5) days prior to such meeting to the other Directors.

SECTION 5. A quorum for the transaction of business at any meeting of the Directors shall consist of a majority of the Board as established by the Shareholders. If there are two Directors, the quorum shall consist of one.

SECTION 6. The Directors shall elect the officers of the Corporation and fix their salaries, such election being at the Director's meeting following each annual Shareholder's meeting.

ARTICLE IV

OFFICERS

SECTION 1. The officers of this corporation shall be a President and a Secretary/Treasurer, who shall be elected for the term of one (1) year by the Board of Directors and shall hold office until their successors are duly elected and qualified. The same individual may simultaneously hold more than one office. One or more Vice Presidents may be elected. It shall not be necessary to elect a Vice President.

SECTION 2. The President shall preside at all Shareholders' meetings; shall have supervision of the affairs of the corporation and officers; and shall sign all Share Certificates and written contracts of the corporation. He/She shall have general charge of executing contracts and of conducting the affairs of the corporation; shall have custody of the personal property, machinery, and equipment of the corporation; and shall perform all other duties such as are incident to this office.

SECTION 3. A Vice President shall serve as President in his/her absence

and shall under such circumstances shall have and fulfill all of the rights and duties of said President.

SECTION 4. The Secretary/Treasurer shall issue notices of all Directors and Shareholders' meetings and shall keep the Minutes thereof; shall have charge of all corporate books, records, and papers; shall be custodian of the corporate seal; shall attest with his/her signature and impress with the corporate seal all Share Certificates and written contracts of the corporation; and shall perform such other duties as may be assigned to said office.

ARTICLE V

DIVIDENDS AND FINANCE

SECTION 1. Dividends, to be paid out of the surplus earnings of the Corporation, may be declared from time to time by resolution of the Board of Directors, but no dividend shall be paid that will impair the capital of the Corporation.

SECTION 2. The funds of the Corporation shall be deposited in such manner as the Directors shall designate.

SECTION 3. The fiscal year of the Corporation shall commence on January 1st of each year.

ARTICLE VI

AMENDMENTS

SECTION 1. These By-Laws may be amended by a majority vote of the Board of Directors at any regular meeting or special meeting of the Board of Directors or by consent action in writing of all members of the Board of Directors of the Corporation.

ARTICLE VII

SECTION 1. The Corporation has the authority to enter into restrictive

agreements with Shareholders regarding the sale and exchange of corporate shares, provided

that such agreement has been approved by One Hundred per cent (100%) of the Shareholders.

SECTION 2. The Corporation, by its president, may execute the necessary Internal Revenue Service Forms to be taxed by it as an S Corporation (under Section 1362 of the Internal Revenue Code), provided that such action is approved by the Board of Directors and ratified by One Hundred per cent (100%) of the Shareholders.

APPROVED BY THE STOCKHOLDER ON THE 4th DAY OF APRIL, 1992.

/s/ Marlin F. Torguson

MARLIN F. TORGUSON

EXHIBIT 3.35

STATE OF MISSISSIPPI

Office of the Secretary of State

Dick Molpus, Secretary of State

Jackson, Mississippi

MISSISSIPPI CORPORATION INFORMATION SYSTEM

Corporation Name
CASINO MAGIC FINANCE CORP.

Corp. ID: 0600353

Filed: 09/03/1993 AT 8:00 A.M.

Dick Molpus
Secretary of State

Filing Fee Receipt: $50.00

Secretary of State
P.O. Box 136
Jackson, MS 39205
(601) 359-1333

ARTICLES OF INCORPORATION
(Attach conformed copy)

[X]PROFIT [_]NONPROFIT
(Mark Appropriate Box)

The undersigned persons, pursuant to Section 79-4-2.02 (if a profit corporation) or Section 79-11-137 (if a nonprofit corporation) of the Mississippi Code of 1972, hereby execute the following document and set forth.

1. The name of the corporation is:
CASINO MAGIC FINANCE CORP.

2. Domicile address is:

1719 BEACH BOULEVARD-SUITE 306

Street

BILOXI, MISSISSIPPI 39531

City/State/County/Zip

3. The period of 99 YEARS duration is (NONPROFIT ONLY may be perpetual)

4. (a) The number (and classes, if any) of shares the corporation is is(are)as authorized to issue follows (THIS IS FOR PROFIT ONLY)

Class(es)	No. of Shares Authorized
Common	10,000

4. (b) If more than one (1) class of shares is authorized, the preferences, limitations, and relative rights class are as follows:

5. The street address of its initial registered office is:

1719 BEACH BOULEVARD SUITE 306

Street

BILOXI, MISSISSIPPI 39531

CITY/STATE/ZIP

and the name of its initial registered agent at such address is:

VIRGIL G. GILLESPIE

6. The name and complete address of each incorporator is as follows (PLEASE TYPE OR PRINT)

VIRGIL G. GILLESPIE

1719 BEACH BOULEVARD SUITE 306

BILOXI, MISSISSIPPI 39531

7. Other provisions: Shareholders have preemptive right to acquire a proportionate share of any additional stock issued or sale of treasury stock, based upon the pro rata share of stock of any given stockholder, as his shares bear to the total of stock issued.

/s/ Virgil G. Gillespie

VIRGIL G. GILLESPIE

_____
Incorporators Signatures

DATE

Secretary of State
P.O. Box 136
Jackson, MS 39205-0136

RE: ARTICLES OF INCORPORATION
CASINO MAGIC FINANCE CORP.

Dear Sir:

I enclose herewith duplicate originals of Articles of Incorporation for CASINO MAGIC FINANCE CORP., which I would thank you to file and return to me.

Also enclosed is a check for $50.00 as a filing fee.

Thanking you for your attention to this matter, I am,

Yours very truly,

GILLESPIE & BLESSEY

/s/ Virgil G. Gillespie

VIRGIL G. GILLESPIE

VGG/jpc

Enclosures:

EXHIBIT 3.36

BY-LAWS

OF

CASINO MAGIC FINANCE CORP.

ARTICLE I.

NAME AND LOCATION

SECTION 1. The name of the Corporation is CASINO MAGIC FINANCE CORP. Business will be conducted under the name of CASINO MAGIC FINANCE CORP.

SECTION 2. The initial registered office shall be located at 1719 Beach Boulevard, Suite 306, Biloxi, Mississippi, 39531. The business office of the Corporation shall be 711 Casino Magic Drive, Bay St. Louis, Mississippi, 39520. The Corporation may have other offices, including its principal office, at other locations. An annual Shareholders meeting will be held at the principal office unless otherwise designated in the Notice of the Meeting or in Waiver of such Notice.

ARTICLE II.

SHAREHOLDERS

SECTION 1. The annual meeting of the Shareholders shall be held at 10:00 a.m. on the second Monday of January of each year at the principal office of the corporation, or at such other place as may be designated in the Notice of the Meeting or Waiver of Notice thereof. At such meeting the Shareholders shall elect directors to serve until their successors shall be elected and qualified.

SECTION 2. Special meetings of Shareholders may be held at such place as may be designated in the call thereof by consent in writing of all Shareholders, or by demand signed by the holders of at least ten percent of the stock. Special meetings of the Shareholders may also be called by resolution of the Board of Directors at a duly held meeting of said Board of Directors.

SECTION 3. Notice of the time and place of all annual and special meetings shall be mailed or personally delivered by the Secretary to each Shareholder no fewer than ten days but not more than sixty days before the date thereof, unless Waiver of said Notice and Call is given.

SECTION 4. The President of the Corporation shall preside at all Shareholders' meetings.

SECTION 5. At every such meeting each Shareholder shall be entitled to cast one vote for each share of stock held in his name, either in person or by written proxy. All proxies shall be filed with the Secretary and entered of record in the minutes of the meeting. In voting for Directors of the Corporation, each Shareholder shall be authorized to cumulate his vote in accordance with the laws of the State of Mississippi.

SECTION 6. A quorum for the transaction of business shall consist of a number of shares, present personally or by proxy, representing the majority of shares of voting stock issued and outstanding.

SECTION 7. Any action of the Shareholders may be taken in the absence of annual, special or any other duly called meeting, where said action is taken by consent in writing by all holders of the Corporation's issued and outstanding voting stock.

ARTICLE III.

DIRECTORS

SECTION 1. The business and property of the Corporation shall be managed by a Board of one or more Directors, who shall be elected by the Shareholders at their annual meeting, except that vacancies on the Board of Directors may be filled by an election at a duly constituted meeting of the Board of Directors and Directors so elected shall serve the remaining portion of the term of the former Director. A Director need not be a Shareholder. Each year at the annual meeting of Shareholders, the Shareholders shall establish the size of the Board of Directors and thus fix the number of Directors to be elected. If not established at such annual meeting the size of the Board shall remain as theretofore constituted. The initial number of Directors shall be five.

SECTION 2. All Directors shall hold office for one year and until their

successors are duly elected and qualified.

SECTION 3. The regular meeting of the Directors shall be held at the office of the Corporation at 711 Casino Magic Drive, Bay St. Louis, Mississippi, 39520, or at such place as may be designated in the written Notice of the Meeting, or in the Waiver of Notice thereof, immediately after the adjournment of each annual Shareholder's meeting.

SECTION 4. Special meetings of the Board of Directors may be held at the same place or places as provided for the annual meeting thereof, and may be called by the President or at the request of any Director on Notice in writing at least five days prior to such meeting to the other Directors.

SECTION 5. A quorum for the transaction of business at any meeting of the Directors shall consist of a majority of the Board as established by the Shareholders. If there are two Directors, the quorum shall consist of one.

SECTION 6. The Directors shall elect the officers of the corporation and fix their salaries, such election being at the Director's meeting following each annual Shareholder's meeting.

SECTION 7. At regular or special meetings of the Board of Directors, any one or more of the Directors may attend any such meeting via telephone, the same as if the Director were personally present at the meeting. Any waiver of notice of any such meeting may be signed and delivered by facsimile.

ARTICLE IV.

OFFICERS

SECTION 1. The officers of this Corporation shall be a President and CEO, an Executive Vice President, and a Treasurer, who shall be elected for the term of one year by the Board of Directors and shall hold office until their successors are duly elected and qualified. The same individual may simultaneously hold more than one office. One or more Vice Presidents may be elected. It shall not be necessary to elect a Vice President or a Secretary, but such offices may be filled by election at a regular or special meeting of the Board of Directors.

SECTION 2. The President shall preside at all Shareholders' meetings; shall have supervision of the affairs of the Corporation and officers; and shall

sign all Share Certificates and written contracts of the Corporation. The President shall have general

charge of executing contracts and of conducting the affairs of the Corporation; shall have custody of the personal property, machinery, and equipment of the Corporation; and shall perform all other duties such as are incident to this office.

SECTION 3. The Executive Vice President shall serve as President in the President's absence and under such circumstances shall have and fulfill all of the rights and duties of said President.

SECTION 4. If elected by the Board of Directors, the Secretary shall issue notices of all duly called meetings of the Board of Directors and Shareholders, and shall keep the Minutes thereof; shall have charge of all corporate books, records and papers; and shall perform such other duties as may be assigned to said office. If no secretary is elected any other officer may perform such duties.

ARTICLE V.

DIVIDENDS AND PIWANCE

SECTION 1. Dividends, to be paid out of the surplus earnings of the Corporation, may be declared from time to time by resolution of the Board of Directors, but no dividend shall be paid that will impair the capital of the Corporation.

SECTION 2. The funds of the Corporation shall be deposited in such manner as the Directors shall designate.

SECTION 3. The fiscal year of the Corporation shall commence on January 1st of each year.

ARTICLE VI.

AMENDMENTS

SECTION 1. These By-Laws may be amended by a majority vote of the Board of Directors at any regular meeting or special meeting of the Board of Directors or

by consent action in writing of all members of the Board of Directors of the Corporation.

I, Roger H. Frommelt, Secretary of Casino Magic Finance Corp. hereby certify that the forgoing By-Laws were duly adopted by the Board of Directors of this Corporation on October 1, 1993.

/s/ Roger H. Frommelt

Roger H. Frommelt, Secretary

EXHIBIT 3.37

STATE OF MISSISSIPPI

SECRETARY OF STATE
DICK MOLPUS

==========

Mississippi Corporation Information System

Corporation Name
CASINO ONE CORPORATION

Corp ID: 0586932

Filed: 03/19/1992 at 8:00 A.M.

Dick Molpus
Secretary of State

Filing Fee Receipt: $50.00

Secretary of State
P.O. Box 136
Jackson, Ms 39205
(601) 359-1333

==========

401 MISSISSIPPI STREET . P.O. BOX 136 . JACKSON, MS 39205
TELEPHONE (601) 359-1350

X PROFIT [ ] NONPROFIT
(CHECK APPROPRIATE BOX)

The undersigned persons, pursuant to Section 79-4-202 (if a profit corporation) or Section 79-11-137 (if a nonprofit corporation) of the Mississippi Code of 1972, hereby execute the following document and set forth:

1. The name of the corporation is

Casino One Corporation

---

2. Domicile address is 145 South Second Street East

STREET

Tunica, MS 38676

CITY/STATE/COUNTY/ZIP

3. FOR NON-PROFITS ONLY: The period of duration is _____ years or _____ perpetual.

4. (a) The number (and classes, if any) of shares the corporation is authorized to issue is (are) as follows (THIS IS FOR PROFIT ONLY):

Class(es)	No. of Shares Authorized
Common	1,000,000

4. (b) If more than one (1) class of shares is authorized, the preferences, limitations, and relative rights of each class are as follows:

5. The street address of its initial registered office is

145 South Second Street East
STREET

Tunica, MS 38676
CITY/STATE/ZIP

and the name of its initial registered agent at such address is

Brian P. Bolis

6. The name and complete address of each incorporator is as follows (PLEASE TYPE OR PRINT):

Brian P. Bolis, 145 S. Second St E, P.O. Box 1354, Tunica, MS 38676

Bobby G. Bordges, P.O. Box 1914, Tunica, MS 38676
NAME/STREET ADDRESS/CITY/STATE/ZIP

7. Other provisions: _____

_____

_____

/s/ Brian P. Bolis

/s/ Bobby G. Bordges
INCORPORATORS (SIGNATURE)

ARTICLES OF MERGER
OF
CASINO ONE ACQUISITION CORPORATION
(a Mississippi corporation)

into

CASINO ONE CORPORATION
(a Mississippi corporation)

Pursuant to the Mississippi Business Corporation Act, the undersigned corporation executes the following Articles of Merger:

FIRST: The Plan of Merger attached hereto as Appendix A and made a part hereof has been approved by each constituent corporation.

SECOND: As to each constituent corporation, the designation, number of outstanding shares and number of votes entitled to be cast by each voting group

entitled to vote separately on the Plan of Merger are as follows:

<TABLE>
<CAPTION>

Name of Corporation	Designation of Class	Number of Outstanding Shares	Number of Votes Entitled to be Cast
<S>	<C>	<C>	<C>
Casino One Acquisition Corporation	Common Stock	100	100
Casino One Corporation	Common Stock	100,000	100,000

</TABLE>

THIRD: As to each constituent corporation, the total number of votes cast for and against the Plan of Merger by each voting group were as follows, which number was sufficient for approval by such voting group:

<TABLE>
<CAPTION>

Name of Corporation	Designation of Class	Outstanding Shares	Total Voted Against
<S>	<C>	<C>	<C>
Casino One Acquisition Corporation	Common Stock	100	0
Casino One Corporation	Common Stock	100,000	0

Dated this 11/th/ day of May, 1993.
</TABLE>

CASINO ONE CORPORATION

By /s/ Sheldon T. Fleck

Sheldon T. Fleck, Secretary/
Treasurer (and Secretary of Casino
One Acquisition Corporation)

APPENDIX A

PLAN OF MERGER

ARTICLE 1.
NAMES OF MERGING CORPORATIONS AND SURVIVING CORPORATIONS

The names of the Merging Corporations are Casino One Acquisition Corporation, a Mississippi corporation ("Acquisition") and Casino One Corporation, a Mississippi corporation ("COC"). Acquisition and COC shall be merged pursuant to the Laws of the State of Mississippi (the "Merger") into a single corporation which shall be COC (hereinafter sometimes referred to as the "Surviving Corporation."). Acquisition and COC are sometimes herein referred to as the "Merging Corporations."

ARTICLE 2.
MEANS OF EFFECTING MERGER AND CONVERTING STOCK

2.1) In accordance with the provisions of this Plan and the applicable laws of the State of Mississippi, at the Effective Time (as defined in Section 2.2 hereof), Acquisition shall be merged with and into COC, and COC shall be the Surviving Corporation and shall continue its corporate existence and organization under the laws of the State of Mississippi.

2.2) As used in this Agreement, the term "Effective Date" shall be the time of the filing of Articles of Merger containing this Plan of Merger with the

Mississippi Secretary of State in the manner described in Section 79-4-11.05 of the Mississippi Business Corporation Act.

2.3) At the Effective Date, by virtue of the Merger and without any action by any shareholder of Acquisition, all of the shares of Common Stock of Acquisition that are outstanding at the Effective Date shall be surrendered, cancelled, and retired, and in exchange therefor, the Surviving Corporation shall issue to Gaming Corporation of America, a Minnesota corporation ("GCA"), which is the sole shareholder of Acquisition, 100 shares of Common Stock of the Surviving Corporation.

2.4) At the Effective Date, by virtue of the Merger and without any action by any shareholder of COC, all shares of Common Stock of COC that are outstanding at the Effective Date (other than shares of Common Stock of COC issued to GCA) shall be converted in the aggregate into 730,000 shares of GCA Common Stock. Any shares of COC Common Stock issued and held in the treasury of COC at the Effective Date shall be cancelled. Each shareholder of COC immediately prior to the Effective Date shall receive such shareholder's pro rata portion of such aggregate number of GCA shares set forth above (rounded to the nearest whole share of GCA stock and based on the number of COC shares held by such shareholder compared to the total number of outstanding COC shares immediately prior to the Effective Date).

2.5) As soon as practicable after the Effective Date, each holder of an outstanding certificate which immediately prior to the Effective Date represented outstanding shares of COC Common Stock, upon surrender of such certificate to the Surviving Corporation, shall

be entitled to receive shares of GCA Common Stock as provided above. Until so surrendered, each outstanding certificate which prior to the Effective Date represented shares of COC Common Stock shall be deemed for all corporate purposes to evidence the ownership of the right to receive the shares of GCA Common Stock into which such securities have been so converted pursuant to the terms of the Merger.

ARTICLE 3.
ORGANIZATION OF SURVIVING CORPORATION

3.1) The Articles of Incorporation of COC at the Effective Date shall be and remain the Articles of Incorporation of the Surviving Corporation until amended in accordance with law.

3.2) The Bylaws of COC at the Effective Date shall be the Bylaws of the Surviving Corporation until amended in accordance with law.

3.3) The directors and officers of Acquisition immediately prior to the Effective Date shall be and become the directors and officers of the Surviving Corporation on the Effective Date.

ARTICLE 4.
GENERAL PROVISIONS

4.1) At the Effective Date:

(a) The Merging Corporations shall be a single corporation, which shall be COC.

(b) The separate existence of Acquisition shall cease.

(c) COC shall have all the rights, privileges, immunities and powers and shall be subject to all of the duties and liabilities of a corporation organized under the Mississippi Business Corporation Act.

(d) COC shall thereupon and thereafter possess all the rights, privileges, immunities, and franchises, as well of a public as of a private nature, of each of the Merging Corporations; and all property, real, personal and mixed, and all debts due on whatever account, including subscriptions to shares, and all other choses in action, and all and every other interest, of or belonging to or due to each of the Merging Corporations, shall be taken and

deemed to be transferred to and vested in COC without further act or deed; and the title to any real estate, or any interest therein, vested in any of the Merging Corporation shall not revert or be in any way impaired by reason of the Merger.

(e) COC shall thenceforth be responsible and liable for all the liabilities and obligations of each of the Merging Corporations and any claim existing or action or proceeding pending by or against any of the Merging Corporation may be prosecuted as if the Merger had not taken place, or COC may be substituted in its place. Neither the rights of creditors nor any liens upon the property of any such corporation shall be impaired by the Merger.

(f) The aggregate amount of the net assets of the Merging Corporations which was available for the payment of dividends immediately prior to the Merger shall continue to be available for the payment of dividends by COC.

4.2) If at any time after the Effective Date, the Surviving Corporation shall consider or be advised that any instruments of further assurance are desirable in order to evidence the vesting in it of the title of either of the Merging Corporations to any of the property rights of the Merging Corporations, the appropriate officers or directors of the Surviving Corporation or of Acquisition are hereby authorized to execute, acknowledge, and deliver all such instruments of further assurance and to do all other acts or things, either in the name of the Surviving Corporation or in the name of Acquisition, as may be requisite or desirable to carry out the provisions of this Plan of Merger.

EXHIBIT 3.38

BY-LAWS

OF

CASINO ONE CORPORATION

ARTICLE I.

NAME AND LOCATION

SECTION 1. The name of the corporation is CASINO ONE CORPORATION. Business will be conducted under the name of CASINO ONE CORPORATION.

SECTION 2. The initial registered office shall be located at 145 S. Second Street, Tunica, Mississippi, 38676. The Corporation may have other offices, including its principal office, at other locations. An annual Shareholders meeting will be held at the principal office unless otherwise designated in the Notice of the Meeting or in Waiver of such Notice.

ARTICLE II.

SHAREHOLDERS

SECTION 1. The annual meeting of the Shareholders shall be held at 10:00 a.m. on the second Monday of January of each year at the principal office of the corporation, or at such other place as may be designated in the Notice of the Meeting or Waiver of Notice thereof. At such meeting, the Shareholders shall elect directors to serve until their successors shall be elected and qualified.

SECTION 2. Special meetings of Shareholders may be held at such place as may be designated in the call thereof by consent in writing of all Shareholders, or by demand signed by the holders of at least ten per cent (10%) of the stock. Special meetings of the Shareholders may also be called by resolution of the Board of Directors at a duly held meeting of said Board of Directors.

SECTION 3. Notice of the time and place of all annual and special meetings shall be mailed or personally delivered by the Secretary to each Shareholder no

fewer than ten (10) days but not more than sixty (60) days before the date thereof, unless Waiver of said Notice and Call is given.

SECTION 4. The President of the corporation shall preside at all Shareholders' meetings.

SECTION 5. At every such meeting each Shareholder shall be entitled to cast one (1) vote for each share of stock held in his name, either in person or by written proxy. All proxies shall be filed with the Secretary and by him/her entered of record in the Minutes of the meeting. In voting for Directors of the corporation, each Shareholder shall be authorized to cumulate his vote in accordance with the laws of the State of Mississippi.

SECTION 6. A quorum for the transaction of business shall consist of a number of shares, present personally or by proxy, representing the majority of shares of stock issued and outstanding.

SECTION 7. Official Shareholders action may be taken in the absence of annual, special, or any other duly called meeting, where said action is taken by consent in writing of the Shareholders themselves representing One Hundred per cent (100%) of the shares of stock issued and outstanding.

ARTICLE III.

DIRECTORS

SECTION 1. The business and property of the corporation shall be managed by a Board of two or more Directors, who shall be elected by the Shareholders at their annual

meeting, except that vacancies on the Board of Directors may be filled by an election at a duly constituted meeting of the Board of Directors and Directors so elected shall serve the remaining portion of the term of the former Director. A Director need not be a Shareholder. Each year at the annual meeting of Shareholders, the Shareholders shall establish the size of the Board of Directors and thus fix the number of Directors to be elected. If not established at such annual meeting, the size of the Board shall remain as theretofore constituted. The initial number of Directors shall be two.

SECTION 2. All Directors shall hold office for one (1) year and until

their successors are duly elected and qualified.

SECTION 3. The regular meeting of the Directors shall be held at the principal office of the corporation at or at such place as may be designated in the written Notice of the Meeting, or in the Waiver of Notice thereof, immediately after the adjournment of each annual Shareholder's meeting.

SECTION 4. Special meetings of the Board of Directors may be held at the same place or places as provided for the annual meeting thereof, and may be called by the President or by consent of all Directors, or at the request of any Director and on Notice in writing at least five (5) days prior to such meeting to the other Directors.

SECTION 5. A quorum for the transaction of business at any meeting of the Directors shall consist of a majority of the Board as established by the Shareholders. If there are two Directors, the quorum shall consist of one.

SECTION 6. The Directors shall elect the officers of the Corporation and fix their salaries, such election being at the Director's meeting following each annual Shareholder's meeting.

ARTICLE IV.

OFFICERS

SECTION 1. The officers of this corporation shall be a President and a Secretary/Treasurer, who shall be elected for the term of one (1) year by the Board of Directors and shall hold office until their successors are duly elected and qualified. The same individual may simultaneously hold more than one office. One or more Vice Presidents may be elected. It shall not be necessary to elect a Vice President.

SECTION 2. The President shall preside at all Shareholders' meetings; shall have supervision of the affairs of the corporation and officers; and shall sign all Share Certificates and written contracts of the corporation. He/She shall have general charge of executing contracts and of conducting the affairs of the corporation; shall have custody of the personal property, machinery, and equipment of the corporation; and shall perform all other duties such as are incident to this office.

SECTION 3. A Vice President shall serve as President in his/her absence and under such circumstances shall have and fulfill all of the rights and duties of said President.

SECTION 4. The Secretary/Treasurer shall issue notices of all Directors and Shareholders' meetings and shall keep the Minutes thereof; shall have charge of all corporate books, records, and papers; shall be custodian of the corporate seal; shall attest with his/her

signature and impress with the corporate seal all Share Certificates and written contracts of the corporation, and shall perform such other duties as may be assigned to said office.

ARTICLE V.

DIVIDENDS AND FINANCE

SECTION 1. Dividends, to be paid out of the surplus earnings of the Corporation, may be declared from time to time by resolution of the Board of Directors, but no dividend shall be paid that will impair the capital of the Corporation.

SECTION 2. The funds of the Corporation shall be deposited in such manner as the Directors shall designate.

SECTION 3. The fiscal year of the Corporation shall commence on January 1st of each year.

ARTICLE VI.

AMENDMENTS

SECTION 1. These By-Laws may be amended by a majority vote of the Board of Directors at any regular meeting or special meeting of the Board of Directors or by consent action in writing of all members of the Board of Directors of the Corporation.

ARTICLE VII.

SECTION 1. The Corporation has the authority to enter into restrictive agreements with shareholders regarding the sale and exchange of corporate shares, provided that such agreement has been approved by one Hundred per cent (100%) of the Shareholders.

SECTION 2. The Corporation, by its president, may execute the necessary Internal Revenue Service Forms to be taxed by it as an S Corporation (under Section 1362 of the Internal Revenue Code), provided that such action is approved by the Board of Directors and ratified by one Hundred per cent (100%) of the Shareholders.

APPROVED BY THE STOCKHOLDERS ON THE 5TH DAY OF MAY, 1992.

/s/ Brian P. Bolis

BRIAN P. BOLIS

/s/ Bobby G. Bordges

BOBBY G. BORDGES

EXHIBIT 3.39

STATE OF MISSISSIPPI

SECRETARY OF STATE
DICK MOLPUS

==========

/s/ Dick Molpus

==========

401 MISSISSIPPI STREET -- P.O. BOX 138 -- JACKSON, MS 38206

TELEPHONE (401) 266-1380

(Attach condensed copy)

[X] PROFIT [_] NONPROFIT
(Mark Appropriate Box)

The undersigned persons, purchased in Section 79-11-137 (a nonprofit corporation) of the Mississippi Code of 1972, hereby execute the following document and set forth:

1. The name of the corporation is:

BAY ST. LOUIS CASINO CORP.

2. Domestic address is 1900 24TH AVENUE

GULFPORT, MISSISSIPPI 39501

3. FOR NON-PROFITS ONLY: The period of expiration is 99 years or _____

4. (a) The number (and classes, if any) of shares the corporation is authorized to issue is (are) as follows (THIS IS FOR PROFIT ONLY):

Class(es)	No. of Shares Authorized
COMMON	10,000

4. (b) If more than one (1) class of shares is authorized, the preferences, limitations, and relative rights of each class are as follows:

5. The street address of its initial registered office is:

1900 24/TH/ AVENUE

GULFPORT, MISSISSIPPI 39501

City/State/Zip

and the name of its initial registered agent at such address is: VIRGIL G. GILLESPIE

6. The name and complete address of each incorporator is as follows (PLEASE TYPE OR PRINT):

VIRGIL G. GILLESPIE

1900 24/TH/ AVENUE

GULFPORT, MISSISSIPPI 39501

Name/Street Address/City/State/Zip

7. Other provisions: Shareholders have presumptive right to acquire a proportionate share of any additional stock issued or sale of treasury stock, based upon the pro rate share of stock of any given stockholder, as his shares bear to the total amount of stock issued.

/s/ Virgil G. Gillespie

VIRGIL G. GILLESPIE

INCORPORATORS (SIGNATURES)

Office of

VIRGIL G. GILLESPIE
ATTORNEY AT LAW

April 6, 1992

Secretary of State
P.O. Box 136
Jackson, Mississippi 39205-0136

RE: ARTICLES OF INCORPORATION
BAY ST. LOUIS CASINO CORP.

Dear Sir:

I enclose herewith duplicate originals of Articles of Incorporation for Bay St. Louis Casino Corp., which I would thank you to file and return to me. Also enclosed is my check for $50.00 as a filing fee.

Yours very truly,

/s/ Virgil G. Gillespie

VIRGIL G. GILLESPIE

VGG/jpc

Enclosures:

EXHIBIT 3.40

BY-LAWS
OF
BAY ST. LOUIS CASINO CORP.

ARTICLE I.

NAME AND LOCATION

SECTION 1. The name of the corporation is BAY ST. LOUIS CASINO CORP. Business will be conducted under the name of BAY ST. LOUIS CASINO CORP.

SECTION 2. The initial registered office shall be located at 1900 24th Avenue,Gulfport, Mississippi, 39501. The Corporation may have other offices, including its principal office, at other locations. An annual Shareholders meeting will be held at the principal office unless otherwise designated in the Notice of the Meeting or in Waiver of such Notice.

ARTICLE II.

SHAREHOLDERS

SECTION 1. The annual meeting of the Shareholders shall be held at 10:00 a.m. on the first Monday of January of each year at the principal office of the corporation, or at such other place as may be designated in the Notice of the Meeting or Waiver of Notice thereof. At such meeting, the Shareholders shall elect directors to serve until their successors shall be elected and qualified.

SECTION 2. Special meetings of Shareholders may be held at such place as may be designated in the call thereof by consent in writing of all Shareholders, or by demand signed by the holders of at least ten per cent (10%) of the stock. Special meetings of the

Shareholders may also be called by resolution of the Board of Directors at a duly held meeting of said Board of Directors.

SECTION 3. Notice of the time and place of all annual and special meetings shall be mailed or personally delivered by the Secretary to each Shareholder no

fewer than ten (10) days but not more than sixty (60) days before the date thereof, unless Waiver of said Notice and Call is given.

SECTION 4. The President of the corporation shall preside at all Shareholders' meetings.

SECTION 5. At every such meeting each Shareholder shall be entitled to cast one (1) vote for each share of stock held in his name, either in person or by written proxy. All proxies shall be filed with the Secretary and by him/her entered of record in the Minutes of the meeting. In voting for Directors of the corporation, each Shareholder shall be authorized to cumulate his vote in accordance with the laws of the State of Mississippi.

SECTION 6. A quorum for the transaction of business shall consist of a number of shares, present personally or by proxy, representing the majority of shares of stock issued and outstanding.

SECTION 7. Official Shareholders action may be taken in the absence of annual, special, or any other duly called meeting, where said action is taken by consent in writing of the Shareholders themselves representing One Hundred per cent (100%) of the shares of stock issued and outstanding.

ARTICLE III.

DIRECTORS

SECTION 1. The business and property of the corporation shall be managed by a Board of one or more Directors, who shall be elected by the Shareholders at their annual meeting, except that vacancies on the Board of Directors may be filled by an election at a duly constituted meeting of the Board of Directors and Directors so elected shall serve the remaining portion of the term of the former Director. A Director need not be a Shareholder. Each year at the annual meeting of Shareholders, the Shareholders shall establish the size of the Board of Directors and thus fix the number of Directors to be elected. If not established at such annual meeting the size of the Board shall remain as theretofore constituted. The initial number of Directors shall be one.

SECTION 2. All Directors shall hold office for one (1) year until their successors are duly elected and qualified.

SECTION 3. The regular meeting of the Directors shall be held at the principal office of the corporation at 1900 24th Avenue, Gulfport, MS 39501, or at such place as may be designated in the written Notice of the Meeting, or in the Waiver of Notice thereof, immediately after the adjournment of each annual Shareholder's meeting.

SECTION 4. Special meetings of the Board of Directors may be held at the same place or places as provided for the annual meeting thereof, and may be called by the President or by consent of all Directors, or at the request of any Director and on Notice in writing at least five (5) days prior to such meeting to the other Directors.

SECTION 5. A quorum for the transaction of business at any meeting of the Directors shall consist of a majority of the Board as established by the Shareholders. If there are two Directors, the quorum shall consist of one.

SECTION 6. The Directors shall elect the officers of the Corporation and fix their salaries, such election being at the Director's meeting following each annual Shareholder's meeting.

ARTICLE IV.

OFFICERS

SECTION 1. The officers of this corporation shall be a President and a Secretary/Treasurer, who shall be elected for the term of one (1) year by the Board of Directors and shall hold office until their successors are duly elected and qualified. The same individual may simultaneously hold more than one office. One or more Vice Presidents may be elected. It shall not be necessary to elect a Vice President.

SECTION 2. The President shall preside at all Shareholders' meetings; shall have supervision of the affairs of the corporation and officers; and shall sign all Share Certificates and written contracts of the corporation. He/She shall have general charge of executing contracts and of conducting the affairs of the corporation; shall have custody of the personal property, machinery, and equipment of the corporation; and shall perform all other duties such as are incident to this office.

SECTION 3. A Vice President shall serve as President in his/her absence

and under such circumstances shall have and fulfill all of the rights and duties of said President.

SECTION 4. The Secretary/Treasurer shall issue notices of all Directors and Shareholders' meetings and shall keep the Minutes thereof; shall have charge of all corporate books, records, and papers; shall be custodian of the corporate seal; shall attest with his/her signature and impress with the corporate seal all Share Certificates and written contracts of the corporation; and shall perform such other duties as may be assigned to said office.

ARTICLE V.

DIVIDENDS AND FINANCE

SECTION 1. Dividends, to be paid out of the surplus earnings of the Corporation, may be declared from time to time by resolution of the Board of Directors, but no dividend shall be paid that will impair the capital of the Corporation.

SECTION 2. The funds of the Corporation shall be deposited in such manner as the Directors shall designate.

SECTION 3. The fiscal year of the Corporation shall commence on January 1st of each year.

ARTICLE VI.

AMENDMENTS

SECTION 1. These By-Laws may be amended by a majority vote of the Board of Directors at any regular meeting or special meeting of the Board of Directors or by consent action in writing of all members of the Board of Directors of the Corporation.

ARTICLE VII.

SECTION 1. The Corporation has the authority to enter into restrictive agreements with Shareholders regarding the sale and exchange of corporate shares, provided that such agreement has been approved by One Hundred per cent (100%) of the Shareholders.

SECTION 2. The Corporation, by its president, may execute the necessary Internal Revenue Service Forms to be taxed by it as an S Corporation (under Section 1362 of the Internal Revenue Code), provided that such action is approved by the Board of Directors and ratified by One Hundred per cent (100%) of the Shareholders.

APPROVED BY THE STOCKHOLDER ON THE 23/rd/ DAY OF APRIL, 1992

/s/ Marlin F. Torguson

MARLIN F. TORGUSON

EXHIBIT 3.41

STATE OF MISSISSIPPI

SECRETARY OF STATE
DICK MOLPUS

==========

Mississippi Corporation Information System

Corporation Name
MARDI GRAS CASINO CORP.

Corp ID: 0586827

Filed: 08/17/1990 at 8:00 A.M.

Dick Molpus

Secretary of State

Filing Fee Receipt: $50.00

Secretary of State
P.O. Box 136
Jackson, MS 39205
(601) 359-1333

==========

401 MISSISSIPPI STREET. P.O. BOX 136. JACKSON, MS 39205
TELEPHONE (601) 359-1350

ARTICLES OF INCORPORATION
(Attach conformed copy)

X PROFIT ___ NONPROFIT

(MARK APPROPRIATE BOX)

The undersigned persons, pursuant to Section 79-4-2.02 (if a profit corporation) or Section 79-11-137 (if a nonprofit corporation) of the Mississippi Code of 1972, hereby execute the following document and set forth:

1. The name of the corporation is:

Mardi Gras Casino Corp.

2. Domicile address is: 1900 24/th/ Avenue

STREET

Gulfport, MS 39501

CITY/STATE/ZIP

3. The period of duration is: 99 years

4. (a) The number (and classes, if any) of shares the corporation is authorized to issue is (are) as follows: (THIS IS FOR PROFIT ONLY):

Classes(es)	No. of Shares Authorized
COMMON	10,000
(one class only)	

4. (b) If more than one (1) class of shares is authorized, the preferences, limitations, and relative rights of each class are as follows:

5. The street address of its initial registered office is:

1900 24/th/ Avenue

STREET

Gulfport, MS 39501

NAME/STREET ADDRESS/CITY/STATE/ZIP

and the name of its initial registered agent at such address is:

Virgil G. Gillespie

6. The name and complete address of each incorporator is as follows (PLEASE TYPE OR PRINT):

Virgil G. Gillespie

1900 24/th/ Avenue, Gulfport, MS 39501

NAME/STREET ADDRESS/CITY/STATE/ZIP

7. Other provisions: Shareholders have preemptive right to acquire a proportionate share of any additional stock issued or sale of treasury stock, based upon the pro rata share of stock of any given stockholder, as his shares bear to the total amount of stock issued.

/s/ Virgil G. Gillespie

Virgil G. Gillespie

INCORPORATORS (SIGNATURES)

August 16, 1990

MISSISSIPPI SECRETARY OF STATE
CORPORATE DIVISION
P.O. BOX 136
JACKSON, MS 39205

RE: INCORPORATION OF MARDI GRAS CASINO CORP.

Dear Sir:

We enclose the Articles of Incorporation of Dixieland Casino Corp. The articles are executed in original and exact copy. The necessary parties have signed the document in black ink.

Our check for the $50 filing fee is enclosed, along with a stamped, self addressed envelope for return mailing of evidenced copy of filing.

If you have any questions please call me.

Sincerely,

/s/ Robert G. Gillespie, Jr.

Robert G. Gillespie, Jr.

EXHIBIT 3.42

BY LAWS

OF

MARDI GRAS CASINO CORP.

ARTICLE I.

NAME AND LOCATION

SECTION 1. The name of the corporation is MARDI GRAS CASINO CORP. Business will be conducted under the name of MARDI GRAS CASINO CORP.

SECTION 2. The registered office shall be located at 1900 24th Avenue, Gulfport, Mississippi, 39501. The Corporation may have other offices, including its principal office, at other locations. An annual Shareholders meeting will be held at the principal office unless otherwise designated in the Notice of the Meeting or in Waiver of such Notice.

ARTICLE II.

SHAREHOLDERS

SECTION 1. The annual meeting of the Shareholders shall be held at 10:00 a.m. on the first Monday of January of each year at the principal office of the corporation, or at such other place as may be designated in the Notice of the Meeting or Waiver of Notice thereof. At such meeting, the Shareholders shall elect directors to serve until their successors shall be elected and qualified.

SECTION 2. Special meetings of Shareholders may be held at such place as may be designated in the call thereof by consent in writing of all Shareholders, or by demand signed by the holders of at least ten per cent (10%) of the stock. Special meetings of the Shareholders may also be called by resolution of the Board of Directors at a duly held meeting of said Board of Directors.

SECTION 3. Notice of the time and place of all annual and special meetings

shall be mailed or personally delivered by the Secretary to each Shareholder no fewer than ten (10) days but not more than sixty (60) days before the date thereof, unless Waiver of said Notice and Call is given.

SECTION 4. The President of the corporation shall preside at all Shareholders' meetings.

SECTION 5. At every such meeting each Shareholder shall be entitled to cast one (1) vote for each share of stock held in his name, either in person or by written proxy. All proxies shall be filed with the Secretary and by him/her entered of record in the Minutes of the meeting. In voting for Directors of the corporation, each Shareholder shall be authorized to cumulate his vote in accordance with the laws of the State of Mississippi.

SECTION 6. A quorum for the transaction of business shall consist of a number of shares, present personally or by proxy, representing the majority of shares of stock issued and outstanding.

SECTION 7. Official Shareholders action may be taken in the absence of annual, special, or any other duly called meeting, where said action is taken by consent in writing of the shareholders themselves representing One Hundred per cent (100%) of the shares of stock issued and outstanding.

ARTICLE III.

DIRECTORS

SECTION 1. The business and property of the corporation shall be managed by a Board of one or more Directors, who shall be elected by the Shareholders at their annual meeting, except that vacancies on the Board of Directors may be filled by an election at a duly constituted meeting of the Board of Directors and Directors so elected shall serve the

remaining portion of the term of the former Director; and a Director need not be a Shareholder. Each year at the annual meeting of Shareholders, the Shareholders shall establish the size of the Board of Directors and thus fix the number of Directors to be elected.

SECTION 2. All Directors shall hold office for one (1) year and until their successors are duly elected and qualified.

SECTION 3. The regular meeting of the Directors shall be held at the principal office of the corporation at 1900 24th Avenue, Gulfport, MS 39501, or at such place as may be designated in the written Notice of the Meeting, or in the Waiver of Notice thereof, immediately after the adjournment of each annual Shareholder's meeting.

SECTION 4. Special meetings of the Board of Directors may be held at the same place or places as provided for the annual meeting thereof, and may be called by the President or by consent of all Directors, or at the request of any Director and on Notice in writing at least five (5) days prior to such meeting to the other Directors.

SECTION 5. A quorum for the transaction of business at any meeting of the Directors shall consist of a majority of the Board as established by the Shareholders. If there are two Directors, the quorum shall consist of one.

SECTION 6. The Directors shall elect the officers of the Corporation and fix their salaries, such election being at the Director's meeting following each annual Shareholder's meeting.

ARTICLE IV.

OFFICERS

SECTION 1. The officers of this corporation shall be a President, one or more Vice Presidents, and a Secretary/Treasurer, who shall be elected for the term of one (1) year by

the Board of Directors and shall hold office until their successors are duly elected and qualified. The same individual may simultaneously hold more than one office. It shall not be necessary to elect a Vice President.

SECTION 2. The President shall preside at all Shareholders' meetings; shall have supervision of the affairs of the corporation and officers; and shall sign all Share Certificates and written contracts of the corporation. He/She shall have general charge of executing contracts and of conducting the affairs of the corporation; shall have custody of the personal property, machinery, and equipment of the corporation; and shall perform all other duties such as are incident to this office.

SECTION 3. A Vice President shall serve as President in his/her absence and under such circumstances shall have and fulfill all of the rights and duties of said President.

SECTION 4. The Secretary/Treasurer shall issue notices of all Directors and Shareholders' meetings and shall keep the Minutes thereof; shall have charge of all corporate books, records, and papers; shall be custodian of the corporate seal; shall attest with his/her signature and impress with the corporate seal all Share Certificates and written contracts of the corporation; and shall perform such other duties as may be assigned to said office.

ARTICLE V.

DIVIDENDS AND FINANCE

SECTION 1. Dividends, to be paid out of the surplus earnings of the Corporation, may be declared from time to time by resolution of the Board of Directors, but no dividend shall be paid that will impair the capital of the Corporation.

SECTION 2. The funds of the Corporation shall be deposited in such manner as the Directors shall designate.

SECTION 3. The fiscal year of the Corporation shall commence on January 1st of each year.

ARTICLE VI.

AMENDMENTS

SECTION 1. These By-Laws may be amended by a majority vote of the Board of Directors at any regular meeting or special meeting of the Board of Directors or by consent action in writing of all members of the Board of Directors of the Corporation.

ARTICLE VII.

SECTION 1. The Corporation has the authority to enter into restrictive agreements with Shareholders regarding the sale and exchange of corporate shares, provided that such agreement has been approved by One Hundred per cent (100%) of the Shareholders.

SECTION 2. The Corporation, by its president, may execute the necessary Internal Revenue Service Forms to be taxed by it as an S Corporation (under Section 1362 of the Internal Revenue Code), provided that such action is approved by the Board of Directors and ratified by One Hundred per cent (100%) of the Shareholders.

APPROVED BY THE BOARD OF DIRECTORS ON THE 29th DAY OF October 1990.

/s/ Tom Guggisberg

TOM GUGGISBERG

APPROVED BY THE STOCKHOLDERS ON THE 29th DAY OF October, 1990.

/s/ Marlin F. Torguson

MARLIN F. TORGUSON

EXHIBIT 3.43

ARTICLES OF INCORPORATION

OF

BOOMTOWN HOOSIER, INC.

The undersigned do hereby associate themselves into a corporation, under and by the virtue of the Nevada Revised Statutes, Title 7, Chapter 78, as amended, and do hereby certify and adopt the following Articles of Incorporation:

ARTICLE I

The name of the corporation is BOOMTOWN HOOSIER, INC.

ARTICLE II

The registered agent of the corporation is Sierra Corporate Services and the location of the registered office of the corporation in the State of Nevada is 241 Ridge Street, 4th Floor, Reno, Nevada. Branch offices may hereafter be established at such other place or places, either within or without the State of Nevada as may be determined from time to time by the Board of Directors.

ARTICLE III

The purpose for which said corporation is formed is to engage in any lawful activity. The corporation shall have all powers authorized by Title 7, Chapter 78, of the Nevada Revised Statutes, as amended, except as otherwise provided in these Articles or subsequent amendments thereto.

ARTICLE IV

The amount of the authorized capital stock of this corporation is 1,000 shares with $.01 par value.

Any and all shares of stock of this corporation of any class shall be paid in as the Board of Directors may designate and as provided by law, in cash, real or personal property, option to purchase, or any other valuable right or thing, for the uses and purposes of the corporation, and said shares of stock when issued in exchange therefor shall thereupon and thereby become and are fully paid, the same as though paid for in cash, and shall be nonassessable forever, and the judgment of the Board of Directors of the corporation

concerning the value of the property, right or thing, acquired in purchase or exchange for capital stock shall be conclusive. No stockholder shall have any preemptive rights.

ARTICLE V

Section 1. Directors

The members of the governing board of the Corporation shall be designated as Directors. The board of directors shall consist of three (3) members. The number of directors of the Corporation may be increased or decreased from time to time as provided in the By-Laws of the Corporation.

Section 2. Personal Liability

Directors of the corporation shall not be personally liable to the corporation or its stockholders for damages for breach of fiduciary duty as a director, except for (i) acts or omissions which involve intentional misconduct, fraud, or a knowing violation of law; or (ii) the payment of dividends in violation of the provisions of Chapter 78 of the Nevada Revised Statutes. If Chapter 78 of the Nevada Revised Statutes is amended after approval by the stockholders of this article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation

shall be eliminated or limited to the full extent permitted by Chapter 78 of the Nevada Revised Statutes, as so amended.

Section 3. Indemnification

Each person who is or was a director of the corporation (including the heirs, executors, administrators or estate of such person) shall be indemnified by the corporation as of right to the full extent permitted by Chapter 78 of the Nevada Revised Statutes against any liability, cost or expense asserted against such director and incurred by such director by reason of the fact that such person is or was a director. The expenses of directors, past or present, incurred in defending a civil or criminal action, suit, or proceeding must be paid by the corporation as incurred and in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the director to repay the amount if it is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the corporation.

Section 4. Indemnification and Insurance

The corporation to the full extent of its power to do so, shall indemnify all directors, officers, employees, and/or agents in accordance with

the provisions of the Nevada Revised Statutes. Further, the corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent or another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him in any such capacity or arising out of this status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of Nevada law.

Section 5. Modifications

Any repeal or modification of all or any portion of the provisions of this Article by the stockholders of the corporation shall not adversely affect any right or protection of an officer or director of the corporation existing at the time of such repeal or modification.

ARTICLE VI

The names and addresses of the first Board of Directors of the corporation are as follows:

Sara Smithson
1749 Terrace Heights Lane
Reno, Nevada 89523

Norma Zirbel
415 Rue de la Rouge
Sparks, Nevada 89434

Sybil Maldonado
1112 Bradley Square
Sparks, Nevada 89431

ARTICLE VII

The stock of this corporation, after the amount of the subscription price, or par value has been fully paid in, shall be nonassessable forever, and shall not be subject to pay the debts of the corporation.

ARTICLE VIII

The names and address of the incorporators signing these Articles of Incorporation are as follows:

Sara Smithson
1749 Terrace Heights Lane

Reno, Nevada 89523

Norma Zirbel
415 Rue de la Rouge
Sparks, Nevada 89434

ARTICLE IX

The corporation is to have perpetual existence.

ARTICLE X

A resolution, in writing, signed by all of the members of the Board of Directors of the corporation, shall be and constitute action by the Board of Directors to the effect therein expressed with the same force and effect as though such resolution had been passed at a duly convened meeting, and it shall be the duty of the Secretary to record every such resolution in the Minute Book of the corporation under its proper date.

ARTICLE XI

The Directors shall have the power to make and alter the Bylaws of the corporation. Bylaws so made by the Directors under the power so conferred may be altered, amended or repealed by the Directors or by the Stockholders at any meeting called and held for that purpose.

IN WITNESS WHEREOF, we have hereunto set our hands and executed these Articles of Incorporation this 18th day of December 1995.

/s/ Sarah Smithson
SARAH SMITHSON

/s/ Norma Zirbel
NORMA ZIRBEL

STATE OF NEVADA)

) SS.

COUNTY OF WASHOE)

On this 18th day of December, 1995, personally appeared before the undersigned, a Notary Public in and for the County of Washoe, State of Nevada, Sarah Smithson and Norma Zirbel, known to me to be the persons described in and who executed the foregoing instrument freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/

Notary Public

EXHIBIT 3.44

BY-LAWS OF

BOOMTOWN HOOSIER, INC.

ARTICLE I
OFFICES

Section 1. The principal office shall be in the City of Reno, County of Washoe, State of Nevada, or other location as the Board of Directors may determine.

Section 2. The corporation may also have offices at such other places as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDERS

Section 1. All annual meetings of the stockholders shall be at the call of the Directors. Special meetings of the stockholders may be held at such place as shall be stated in the notice of the meeting, or in a duly executed waiver of notice thereof.

Section 2. Special meetings of the stockholders for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the president, and shall be called by the president or secretary at the request in writing of stockholders owning a majority of the entire stock of the corporation issued and outstanding, and entitled to vote. Such request shall state the purpose or purposes of the proposed meeting.

Section 3. Written notice of the annual meeting and of all special meetings of the stockholders, signed by the president or a vice-president, or the secretary or an assistant secretary, stating the purpose or purposes for which the meeting is called and the time when and the place where it is to be held shall either be delivered personally or shall be mailed to each stockholder of record entitled to vote thereat not less than ten nor more than sixty days prior to the meeting, and if mailed it shall be directed to any such stockholder at his address as it appears on the records of the corporation.

Section 4. Business transacted at all special meetings shall be confined to the objects stated in the call.

Section 5. The holders of a majority of the stock issued and outstanding, and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of the stockholders for

the transaction of business except as otherwise provided by statute, by the Articles of Incorporation or by these By-laws. If, however, such quorum shall not be present or represented by proxy, at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such

adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 6. When a quorum is present or represented at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Articles of Incorporation or of these By-laws, a different vote is required in which case such express provision shall govern and control the decision of such question.

Section 7. At each meeting of the stockholders, every stockholder having the right to vote shall be entitled to vote in person, or by proxy appointed by an instrument in writing subscribed by such stockholder or by his duly authorized attorney. Each stockholder shall have one vote for each share of stock having voting power, registered in his name on the books of the corporation on the date of closing the books of the corporation against transfers of stock or on the record date fixed for the determination of stockholders entitled to vote at such meeting or, if the books be not closed or a record date fixed, then on the date of such meeting. All questions shall be decided by a plurality vote.

ARTICLE III
DIRECTORS

Section 1. The number of directors which shall constitute the whole board shall be not less than one nor more than nine. Directors need not be stockholders. They shall be elected at the annual meeting of the stockholders, and each director shall be elected to serve until his successor shall be elected and shall qualify.

Section 2. The directors may hold their meetings and have one or more offices inside or outside Nevada at such places as they may from time to time determine. The original or duplicate stock ledger or a statement setting out the name and address of the custodian thereof shall be kept at the principal office in Nevada.

Section 3. Vacancies in the Board of Directors may be filled by a majority vote of the remaining directors, though less than a quorum, and each director so elected shall hold office for the unexpired term in respect to which such vacancy occurred or until the next annual election of directors.

Section 4. The property and business of the corporation shall be managed by its Board of Directors which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these By-laws directed or required to be exercised or done by the stockholders.

MEETINGS OF THE BOARD OF DIRECTORS

Section 5. The first meeting of each newly elected Board shall be held at such time and place either within or without the State of Nevada, as shall be fixed by the vote of the stockholders at the annual meeting and no notice of such meeting shall be necessary to the newly elected directors in order to legally constitute the meeting, provided a quorum shall be

present or they may meet at such place and time as shall be fixed by the consent in writing of all the directors.

Section 6. Regular meetings of the Board of Directors may be held without notice at such time and place either within or without the State of Nevada as shall from time to time be determined by the Board.

Section 7. Special meetings of the Board of Directors may be called by the president on three days notice to each director, either personally or by mail or by telegram; special meetings shall be called by the president or secretary in like manner and on like notice on the written consent of two directors.

Section 8. A majority of the directors at a meeting duly assembled shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these By-laws. Any action of a majority, although not at a regularly called meeting, and the record thereof, if assented to in writing by all of the other members of the board, shall be as valid and effective in all respects as if passed by the board in regular meeting. The Directors may act in lieu of a meeting by written resolutions.

COMMITTEES OF DIRECTORS

Section 9. The Board of Directors may, by resolution or resolutions passed by a majority of the whole board, designate one or more committees, each committee to consist of two or more of the directors of the corporation, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation, and may have power to authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors.

Section 10. The committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

COMPENSATION OF DIRECTORS

Section 11. Directors, as such shall not receive any stated salary for their services, but by resolution of the board, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the board; provided, however, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

Section 12. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 13. Any director may be removed from office by the vote or written consent of stockholders representing not less than two-thirds of the issued and outstanding capital stock having voting power, and his successor may be elected at the same meeting. No

director shall be removed from office except upon the vote or written consent of stockholders owning sufficient shares to have prevented his election to office in the first instance.

ARTICLE IV
NOTICES

Section 1. Whenever under the provisions of the statutes or of the Articles of Incorporation or of these By-laws, notice is required to be given to any director or stockholder, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail addressed to such director or stockholder at such address as appears on the books of the corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed.

Section 2. Whenever all parties entitled to vote at any meeting, whether of directors or stockholders, consent, either by a writing on the records of the meeting or filed with the secretary, or by presence at such meeting and oral consent entered on the minutes, or by taking part in the deliberations at such meeting without objection, the actions taken at such meeting shall be as valid as if had at a meeting regularly called and noticed, and at such meeting any business may be transacted which is not excepted from the written consent or to the consideration of which no objection for want of notice is made at the time, and if any meeting be irregular for want of notice or such consent, provided a quorum was present at such meeting, the proceedings of such meeting may be ratified and approved and rendered valid and the irregularity or defect therein waived by a writing signed by all parties having the right to vote thereat.

Such consent or approval, if given by stockholders, may be by proxy or attorney, but all such proxies and powers of attorney must be in writing.

Section 3. Whenever any notice whatsoever is required to be given under the provisions of the statute, of the Articles of Incorporation or of these By-laws, a waiver thereof in writing signed by the person entitled to said notice either before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE V
OFFICERS

Section 1. The officers of the corporation shall be chosen by the directors and shall be a president, a vice-president, a secretary, and a treasurer. Any two offices, except the offices of president and vice-president, may be held by the same person.

Section 2. The Board of Directors, at its first meeting after each annual meeting of stockholders, shall choose a president from its members, and shall choose a vice-president, a secretary and a treasurer, none of whom need be a member of the board.

Section 3. The board may appoint additional vice-presidents, and assistant secretaries and assistant treasurers and such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board.

Section 4. The salaries of all officers and agents of the corporation shall be fixed by the Board of Directors.

Section 5. The officers of the corporation shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board by the affirmative vote of a majority of the whole board of directors. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

THE PRESIDENT

Section 6. The president shall be the chief executive officer of the corporation; he shall preside at all meetings of the stockholders and directors, shall be ex officio a member of all standing committees, shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board are carried into effect.

Section 7. He shall, execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and

execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the corporation.

VICE-PRESIDENT

Section 8. The vice-president shall, in the absence or disability of the president, perform the duties and exercise the powers of president, and shall perform such other duties as the Board of Directors shall prescribe.

THE SECRETARY

Section 9. The secretary shall attend all sessions of the board and all meetings of the stockholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose, and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or president, under whose supervision he shall be. He shall keep in safe custody the seal of the corporation, and when authorized by the Board of Directors, affix the same to any instrument requiring a seal, and when so affixed, it shall be attested by his signature or by the signature of the treasurer or an assistant secretary.

THE TREASURER

Section 10. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors.

Section 11. He shall disburse the funds of the corporation as may be ordered by the board, taking proper vouchers for such disbursements, and shall render to the president and

directors, at the regular meetings of the board, or whenever they may require it, an account of all his transactions as treasurer and of the financial condition of the corporation.

Section 12. If required by the Board of Directors, he shall give the corporation a bond in such sum, and with such surety or sureties as shall be satisfactory to the board, for the faithful performance of the duties of his office, and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

ARTICLE VI

CERTIFICATES OF STOCK

Section 1. Certificates of stock of the corporation shall be in such form not inconsistent with the Articles of Incorporation as shall be approved by the Board of Directors, shall be issued under the seal of the corporation and shall be numbered and shall be entered in the books of the corporation as they are issued. They shall exhibit the holder's name and the number of shares owned by him and shall be signed by the president or vice-president and the secretary or an assistant secretary or the treasurer or an assistant treasurer. If any stock certificate is countersigned or otherwise authenticated by a transfer agent or transfer clerk and a registrar, a facsimile of the signatures of the said officers may be printed or lithographed upon such certificates and the stock certificates shall set forth the designations, preferences and relative, participating, optional or other special rights of the various classes of stock or series thereof and the qualifications, limitations or restrictions of such rights.

TRANSFERS OF STOCK

Section 2. Upon surrender to the corporation or the transfer agent of the corporation of a certificate of stock duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

CLOSING OF TRANSFER BOOKS

Section 3. The directors may prescribe a period not exceeding forty days prior to any meeting of the stockholders or prior to the day appointed for the payment of dividends during which no transfer of stock on the books of the corporation may be made, or may fix a day not more than forty days prior to the holding of any such meeting or the date for the payment of any such dividend as the day as of which stockholders entitled to notice of and to vote at such meeting and entitled to receive payment of such dividend shall be determined; and only stockholders of record on such day shall be entitled to notice or to vote at such meeting or to receive payment of such dividend.

REGISTERED STOCKHOLDERS

Section 4. The corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder-in-fact thereof and, accordingly, shall not be bound to

recognize any equitable or other claim to or interest in such share on the part of any other person, whether or not it shall have express or other notice thereof, except as expressly provided by the laws of Nevada.

LOST CERTIFICATES

Section 5. The Board of Directors may direct a new certificate or certificates of stock to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion, as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and/or give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost or destroyed.

ARTICLE VII
GENERAL PROVISIONS

DIVIDENDS

Section 1. Dividends upon the capital stock of the corporation, subject to the provisions of the Articles of Incorporation, if any relate thereto, may be declared by the Board of Directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Articles of Incorporation.

Section 2. Before payment of any dividend or making any distribution of profits, there may be set aside out of the funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve fund to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the directors shall think conducive to the interests of the corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

CHECKS

Section 3. All checks or demands for money and notes of the corporation shall be signed by such officer or officers as the Board of Directors may from time to time designate.

FISCAL YEAR

Section 4. The fiscal year shall begin the first day of each year.

SEAL

Section 5. The corporate seal shall have inscribed thereon the name of the corporation, the date of its incorporation and the words "Corporate Seal, Nevada."

INDEMNIFICATION

Section 6. Each person who is or was a director or officer of the corporation (including the heirs, executors, administrators or estate of such person) shall be indemnified by the corporation as of right against any liability, cost, or expense incurred by such director or officer by reason of the fact that such person is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, except to the extent that such indemnification is prohibited by Chapter 78 of the Nevada Revised Statutes. The expenses of directors or officers, past or present, incurred in defending a civil or criminal action, suit, or proceeding must be paid by the corporation as incurred and in advance of the final disposition of the action, suit, or proceeding upon receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the corporation.

ARTICLE VIII
AMENDMENTS

Section 1. These By-laws may be altered or amended at any regular meeting of the stockholders or at any special meeting of the stockholders at which a quorum is present or represented, if notice of the proposed alteration or amendment be contained in the notice of such meeting, by the affirmative vote of a majority of the stock issued and outstanding and entitled to vote at such meeting and present and represented thereat, or by the affirmative vote of a majority of the board or at any meeting of the board or by the written consent of all of the members of the board.

I, THE UNDERSIGNED, being the Secretary of BOOMTOWN HOOSIER, INC., DO HEREBY CERTIFY the foregoing to be the By-laws of said corporation, as adopted at a meeting of the directors held on the 20th day of December, 1995.

/s/ Sylvia Maldonado

Secretary

EXHIBIT 3.45

ARTICLES OF ORGANIZATION
OF
INDIANA VENTURES LLC

The undersigned person acting as the organizer to form a limited liability company (the "Company") under the provisions of Chapter 86 of the Nevada Revised Statutes, adopt the following Articles of Organization.

ARTICLE 1
NAME

The name of the Company is Indiana Ventures LLC.

ARTICLE 2
PERIOD OF DURATION

The latest date upon which the Company will dissolve is fifty-five (55) years after the date of filing of the Articles of Organization with the Secretary of State of the State of Nevada, unless the Company is earlier dissolved in accordance with either the provisions of the Operating Agreement of the Company (as originally executed and as amended from time to time (the "Operating Agreement'), or the Nevada Limited Liability Company Act, Nev. Rev. Stat. (S)(S) 86.011 to 86.571, as amended from time to time (the "Act"). Capitalized terms used herein but not defined shall have the meanings set forth in the Operating Agreement.

ARTICLE 3
PURPOSE

The purpose of the Company shall be:

A. to own, lease, operate, construct, acquire and maintain a riverboat gaming project to be located in Switzerland County, Indiana and such other facilities related thereto as may be approved in accordance with the Operating Agreement and associated intangible property rights such as trade or service marks, and to engage in any lawful business and matters reasonably related thereto whether directly or through one or more Subsidiaries;

B. to exercise all other powers necessary to, or reasonably connected with, the Company's businesses and which may legally be exercised by limited liability companies under the Act; and

C. to engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

ARTICLE 4
PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Company within the State of Nevada shall first be at 3930 Howard Hughes Parkway, Las Vegas, Nevada 89109. The records required by Nev. Rev. Stat. (S) 86.241 shall be maintained at this address.

ARTICLE 5
RESIDENT AGENT

The Company's registered office shall first be at 1700 Bank of America Plaza, 300 S. Fourth St., Las Vegas, NV 89101 and the name of its initial resident agent at such address shall be Lionel Sawyer & Collins.

ARTICLE 6
RIGHT TO CONTINUE BUSINESS

Upon the death, insanity, retirement, resignation, expulsion, bankruptcy, dissolution of a Member or occurrence of any other event which terminates the continued membership of a Member in the Company, the Company shall be dissolved, unless the business of the Company is continued by the consent of not less than a majority in interest of the Members as provided in the Operating Agreement.

ARTICLE 7
MANAGEMENT

Section 8.01 Management. The business and affairs of the Company shall be managed by the Members solely in accordance with the provisions of the Operating Agreement.

Section 8.02 Names and Addresses. The names and addresses of the Members are:

Name	Address
Full House, L.L.C.	5008 West 96/th/ St. Indianapolis, Indiana 46268
Hilton Gaming (Switzerland County) Corporation	3930 Howard Hughes Parkway Las Vegas, NV 89109
Boomtown Hoosier, Inc.	P.O. Box 399 Verdi, NV 89439

Section 8.03 Right to Contract Debt. The Members may contract debts on behalf of the Company only in compliance with the provisions of the Operating Agreement.

ARTICLE 8
DATA RESPECTING ORGANIZER

The name and post office address of the organizer, who is not a Member or manager of the Company, is as follows:

Teresa M. Ovies
50 W. Liberty #1100
Reno, NV 89501

EXECUTED this 22 day of December, 1995.

/s/ Teresa M. Ovies

Teresa M. Ovies, Organizer

STATE OF NEVADA)
)ss:
COUNTY OF WASHOE)

This instrument was acknowledged before me on Dec 22 1995, by Teresa M. Ovies.

/s/ Irene E. Madrid

NOTARY PUBLIC

EXHIBIT 3.46

OPERATING AGREEMENT OF INDIANA VENTURES LLC A NEVADA LIMITED LIABILITY COMPANY

THIS OPERATING AGREEMENT is made as of this _____ day of December, 1995, by and among the members of Indiana Ventures LLC, a Nevada limited liability company (the "Company"), all of whom have signed this Operating Agreement.

NOW THEREFORE, pursuant to the Act (as hereinafter defined), the following agreement, including, without limitation, Appendix 1 (Tax Accounting Procedures) attached hereto and by reference incorporated herein shall constitute the Operating Agreement, as amended from time to time, for the Company.

ARTICLE 1
DEFINITIONS

The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein). Other capitalized terms used herein and not defined have the meanings set forth in Appendix 1 (Tax Accounting Procedures).

1.1. "Act" means the Nevada Limited Liability Company Act, Nevada Rev. Stat. (S)(S) 86.011 to 86.571, as amended from time to time.

1.2. "Affiliate" means a Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, a specified Person.

1.3. "Agreement" means this Operating Agreement, including without limitation, the Appendix 1 (Tax Accounting Procedures) hereto as originally executed and as amended from time to time.

1.4. "Approval" and "Approved" are defined in Article 8.

1.5. "Assignee" means a transferee of a Member's Interest who has not been admitted as a Substitute Member.

1.6. "Boomtown" means Boomtown Hoosier, Inc.

1.7. "Capital Contribution" means the Initial Capital Contributions of a
----
Member, to the extent actually made, together with the amount of money and the Asset Value of any property other than money subsequently contributed to the Company by a Member with respect to such Member's Interest in the Company.

1.8. "Company" means Indiana Ventures LLC, a Nevada limited liability
----
company.

1.9. "Entity" and "Entities" means any general partnership, government
------ --------
entity, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association or other organization.

1.10. "Gaming Authorities" means all agencies, authorities and
----
instrumentalities of the United States, any state, nation, or other governmental entity, or any subdivision thereof, regulating gaming or related activities.

1.11. "Hilton" means Hilton Gaming (Switzerland County) Corporation.

1.12. "Initial Capital Contribution" means the Capital Contributions agreed to be made by the initial Members as described in Article 4.

1.13. "License" means any license, finding of suitability, qualification,
----
approval or permit by or from any Gaming Authority.

1.14. "Majority Member" is defined in Section 8.1.

1.15. "Managing Member" means, so long as Hilton and Boomtown hold the
----
Original Percentages, collectively Hilton and Boomtown, who must act by unanimous consent as set forth in Section 8.1. In the event Hilton and Boomtown no longer hold the Original Percentages, Managing Member shall mean the Majority Member subject to the provisions of Section 8.8 hereof.

1.16. "Member" means those Persons executing this Agreement and any
------
Person who may hereafter become an additional or substituted Member.

1.17. "Member's Interest" means a Member's Units, share of the Profits and

Losses of the Company and the right to receive distributions of the Company's assets.

1.18. "Minority Member" is defined in Section 8.1.

1.19. "Non-Voting Member" means a Member holding Non-Voting Units.

1.20. "Non-Voting Units" means the 30 Non-Voting Units as further described in Article 5, or as converted from Voting Units pursuant to Section 5.1.

1.21. "Original Percentages" means the respective percentages of Voting Units initially held by Hilton and Boomtown as set forth in Section 5.1 hereof namely, approximately 51.6% and 48.4%.

1.22. "Person" shall mean any individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person where the context so requires.

1.23. "Property" means all real and personal property, tangible and intangible, owned by the Company.

1.24. "Subsidiary" means any Entity or Entities owned or controlled directly or indirectly by the Company.

1.25. "Substituted Member" means an Assignee who has been admitted to all of the rights of membership pursuant to Article 10.

1.26. "The Project" means a riverboat gaming project to be located in Switzerland County, Indiana and such other facilities related thereto as may be approved by the Managing Member and associated intangible property rights such as trade or service marks.

1.27. "Units" as to any Member shall mean and refer to the number of Voting Units or Non-Voting Units, as the case may be, in the Company shown next to the name of such Member in Article 5 as the same may be amended from time to time.

1.28. "Voting Members" shall mean those Members holding Voting Units.

1.29. "Voting Units" shall mean the 970 Voting Units, as further described in Article 5 hereof, entitled to exercise all of the voting power of the Company.

ARTICLE 2
FORMATION OF COMPANY

2.1. Formation. The Articles of Organization attached hereto as Appendix 2 and incorporated by reference herein (the "Articles of Organization") are hereby ratified and incorporated by reference in this Agreement. Upon the filing of the Articles of Organization the Company automatically shall be formed as a Nevada limited liability company under and pursuant to the Act, and the parties hereto shall take all action necessary to cause such formation.

2.2. Name. The name of the Company is Indiana Ventures LLC.

2.3. Principal Place of Business. The principal place of business of the Company within the State of Nevada shall first be at 3930 Howard Hughes Parkway, Las Vegas, Nevada 89109. The Company may locate its places of business and registered office at any other place or places as the Managing Member may from time to time deem advisable.

2.4. Registered Office and Agent. The Company's registered office shall first be at 1700 Bank of America Plaza, 300 S. Fourth Street, Las Vegas, Nevada 89101. The name of its initial resident agent at such address shall be Lionel Sawyer & Collins.

2.5. Term. The latest date upon which the Company will dissolve is fifty-five (55) years after the date of filing of the Articles of Organization with the Secretary of State of the State of Nevada, unless the Company is earlier dissolved in accordance with either the provisions of this Agreement or the Act.

ARTICLE 3
BUSINESS OF THE COMPANY

3.1. Permitted Businesses. The purpose of the Company shall be:

a. to own, lease, operate, construct, acquire and maintain the Project and to engage in any lawful business and matters reasonably related thereto whether directly or through one or more Subsidiaries;

b. to exercise all other powers necessary to, or reasonably connected with, the Company's businesses and which may legally be exercised by limited liability companies under the Act; and

c. to engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

3.2. Limits on Foreign Activity. The Company shall not directly engage in business in any state, territory or country which does not recognize limited liability companies or the effectiveness of the Act in limiting the liabilities of the Members of the Company. If the Company desires to conduct business in any such State, it shall do so through an entity which will ensure limited liability to the Members.

ARTICLE 4
CONTRIBUTIONS TO COMPANY

4.1. Members' Initial Capital Contributions.

a. The total Initial Capital Contribution to the Company shall be Five Hundred Thousand Dollars ($500,000.00). Each Member shall pay a share of the Initial Capital Contribution proportionate to its respective number of Units described in Section 5.1 below concurrently with the signing this Agreement. As part of its share of the Initial Capital Contribution, Hilton shall contribute to the Company all of the outstanding shares of stock of Switzerland County Development Corporation, a Nevada corporation. The Members agree that the value of such contribution is $100.00. The Initial Capital Contribution first shall be applied to the organizational expenses of the Company, including without limitation, legal, accounting and promotional fees and costs and thereafter utilized for capital expenditures, working capital or other expenses of the Company's business in the discretion of the Managing Member. Without limiting the foregoing, the Initial Capital Contribution shall be used, in part, to reimburse the expenses (including legal fees) of Hilton and Boomtown in organizing the Company, performing due diligence with respect to the Project, preparing and filing applications with Governmental Authorities relating to the Project and all other expenses associated with acquisition of, or otherwise with, the Project. In lieu of receiving reimbursement for such expenses, Hilton and Boomtown may set-off such expenses against the amounts of their respective

Initial Capital Contributions to the extent approved by the Managing Member.

4.2. Additional Capital Contributions. Except with respect to the Initial Capital Contributions and as otherwise provided for in Article 8 to remedy or prevent a deficit or under the Act, unless all Members agree, no Member shall be obligated to make any additional Capital Contributions to the Company. If the Company needs additional capital to meet its obligations, the Company may borrow all or part of such additional capital from any source, including, without limitation, any Member. No Member shall be obligated to make a loan to the Company.

4.3. No Third Party Beneficiaries. The provisions of this Article 4 are not intended to be for the benefit of and shall not confer any rights on any creditor or other Person (other than a Member in such Member's capacity as a Member) to whom any debts, liabilities or obligations are owed by the Company or any of the Members.

4.4. Withdrawal or Reduction of Members' Contributions to Capital.

a. A Member shall not receive out of the Company's Property any part of such Member's contributions to capital until all liabilities of the Company, except liabilities to Members on account of their contributions to capital, have been paid or there remains Property of the Company sufficient to pay them.

b. A Member shall not resign before the dissolution and winding up of the Company, subject to the provisions of Chapter 463 of the Nevada Revised Statutes or other applicable law.

c. A Member, irrespective of the nature of such Member's contribution, has the right to demand and receive only cash in return for such Member's contribution to capital.

4.5. Miscellaneous.

a. No Interest on Capital Contribution. No Member shall be entitled to or shall receive interest on such Member's Capital Contribution.

b. No Withdrawal of Capital Contribution. No Member may withdraw any capital from the capital of the Company except as expressly provided herein or in the Act.

ARTICLE 5

AUTHORIZATION AND ISSUANCE OF UNITS

5.1. Authorization and Issuance of Initial Units. There are hereby authorized 1000 Units consisting of 970 Voting Units and 30 Non-Voting Units. Except as otherwise expressly provided herein or in the Act, solely Members holding Voting Units shall be entitled to participate in the management and control of the Company or its business and to vote on any matter affecting the Company, provided, however, during any period when the percentage of Voting Units of either of Hilton or Boomtown falls below the Original Percentage, the Voting Units of the Person holding less than its Original Percentage shall convert to Non-Voting Units until such time, if ever, that the Original Percentage for such Person is restored. The foregoing authorized Units are issued as follows:

Member	Units
Full House, L.L.C.	30 Non-Voting Units
Hilton	500 Voting Units
Boomtown	470 Voting Units

5.2. Securities Law Qualification. THE SECURITIES REPRESENTED BY THIS DOCUMENT HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE. THERE IS NO PUBLIC TRADING MARKET FOR THE MEMBER'S INTERESTS AND IT IS NOT ANTICIPATED THAT ONE WILL DEVELOP. ADDITIONALLY, THERE ARE SUBSTANTIAL RESTRICTIONS UPON THE TRANSFERABILITY OF THE MEMBER'S INTERESTS. NO SALE OR ASSIGNMENT BY A MEMBER OF HIS MEMBER'S INTERESTS OR SUBSTITUTION OF MEMBERS MAY BE MADE WITHOUT CERTAIN CONSENTS. THEREFORE, MEMBERS MAY NOT BE ABLE TO LIQUIDATE THEIR INVESTMENTS IN THE EVENT OF AN EMERGENCY. FURTHER, MEMBER'S INTERESTS MAY NOT BE READILY ACCEPTED AS COLLATERAL FOR A LOAN. MEMBER'S INTERESTS SHOULD BE CONSIDERED ONLY AS A LONG TERM INVESTMENT.

Each Member represents and warrants to the other Members and the Company as follows:

A. Such Member is capable of protecting his own interests in connection with acquisition of such Member's Interest.

B. Such Member is able to bear the economic risk of losing his entire investment in the Company.

C. The investment of such Member in the Company does not exceed ten percent (10%) of such Member's (or such Member's ultimate parent Entity's) net worth.

D. Such Member has been furnished with materials relating to the Company which the Member has requested and has been afforded the opportunity to make inquiries of and has received answers from representatives of the Company concerning the Company, the terms and conditions of the offering of Member's Interests or any other matters relating to the Company, and has further been afforded the opportunity to obtain any additional information necessary to verify the accuracy of any information provided (to the extent the Company possesses such information or could acquire it without unreasonable effort or expense).

E. Such Member has by reason of his own business and financial experience the capacity to evaluate the merits and risks of the prospective investment in the Company and protect his interests in connection with such investment.

F. Such Member (together with such Member's spouse, if applicable, or such Member's ultimate parent Entity) has (1) a net worth of at least One Million Dollars ($1,000,000.00), or (2) has had during the last two tax years, and expects to have during the current taxable year, annual income of at least Two Hundred Thousand Dollars ($200,000.00), or has had (together with such Member's spouse, if applicable) during the last two taxable years, and

expects to have during the current taxable year, annual income of at least Three Hundred Thousand Dollars ($300,000.00) without regard to this investment in the Company.

5.3. Authorization and Sale of Additional Units. Subject to the provisions of Section 8.2 hereof, additional Units shall be authorized and issued only upon the Approval by the Managing Member.

ARTICLE 6
DISTRIBUTIONS

6.1. Optional Distributions. Except for the mandatory distributions in this Article 6, distributions shall be made when and as declared by the Managing Members. Any distributions shall be made to the Members pro rata in accordance with their respective Units, provided that no distribution shall be made to a Member which will cause or increase an Adjusted Capital Account Deficit for such

Member; and provided that distributions shall only be made to the extent that, after giving effect to a distribution, the assets of the Company are in excess of all liabilities of the Company except liabilities to Members on account of their Capital Contributions.

6.2. Tax Distributions. To the extent that sufficient funds exist, and provided no distribution shall be made which will cause or increase an Adjusted Capital Account Deficit for a Member, the Company shall distribute to each Member not later than ninety (90) days after the close of each Fiscal Year, pro rata in accordance with its Units, no less than its share of the "Tax Distribution Amount." The Tax Distribution Amount shall be determined for each Fiscal Year by: (A) multiplying the "Marginal Tax Rate" (as defined below) for that Fiscal Year by the taxable income of the Company (as determined under Section 703(a) of the Code for that Fiscal Year), and subtracting (B) the sum of all other distributions to Members during the Fiscal Year (other than distributions required under this Section 6.2 in respect of one or more prior Fiscal Years). The "Marginal Tax Rate" for any particular Fiscal Year shall be the sum of: (A) the highest tax rate that would be imposed on any Member under either Section 1 or 11 of the Code, whichever is higher, for that Fiscal Year, plus (B) the highest marginal tax rate for corporate taxation, or the highest marginal tax rate for individual taxation, whichever marginal rate is higher, of the State of California.

6.3. Amounts Withheld. All amounts withheld pursuant to the Code or any provision of any state or local tax law with respect to any payment, allocation or distribution to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this Article 6 for all purposes under this Agreement. The Company is authorized to withhold from distributions, or with respect to allocations, to the Member and to pay over to any federal, state or local government any amounts required to be so withheld, pursuant to the Code or any provisions of any other federal, state or local law and shall allocate such amounts to the Members with respect to which such amount was withheld.

ARTICLE 7
BOOKS, RECORDS AND ACCOUNTING

7.1. Books and Records.

a. The Company shall maintain at its principal place of business books of account that accurately record all items of income and expenditure relating to the business of the Company and that accurately and completely disclose the results of the operations of the Company. Such books of account shall be maintained on the method of accounting selected by the Managing Member

and on the basis of the Fiscal Year. Each Member, upon not less than seventy-two (72) hours advance written notice to the Managing Member, at such Member's own expense shall have the right to inspect, copy, and audit the Company's books and records at any time during normal business hours without notice to any other Member.

b. The Company shall keep at its registered office such records as are required by the Act.

7.2. Tax Returns. The Managing Member shall cause independent certified public accountants of the Company to prepare and timely file all income tax and other tax returns of the Company. The Company shall furnish to each Member a copy of all such returns together with all schedules thereto and such other information which each Member may reasonably request in connection with such Member's own tax affairs.

ARTICLE 8
MANAGEMENT

8.1. General Management.

a. The business and affairs of the Company shall be managed by or under the direction of the Managing Member. The Managing Member shall direct, manage and control the business of the Company and, subject to the limitations and qualifications set forth in this Article 8, shall have full and complete authority, power and discretion to make any and all decisions and to do any and all things which the Managing Member shall deem to be reasonably required or convenient in light of the Company's business and objectives.

All actions on behalf of the Company may be taken only after Approval (as hereinafter defined) by the Managing Member. During the period that Hilton and Boomtown hold the Original Percentages of Voting Units, "Approval" and "Approved" mean the unanimous approval of Hilton and Boomtown. During any period that one or other of Hilton and Boomtown holds a higher percentage of Voting Units than its Original Percentage, and the other's Voting Units have converted to Non-Voting Units in accordance with Section 5.1 hereof, then the Person holding the higher percentage than such Person's Original Percentage shall be deemed the "Majority Member" and the other Person holding a lower percentage than its Original Percentage shall be deemed the "Minority Member," "Approval" and "Approved" shall mean approval by the Majority Member and Managing Member shall be deemed to refer only to the Majority Member. By way of example, if after the date hereof Boomtown holds 52% of the Voting Units and Hilton holds 48%, Approval and Approved shall mean approval solely by Boomtown, Boomtown shall be the Majority

Member, and therefore the Managing Member, and Hilton's Units shall be converted to Non-Voting Units.

Without limiting the generality of the foregoing, the Managing Member shall have sole power and authority, on behalf of the Company, upon Approval:

i. to acquire property from any Person as the Managing Member may determine. The fact that a Member is directly or indirectly an Affiliate of such Person shall not prohibit the Managing Member from dealing with that Person;

ii. to establish policies for investment and to make investments of Company funds (by way of example but not limitation) in time deposits, short term governmental obligations, commercial paper or other investments;

iii. to make distribution of available cash to Members;

iv. to employ accountants, legal counsel, managers, managing agents or other experts or consultants to perform services for the Company, including, without limitation, those for the predevelopment and development of the Project and to compensate them from Company funds;

v. to borrow money on behalf of the Company from banks, other lending institutions, the Members, or Affiliates of the Members on such terms as they deem appropriate, and in connection therewith, to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums. Except as otherwise provided in the Act, no debt shall be contracted or liability incurred by or on behalf of the Company except by the Company's Managing Member;

vi. to purchase liability and other insurance to protect the Company's Property and business;

vii. to organize Entities to serve as the Company's subsidiaries, to determine the form and structure thereof and control the same;

viii. to execute, deliver and perform any agreements on behalf of the Company, with any other Person for any purpose, subject to the spending limits as Managing Member may Approve;

ix. to hire, terminate and compensate employees involved in the day-to-day operations of the Company's facilities; and

x. to determine maintenance, operation, fixtures, hours of operation, service and promotional activities at the Company's Property.

b. Unless authorized to do so by this Agreement or by Approval of the Managing Member, no Member, agent or employee of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniarily for any purpose. However, the Managing Member may act (or may cause the Company to act) by a duly authorized power of attorney.

c. At any time that the Managing Member consists of two Members, the board of directors of each Subsidiary shall consist of any even number of members and Boomtown and Hilton shall each be entitled to elect one-half of the members of all such boards. In the event of a vacancy on the board of directors of any Subsidiary, the Member who elected such director shall solely be entitled to fill such vacancy. In all other circumstances, the board shall be appointed by the sole Managing Member.

d. The Managing Member must at all times hold at least twenty percent (20%) of all outstanding Member's Interests.

8.2. Actions Requiring Minority Member Approval.

(a) Notwithstanding any other provision of this Agreement, during any time that the Managing Member consists solely of the Majority Member, and so long as the Minority Member owns at least twenty percent (20%) of the total Units, the Managing Member shall not take any of the following actions without the consent of the Minority Member:

(i) Adoption of the annual budget for the Project;

(ii) The making of a capital expenditure in excess of $500,000.00;

(iii) The issuance of additional Units;

(iv) Transactions with an Affiliate other than transactions with Affiliates on terms consistent with an arms-length transaction with third-parties. After approval of the management agreement with an Affiliate as described in Section 8.5 by Hilton and Boomtown, any subsequent management agreement with an Affiliate upon substantially the same terms and conditions as the approved agreement shall not require the consent of the Minority Member; or

(v) Amendment of this Agreement or the Articles of Organization so as to adversely impact the Minority Member;

(vi) Expulsion of any Member pursuant to Section 10.6;

(vii) The requirement of additional Capital Contributions by the Members.

(b) In the event that Managing Member and the Minority Member are unable to agree upon any proposed action which requires the consent of the Minority Member pursuant to Section 8.2(a) above, either person may elect to submit resolution of the issue to binding arbitration conducted in accordance with the provisions of Section 8.09 hereof.

8.3. No Liability for Certain Acts. The Managing Member shall perform its duties in good faith, in a manner such Managing Member reasonably believes to be in the best interests of the Company, or not opposed to the best interests of the Company. Provided the Managing Member so acts at all relevant times, the Managing Member shall not be responsible to any Members because of a loss of their investment in the Company or a loss in the operations of the Company. The Managing Member does not, in any way, guarantee the return of the Members' Capital Contributions or a profit for the Members from

the operations of the Company. The Managing Member shall incur no liability to the Company or to any of the Members as a result of engaging in any other business or venture. The Managing Member shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by Persons listed below unless such Managing Member has knowledge concerning the matter in question that would cause such reliance to be unwarranted:

a. one or more employees or other agents of the Company whom the Managing Member reasonably believes to be reasonably reliable and competent in the matters presented; and

b. legal counsel, public accountants, or other persons as to matters that the Managing Member reasonably believes to be within such Persons' professional or expert competence.

8.4. Indemnity of the Managing Member, Employees or Agents.

a. The Company agrees to indemnify, pay, protect and hold harmless such Managing Member (on demand of and to the satisfaction of such Managing Member) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, proceedings, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, all reasonable costs and expenses in connection therewith, of investigation, defense, appeal and -- provided that consent to settlement from all Members is obtained, which consent shall not be unreasonably withheld -- expenses of settlement, of any and all suits, actions or proceedings instituted against a Managing Member or the Company) which may be imposed on, incurred by, or asserted against a Managing Member or the Company in any way relating to or arising out of, or alleged to relate to or arise out of, any action or inaction on the part of the Company or on the part of a Managing Member, acting in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Company, in connection with the formation, operation and/or management of the Company, the Company's purchase and operation of the Project, and/or as a result of a Managing Member's agreement to act as Managing Member of the Company. If any action, suit or proceeding shall be pending or threatened against the Company or a Managing Member relating to or arising out

of, or alleged to relate to or arise out of, any such action or nonaction, a Managing Member shall have the right to employ, at the expense of the Company, separate counsel of such Managing Member's choice in such action, suit or proceeding and the Company shall advance the reasonable out-of-pocket expenses of such Managing Member in connection therewith. The satisfaction of the obligations of the Company under this Section shall be from and limited to the assets of the Company and no Member shall have any personal liability on account thereof. The foregoing rights of indemnification are in addition to and shall not be a limitation of any rights of indemnification as provided in Sections 86.411 through 86.451 of the Act, as such may be amended from time to time.

b. This Section shall not limit the Company's power to pay or reimburse expenses incurred by a Managing Member in connection with such Managing Member's appearance as a witness in a proceeding at a time when the Managing Member has not been made a named defendant or respondent in the proceeding.

c. The Company may indemnify and advance expenses to an employee or agent of the Company who is not a Managing Member to the same or to a greater extent as the Company may indemnify and advance expenses to a Managing Member; and

d. The Company shall use its best efforts to purchase and maintain insurance in the amount of at least $2,000,000.00, on behalf of a Person who is or was a Managing Member, Member, employee, fiduciary, or agent of the Company or who, while a Managing Member, Member, employee, fiduciary, or agent of the Company, is or was serving at the request of the Company as manager, member, director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic limited liability company or any corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against or incurred by such Person in any such capacity or arising out of such Person's status as such, whether or not the Company would have the power to indemnify such Person against such liability under the provisions of this Section. Any such insurance may be procured from any insurance company designated by the Managing Member, whether such insurance company is formed under the laws of this state or any other jurisdiction of the United States or elsewhere.

e. Any indemnification of or advance of expenses to a Managing Member in accordance with this Section, if arising out of a proceeding by or on behalf of the Company, shall be reported in writing to the Members within a reasonable time after demand therefor is made.

f. For purposes of this Section 8.4, Managing Members shall include a former Managing Member.

8.5. Transactions with Company or Otherwise. A Managing Member shall

not be required to manage the Company as such Managing Member's sole and exclusive activity, and any of the Members or Managing Member, or any agent, servant, or employee of any of the Members or Managing Member, may engage in and possess any interest in other businesses or ventures of every nature and description, independently or with other Persons, whether or not directly or indirectly in competition with the business or purpose of the Company, and neither the Company nor any of the Members shall have any rights, by virtue of this Agreement or otherwise, in and to such independent ventures or the income or profits derived therefrom, or any rights, duties, or obligations in respect thereof. The Members or Managing Member or any Affiliate of any Member or Managing Member may lend money to, act as surety for, and transact other business with the Company, including, without limitation, management or marketing agreements requiring the Company to pay fees or other compensation from Company funds and shall have the same rights and obligations with respect thereto as a Person who is not a Member or Managing Member of the Company, except that nothing contained in this Section shall be construed to relieve a Member from any duties to the Company. Without limiting the generality of the foregoing, the Members acknowledge that an Affiliate of Hilton or Boomtown, or both, may enter into a management agreement with the Company or a Subsidiary for management of the Project and that such agreement may provide for management fees of two percent (2%) of gross revenues and five percent (5%) of EBITDA (as defined in such management agreement) from the Project.

8.6. Annual Operating Budget And Members' Additional Capital Contributions for Operating Deficits.

a. The Company shall annually adopt a budget.

b. The Managing Member shall prepare a budget in every Fiscal Year. The budget shall be adopted if Approved. The budget may require Members to make additional Capital Contributions to remove or prevent any deficits of the Company, and the Managing Member shall also be entitled to require additional Capital Contributions from the Members from time to time in the event of deficits not anticipated in the budget. The Members shall make the additional Capital Contributions in proportion to the number of Units held in the Company.

8.7. Failure to Make Required Additional Capital Contributions. If a Member fail to make a required additional Capital Contribution ("Noncontributing Member") then any other Voting Member who contributed its required Capital Contributions ("Contributing Member") shall have the right to elect to rely on this section in which event, the following provisions shall apply. Any Contributing Member may give notice (a "Contribution Notice") to the Noncontributing Member that the Contributing Member has elected to make all or any portion of the Noncontributing Member's Capital Contribution and receive an increase in its percentage ownership interest and number of Units pursuant to

the following formula. The Contributing Member's percentage ownership interest in the Company shall be increased to the percentage represented by a fraction, the numerator of which is the sum of the Contributing Member's Initial Capital Contribution and all additional Capital Contributions by the Contributing Member, and the denominator of which is the sum of the initial Capital Contribution and all additional Capital Contributions by all Members. The Noncontributing Member shall transfer that portion of its Units (the "Transferred Interest") to the Contributing Member necessary to increase the Contributing Member's percentage ownership interest in the Company to the amount calculated in accordance with the preceding sentence. In the event more than one Contributing Member elects to make the additional Capital Contribution on behalf of the Noncontributing Member and purchase the Transferred Interest, the Contributing Members shall make such additional Capital Contribution, and the Transferred Interest shall be allocated among the Contributing Members, in proportion to their then existing ownership of Units in the Company. The Noncontributing Member shall execute and deliver to the Contributing Member(s) all such documents and instruments as are reasonably necessary or appropriate to affect such transfer within five (5) days after receipt of the Contribution Notice and payment of the portion of the additional Capital Contribution being made by the Contributing Member(s). The Noncontributing Member shall also, upon the request of the Contributing Member(s), at any time and from time to time, execute and deliver such other documents and instruments as the Contributing Member(s) determines are necessary or desirable to transfer ownership, title and control of the Transferred Interest. The Noncontributing Member shall transfer the Transferred Interest free of all liens and encumbrances. The provisions of this Section are intended as the sole remedy of the Members in the event a Member fails to make an additional Capital Contribution.

8.8. Repurchase of Transferred Interest. A Noncontributing Member shall have the option to repurchase all, but not less than all, of its previously Transferred Interest(s) at

any time prior to the earlier of (i) the date two years after the date of this Agreement and (ii) opening of the Project for business to the public (the "Repurchase Deadline"), for a purchase price (the "Repurchase Price") equal to the amount of the Noncontributing Member's additional Capital Contribution made by the Contributing Member together with interest thereon from the date the additional Capital Contribution is made at the rate of ten percent (10%) per annum. The Noncontributing Member shall exercise the foregoing option by written notice to the Contributing Member at least ten (10) days prior to the Repurchase Deadline. The Transferred Interest(s) shall be assigned to the Noncontributing Member within ten (10) days after receipt of notice of the exercise of the option to repurchase by an appropriate instrument of assignment and upon payment of the Repurchase Price to the Contributing Member in cash or cash equivalent. The Noncontributing Member shall be responsible for any costs or fees associated with its repurchase of the Transferred Interest(s). Upon repurchase of all of its Transferred Interest(s) pursuant to this Section such that its Original

Percentage is restored, any Units of the Noncontributing Member converted to Non-Voting Units shall be converted back to Voting Units and such Noncontributing Member shall again become a Managing Member.

8.9. Management Disputes. During any time that the Managing Member consists of more than one Person, in the event of any dispute arising under or in connection with management of the Company, and if such dispute cannot be settled through direct discussions, the Persons who are the Managing Member shall first endeavor to settle the dispute in an amicable manner by mediation administered by the American Arbitration Association under its Commercial Mediation Rules. Mediation shall be conducted for a period of thirty (30) days after selection of a mediator in accordance with the Commercial Mediation Rules, and may be initiated by written notice of one Managing Member to the other. In the event of a dispute relating to the requirement of an additional Capital Contribution only, and after expiration of the period for mediation without a resolution of the dispute, either Person may require that the dispute be settled by arbitration held in Las Vegas, Nevada in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect and the following procedures, which procedures shall control in the event of conflict with such Commercial Arbitration Rules:

(a) Within ten (10) days after notice from one Person to the other that it has elected that the dispute be arbitrated, both Persons shall contact the American Arbitration Association to commence selection of the arbitrators in accordance with their Commercial Arbitration Rules. The panel to be appointed shall consist of three neutral arbitrators.

(b) Subject to the time restrictions set forth below, the arbitrators shall conduct the arbitration in such manner (including the allowance of such discovery as the arbitrators determine appropriate under the circumstances) and on such a schedule as the arbitrators deem to be fair and reasonable and to provide each party with an adequate opportunity to present and support its position. The arbitrators shall resolve the dispute and give the parties written notice of their decision, with the reasons therefore set out in full, within thirty (30) days after the arbitrators' selection and shall have ten (10) days thereafter to reconsider and modify such decision if any party so requests. Thereafter the

arbitrators' decision shall be final, binding, and nonappealable. The arbitrators shall be bound by the terms of this Agreement and applicable law.

(c) The arbitrators shall have authority to award relief under legal or equitable principles, including interim and preliminary relief. The arbitrators shall allocate the costs of the arbitration, including

the arbitrators' fee, between the parties upon such basis as the arbitrators deem equitable. The arbitrators shall also award such incidental recovery, such as interest, as required by this Agreement.

(d) Judgment upon the award rendered by the arbitrators may be entered in any court having personal and subject matter jurisdiction.

(e) If for any reason whatsoever the written decision and award of the arbitrators shall not be rendered within the time limits set forth in this Section 8.8, either party may apply to any court having jurisdiction by action, proceeding or otherwise (but not by a new arbitration proceeding) as may be proper to determine the question in dispute consistently with the provisions of this Agreement.

ARTICLE 9
RIGHTS AND OBLIGATIONS OF MEMBERS

9.1. Limitation of Liability. Each Member's liability shall be limited as set forth herein and in the Act and other applicable law.

9.2. Company Debt Liability Indemnity.

a. A Member will not personally be liable for any debts or losses of the Company, except as provided in the Act.

b. Except to the extent due to such Member's default hereunder or under the Articles of Organization, the Company agrees to indemnify, pay, protect and hold harmless any Member (on demand and to the satisfaction of the Member) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, proceedings, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, all reasonable costs and expenses in connection therewith of investigation, defense, appeal and -- provided that consent to settlement from all Members is obtained, which consent shall not be unreasonably withheld -- expenses of settlement of any and all suits, actions or proceedings instituted against the Member), which may be imposed on, incurred by, or asserted against the Member (solely as a result of such Member being a Member) in any way relating to any agreement, liability, commitment, expense or obligation of the Company. If any such action, suit or proceeding shall be pending or threatened against a Member, the Member shall have the right to employ, at the expense of the Company, separate counsel of such Member's choice in such action, suit or proceeding, and the Company shall advance the reasonable expenses of such Member in connection therewith. The satisfaction of the obligations of the Company under this Section shall be from and limited to the assets of the Company and no Member shall have any personal

liability on account thereof. The foregoing rights of indemnification are in addition to and shall not be a limitation of any rights that may be provided in the Act.

9.3. List of Members. Upon written request of any Member, the Managing Member shall provide a list showing the names, addresses and Units of the Members in the Company.

9.4. Liability of a Member to the Company.

a. When a Member has rightfully received the return in whole or in part of such Member's Capital Contribution, the Member is nevertheless liable to the Company for any sum, not in excess of the return of its Capital Contribution with interest at the rate provided for judgments under the laws of the State of Nevada, necessary to discharge the Company's liability to all creditors of the Company who extended credit or whose claims arose before the return of such Member's Capital Contribution.

b. When a Member has received a distribution wrongfully conveyed by the Company, the Member shall hold such distribution as trustee for the Company.

ARTICLE 10
TRANSFER OF INTERESTS

10.1. Right to Pledge. Every Member's Interest may be pledged to secure any borrowing of a Member or its Affiliates.

10.2. Admission of Substituted Member. Members holding Voting Units may freely assign or transfer their Member's Interests among themselves or to Affiliates of Members holding Voting Units. If a Member transfers its Member's Interest to a Person who is not already a Member or an Affiliate of a Member holding Voting Units (or transfers title as a result of exercise of rights under a security interest), and Members holding at least 80% of the then outstanding Voting Units approve of such proposed transfer or assignment, the transferee or assignee of the Member's Interests shall become a "Substituted Member" (as such term is defined below). If Members holding at least 50% of the then outstanding Voting Units do not approve of such transfer or assignment, the transferee or assignee of the Member's Interest shall have no right to participate in the management of the business and affairs of the Company, to vote its Units, or to be admitted as a Member, but shall only be entitled to receive the share of profits, losses and distributions, to which the transferring Member would otherwise be entitled. As a condition to the receipt of same, the transferee or assignee may be required by the Managing Member to pay any Capital Contributions to which the transferor or assignor would have been liable. A "Substituted

Member" is a Person admitted to all the rights of a Member. The Substituted Member has all the rights and powers and is subject to all the restrictions and liabilities of his assignor whether accrued prior to or after the date of substitution (including, without limitation, the right to allocations of profits under Section 1.2(a) of Appendix 1 to the extent attributed to the interest acquired by the Substituted Member), except that the substitution of the assignee does not release the assignor from liability to the Company. In any event, no transfer of a Member's Interest in the Company (including the transfer of any right to receive or share in profits, losses, or distributions) shall be effective unless and until written notice (including

the name and address of the proposed transferee or assignee and the date of such transfer) has been provided to the Company and the nontransferring Member(s). Every Person before becoming a Substituted Member must assume this Agreement in writing.

No Member shall be entitled to transfer less than 100% of his Member's Interest except in the case of a transfer between Members.

10.3. Denial. If at any time (a) a Member or any Person associated in any way with a Member (collectively, the "Defaulting Member") is denied a license, found unsuitable, or is denied or otherwise unable to obtain any other License or with respect to the Project or any other gaming operation elsewhere in the world by a Gaming Authority or is required by any Gaming Authority to apply for a License and does not apply within any required time limit (including extensions, if any), withdraws any application for a License other than upon a determination by the applicable Gaming Authority that such License is not required, and if the result of the foregoing has or would have an adverse effect on the Company, the Project, any other Member (referred to herein as "Nondefaulting Member") or any Affiliate of a Nondefaulting Member or does or would materially delay obtaining any License affecting the Company, any Affiliate of the Company, the Project, a Nondefaulting Member or its Affiliate, or (b) any Gaming Authority commences or threatens to commence any suit or proceeding against the Company, its Affiliates, the Project, a Nondefaulting Member or its Affiliates or to terminate or deny any right or License of the Company, its Affiliate, the Project, a Nondefaulting Member or its Affiliate because of this Agreement or the relationship to the Defaulting Member (all of the foregoing events described in (a) and (b) above are collectively referred to as a "Denial"), said Denial shall constitute a default by the Defaulting Member and the Nondefaulting Members may pursue any available remedies.

Without limitation on the foregoing, if the Denial may be cured by the replacement of one or more individuals as shareholders, officers, employees or directors of the Defaulting Member, then the Defaulting Member shall have up to sixty (60) days from such Denial (but not more than twenty (20) days less than the period, if any, as may be allowed by the Gaming Authorities to effect such cure), to replace the disapproved individual with someone, or sell his Member's

Interest to someone acceptable to the Gaming Authorities and approved by the Members as set forth above in this Article 10. If a cure of the type described in the preceding sentence is not feasible or permitted, or if not effected within the time periods prescribed above, the Voting Members who are not Defaulting Members shall have the right to purchase such Defaulting Member's Interest, prorata according to the purchasing Members Units in the Company, at a purchase price (the "Purchase Price") equal to fifty percent (50%) of the total unreturned Capital Contributions of such Defaulting Member, by giving written notice (the "Purchase Notice") to the Defaulting Member. Payment of the Purchase Price shall be by execution and delivery of a promissory note by the purchasing Member(s) to the Defaulting Member, amortized and payable over five (5) years from the date of such note, prepayable at any time at the option of the purchasing Member(s) without penalty, with monthly payments, and bearing interest at the rate announced by Bank of America, NT&SA as its prime rate of interest from time to time, or if Bank of America NT&SA no longer announces a prime rate of interest, a substitute financial institution acceptable to the purchasing Member(s). The Defaulting Member shall execute and deliver to the purchasing Member(s) all such documents and instruments as are reasonably necessary or appropriate to effect such transfer within five (5) days after receipt

of the Purchase Notice and the purchasing Member(s) shall deliver this promissory note(s) representing the Purchase Price concurrently with such delivery. The Defaulting Member shall also, upon the request of the purchasing Member(s), at any time and from time to time, execute and deliver such other documents and instruments as the purchasing Member(s) determines are necessary or desirable to transfer ownership, title and control of such Defaulting Member's Interest. The Defaulting Member shall transfer his Member's Interest free of all liens and encumbrances.

10.5 Mandatory Transfers. Pursuant to Section 5.02.3 of that Stock Purchase Agreement (the "Stock Agreement") dated December ___, 1995 between the Company, and Century Casinos, Inc., a Delaware corporation, and Cimarron Investment Properties Corp., a Colorado corporation (collectively "Seller") the Company is required to transfer the Shares (as defined in the Stock Agreement) and all rights of the Company, or any affiliate, in the Project, to Seller under certain circumstances, involving termination of the Stock Agreement. The Members hereby agree that no consent or approval by any Member is required in connection with the transfer of Shares or any other right in the Project in compliance with the Stock Agreement. Each Member shall take all necessary action to comply with the provisions of Section 5.02.3 of the Stock Agreement, including, without limitation, the transfer of its Member's Interest to Seller in the event and to the extent required pursuant to such section.

10.7 Public Trading. No Member shall transfer its Member's Interest if such transfer could cause the Company to be deemed a "publicly traded

partnership," as that term is defined in Section 7704 of the Code.

ARTICLE 11
DISSOLUTION AND TERMINATION

11.1. Dissolution.

a. The Company shall be dissolved upon the occurrence of any of the following events ("Dissolution Event"):

i. when the period fixed for the duration of the Company shall expire;

ii. if the Company voluntarily enters bankruptcy chapter VII or another insolvency proceeding that contemplates its final liquidation, or does so involuntarily and such proceeding is not vacated or dismissed within 120 days after commencement thereof;

iii. by the vote or written consent of all Members;

iv. upon: (1) a Member's resignation, expulsion, retirement, death, insanity, voluntary bankruptcy under chapter VII or another voluntary insolvency proceeding that contemplates a Member's final liquidation, or (2) a Member's involuntary bankruptcy without such proceeding being vacated or dismissed within 120 days after commencement thereof, or (3) a dissolution of a Member or occurrence of any other event which terminates the continued membership of a Member in the Company; unless the

business of the Company, including without limitation the operation of the Company's Property, is continued by the consent of Members holding a majority in interest in the Company within ninety (90) days after the occurrence of such event and there are at least two remaining Members.

b. As soon as possible following the occurrence of any Dissolution Event the appropriate representative of the Company shall make all filings and do all acts necessary to dissolve the Company.

11.2. Distribution of Assets Upon Dissolution. In settling accounts after dissolution, the assets of the Company shall be distributed in the following order:

a. first, to pay those liabilities to creditors, in the order of priority as provided by law (except those to Members on account of their Capital Contributions); and

b. next, to the Members pro rata in accordance with the positive balances in their Capital Accounts, after taking into account all adjustments to the Capital Accounts for all periods until each Member's Capital Account shall be reduced to zero.

11.3. Winding Up. Except as provided by law, upon dissolution, each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company Property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of each Member, such Member shall have no recourse against any other Member. The winding up of the affairs of the Company and the distribution of its assets shall be conducted exclusively by the Managing Member, who are hereby authorized to take all actions necessary to accomplish such distribution, including without limitation, selling any Company assets the Managing Member deem necessary to accomplish such distribution, including without limitation, selling any Company assets the Managing Member deem necessary or appropriate to sell. In the discretion of the Managing Member, a pro rata portion of the accounts that otherwise would be distributed to the Members under this Article may be withheld to provide a reasonable reserve for unknown or contingent liabilities of the Company.

11.4. Notice of Dissolution. Within thirty (30) days of the happening of a Dissolution Event, the Managing Member shall give written notice thereof to each of the Members, to all creditors of the Company, to the banks and other financial institutions with which the Company normally does business, and to all other parties with whom the Company regularly conducts business, and shall publish notice of dissolution in a newspaper of general circulation in each place in which the Company generally conducts business.

ARTICLE 12
MISCELLANEOUS PROVISIONS

12.1. Notices. Any notice or communication required or permitted to be given by any provision of this Agreement, including but not limited to any consents, shall be in writing and shall be deemed to have been given and received by the Person to whom directed (a) when delivered personally to such Person or to an officer or partner of the Member to which directed, (b) the first business day which is twenty-four (24) hours after transmitted by facsimile, evidence of transmission attached, to the facsimile number of such

Person who has notified the Company and every other Member of its facsimile number, (c) three (3) business days after being posted in the United States

mails if sent by registered, express or certified mail, return receipt requested, postage and charges prepaid, or (d) one (1) business day after deposited with overnight courier, return receipt requested, delivery charges prepaid, in either case addressed to the Person to which directed at the address shown on the page containing their signature, or such other address of which such Person has notified the Company and every other Member. Notice by facsimile shall be deemed given at the time provided in clause (c) above, provided, however, concurrently with notice by facsimile, a duplicate of such notice must also be given in the form set forth in any of clauses (a), (b) or (d) above.

12.2. Application of Nevada Law. This Agreement, and the application and interpretation hereof, shall be governed exclusively by its terms and by the laws of the State of Nevada, and specifically the Act.

12.3. Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company any right that such Member may have to maintain any action for partition with respect to the Property of the Company.

12.4. Amendments. Any amendment to this Agreement or the Articles of Organization shall first be recommended to the Members by the Managing Member. A vote on an amendment to this Agreement or the Articles of Organization shall be taken within thirty (30) days after notice thereof has been given to the Members unless such period is otherwise extended by applicable laws, regulations, or agreement of the Members. Subject to the provisions of Section 8.2 hereof, a proposed amendment shall become effective at such time as it has been approved by members holding at least 60% of the Voting Units. Upon such approval of an amendment, all Members shall execute and acknowledge the amendment to the extent required by law.

12.5. Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders and vice versa.

12.6. Headings. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

12.7. Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

12.8. Rights and Remedies Cumulative. Except as otherwise provide herein, the rights and remedies provided by this Agreement are cumulative and the use of

any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights and remedies the parties may have by law, statute, ordinance or otherwise. The Managing Member may seek to enforce this Agreement on behalf of the Company against any Member by action in any

court. The prevailing party shall obtain reasonable attorneys' fees and costs from the losing party.

12.9. Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

12.10. Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent assignment is permitted by this Agreement, their respective heirs, legal representatives, successors and assigns.

12.11. Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.

12.12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

12.13. Further Assurances. The Members agree that they and each of them will take whatever action or actions as are deemed by counsel to the Company to be reasonably necessary or desirable from time to time to effectuate the provisions or intent of this Agreement, and to that end, the Members agree that they will execute, acknowledge, seal, and deliver any further instruments or documents which may be necessary to give force and effect to this Agreement or any of the provisions hereof, or to carry out the intent of this Agreement or any of the provisions hereof.

12.14. Entire Agreement. This Agreement and every Appendix attached hereto set forth all (and are intended by all parties hereto to be an integration of all) of the promises, agreements, conditions, understandings, warranties, and representations among the parties hereto with respect to the Company; and there are no promises, agreements, conditions, understandings, warranties, and representations among the parties hereto with respect to the Company; and there

are no promises, agreements, conditions, understanding, warranties or representations, oral or written, express or implied, among them other than as set forth herein.

12.15. Business Days. For purposes of this Agreement, a "business day" is a day other than a Saturday or Sunday on which banks in Nevada, are open for business.

Hilton Gaming (Switzerland County)
Corporate, Member

By: /s/

Title: /s/

Address: 3830 Howard Hughes Parkway
Las Vegas, NV 89109

Boomtown Hoosier, Inc., Member

By: /s/ Robert F. List

Title: Vice President

Address: P.O. Box 399
Verdi, NV 89439

Full House, L.L.C.

By: /s/ John M. House

Title: Member

Address: 5008 West 96th Street
Indianapolis, IN 46268

APPENDIX 1

TAX ACCOUNTING PROCEDURES

1.1. Tax Definitions. The following terms used in this Appendix shall

---

have the following meanings (unless otherwise expressly provided herein):

a. "Adjusted Capital Account Deficit" with respect to any Member
---

means the deficit balance if any, in such Member's Capital Account as of the end of any Fiscal Year after giving effect to the following adjustments: (i) credit to such Capital Account the sum of (A) any amount which such Member is obligated to restore to such Capital Account pursuant to any provision of this Agreement, plus (B) an amount equal to such Member's share of Membership Minimum Gain, as defined below, as determined under Regulation Section 1.704-2(g) and such Member's share of Member Nonrecourse Debt Minimum Gain, as defined below, as determined under Regulation Section 1.704-2(g) and such Member's share of Member Nonrecourse Debt Minimum Gain, as defined below, as determined under Regulation Section 1.704-2(i)(5), plus (C) any amounts which such Member is deemed to be obligated to restore pursuant to Regulation Section 1.7041(b)(2)(ii)(c); and (ii) debit to such Capital Account the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

b. "Asset Value" with respect to any Company asset means:
---

i. The fair market value when contributed of any asset contributed to the Company by any Member;

ii. The fair market value on the date of distribution of any asset distributed by the Company to any Member as consideration for a Member's Interest in the Company;

iii. The fair market value of all Property at the time of the happening of any of the following events: (A) the admission of a Member to, or the increase of a Member's Interest of an existing Member in, the Company in exchange for a Capital Contribution; or (B) the liquidation of the Company under Regulation Section 1.704-1(b)(2)(ii)(g); or

iv. The Basis of the asset in all other circumstances.

For purposes of this definition, fair market value shall be determined by the Managing Member of the Company.

c. "Basis" with respect to an asset means the adjusted basis from
---

time to time of such asset for federal income tax purposes.

d. "Capital Account" means an account maintained for each Member in
---

accordance with Regulation Sections 1.704-1(b) and 1.704-2 and to which the following provisions apply to the extent not inconsistent with such Regulations.

i. There shall be credited to each Member's Capital Account: (1) such Member's Capital Contributions; (2) such Member's distributive share of

any items of income or gain specially allocated to such Member under this Agreement; and (4) the amount of any Company liabilities (determined as provided in Code Section 752(c) and the Regulations thereunder) assumed by such Member or to which Property distributed to such Member is subject;

ii. There shall be debited to each Member's Capital Account (1) the amount of money and the Asset Value of any Property distributed to such Member pursuant to this Agreement; (2) such Member's distributive share of Profits; (3) any items of expense or loss which are specially allocated to such Member under this Agreement, and (4) the amount of liabilities (determined as provided in Code Section 752(c) and the Regulations thereunder) of such Member assumed by the Company (within the meaning of Code Section 704) or to which Property contributed to the Company by such Member is subject; and

iii. The Capital Account of any transferee Member shall include the appropriate portion of the Capital Account of the Member from whom the transferee Member's Interest was obtained.

e. "Code" shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

f. "Depreciation" for any Fiscal Year or other period means the cost recovery deduction with respect to an asset for such year or other period as determined for federal income tax purposes, provided that if the Asset Value of such asset differs from its Basis at the beginning of such year or other period, depreciation shall be determined as provided in Regulation Section 1.704-1(b)(2)(iv)(g)(3).

g. "Fiscal Year" means the taxable year of the Company for federal income tax purposes as determined by Code Section 706 and the Regulations thereunder.

h. "Profits" and "Losses" for any Fiscal year or other period means an amount equal to the Company's taxable income or loss for such year or period determined in accordance with Code Section 703(a) and the Regulations thereunder with the following adjustments:

i. All items of income, gain, loss and deduction of the Company required to be stated separately shall be included in taxable income or loss;

ii. Income of the Company exempt from federal income tax shall be

treated as taxable income;

iii. Expenditures of the Company described in Code Section 705(a)(2)(B) or treated as such expenditures under Regulation Section 1.704-1(b)(2)(iv)(i) shall be subtracted from taxable income;

iv. The difference between Basis and Asset Value shall be treated as gain or loss upon the happening of any event described in Sections 1.1(b)(ii) or (iii);

Tax Accounting Procedures

v. Gain or loss resulting from the disposition of Property from which gain or loss is recognized for federal income tax purposes shall be determined with reference to the Asset Value of such Property;

vi. Depreciation shall be determined based upon Asset Value as determined under section 1.704-1(b)(2)(iv)(g)(3) instead of as determined for federal income tax purposes; and

vii. Items which are specially allocated shall not be taken into account.

i. "Regulations" means the federal income tax regulations, including temporary (but not proposed) regulations, promulgated under the Code.

1.2. Allocation of Profits. After giving effect to the special allocations set forth in Section 1.4 hereof, Profits for any Fiscal Year shall be allocated as follows:

a. Profits shall first be allocated to the Members in proportion and up to the amount which, when added to aggregate profits previously allocated under this Section 1.2(a) equals the aggregate amount of losses allocated to the Members under Section 1.3(b) hereof.

b. Thereafter, profits shall be allocated to each Member pro rata in proportion to the ratio of that Member's Units to all other Units outstanding.

1.3. Allocation of Losses. After giving effect to the special allocations set forth in Section 1.4 hereof, Losses for any Fiscal Year shall be allocated as follows:

a. Subject to the limitations in Section 1.3(b) hereof, Losses shall be allocated to each Member pro rata in proportion to the ratio of that

Member's Units to all other Units outstanding.

b. Losses allocated to any Member pursuant to this Agreement shall not exceed the maximum amount of Losses that may be allocated without causing such Member to have an Adjusted Capital Account Deficit at the end of the Fiscal Year for which the allocation is made. Any losses not allocated to a Member as a result of the preceding sentence shall be allocated to other Members ("Allocable Members") for whom such allocation would not cause an Adjusted Capital Account Deficit at the end of the Fiscal Year for which the allocation is made pro rata in proportion to such Allocable Member's Units, but only to the extent that such allocation does not cause such Allocable Member to have an Adjusted Capital Account Deficit at the end of the Fiscal Year for which the allocation is made. If there are no Allocable Members, this section 1.3(b) limitation shall not apply and Losses shall be allocated to each Member pro rata in proportion to the ratio of that Member's Units to all other Units outstanding.

1.4. Special Provisions.

a. Minimum Gain Chargeback. Notwithstanding any other provision of this Agreement, if there is a net decrease in Membership Minimum Gain (as defined in

Regulation Section 1.704-2(d)) during any Fiscal Year, then each Member shall be allocated such amount of income and gain for such year (and subsequent years, if necessary) determined under and in the manner required by Regulation Section 1.704-2(f) as is necessary to meet the requirements for a minimum gain chargeback as provided in that Regulation.

b. Member Nonrecourse Debt Minimum Gain Chargeback. Notwithstanding any other provision of this Agreement, if there is a net decrease in Member Nonrecourse Debt Minimum Gain (as defined in accordance with Regulation Section 1.704-2(i)(3)) attributable to a Member Nonrecourse Debt (as defined in Regulation Section 1.704-2(b)(4)) during any Fiscal Year, any Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt determined in accordance with Regulation Section 1.704-2(i)(5) shall be allocated such amount of income and gain for such year (and subsequent years, if necessary) determined under and in the manner required by Regulation Section 1.704-2(i)(4) as is necessary to meet the requirements for a chargeback of Member Nonrecourse Debt Minimum Gain as is provided in that Regulation.

c. Qualified Income Offset. If a Member unexpectedly receives any

adjustment, allocation or distribution described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Company income and gain shall be specifically allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Subsection shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in Sections 1.2, 1.3 and this Section 1.4 of this Appendix have been made without giving effect to this Subsection (c).

d. Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of Fiscal Year which is in excess of the sum of (i) the amount such Member is obligated to restore pursuant to this Agreement, and (ii) the amount such Member is deemed to be obligated to restore pursuant to Regulations 1.704-2(g)(1) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Subsection shall be made only if and to the extent that such Member would have a deficit Capital Account after all other allocations provided for in Sections 1.2, 1.3, and this Section 1.4 of this Agreement have been made without giving effect to Subsection (c) immediately above and this Subsection (d).

e. Nonrecourse Deductions. Nonrecourse Deductions (as determined under Regulation Section 1.704-2(c)) for any Fiscal Year shall be allocated among the Members in proportion to their Units.

f. Member Nonrecourse Deductions. Any Member Nonrecourse Deductions (as defined under Regulation Section 1.704-2(i)(2)) shall be allocated pursuant to Regulation Section 1.704-2(i)(1) to the Member who bears the economic risk of loss with respect to the "Member Nonrecourse Debt" (as defined in Regulation Section 1.704-2(b)(4)) to which it is attributable.

g. Code Section 754 Adjustment. To the extent that an adjustment to the Basis of any asset pursuant to Code Section 734(b) or Code Section 743(b) is required to be taken into account in determining Capital Accounts as provided in Regulation Section 1.704-1(b)(2)(iv)(u), the adjustment shall be treated (if an increase) as an item of gain or (if a decrease) as an item of loss, and such gain or loss shall be allocated to the Members consistent with the allocation of the adjustment pursuant to such Regulation.

h. Purpose and Application. The purpose and the intent of the special

allocations provided for in this Section are to comply with the provisions of Regulation Sections 1.704-1(b) and 1.704-2, and such special allocations are to be made so as to accomplish that result. However, to the extent possible, the Managing Member, in allocating items of income, gain, loss, or deduction among the Members, shall take into account the special allocations in such a manner that the net amount of allocations to each Member shall be the same as such Member's distributive share of Profits and Losses would have been had the events requiring the special allocations not taken place. The Managing Member shall apply the provisions of this Section in whatever order the Managing Member reasonably believe will minimize the effect of the special allocations.

1.5. General Provisions.

a. Except as otherwise provided in this Agreement, the Members' distributive shares of all items of Company income, gain, loss, and deduction are the same as their distributive shares of Profits and Losses.

b. The Managing Member shall allocate Profits, Losses, and other items properly allocable to any period using any method permitted by Code Section 706 and the Regulations thereunder.

c. To the extent permitted by Regulations Section 1.704-2(h) and Section 1.704-2(i)(6), the Managing Member shall endeavor to avoid treating distributions as being from the proceeds of a Nonrecourse Liability (as defined in Regulation Sections 1.704-2(b)(3)) or a Member Nonrecourse Debt.

d. If there is an increase or decrease in one or more Unit(s) in the Company during a Fiscal Year, each Member's distributive share of Profits or Losses or any item thereof for such Fiscal Year shall be determined by any method prescribed by Code Section 706(d) or the Regulations thereunder that takes into account the varying Members' Interests in the Company during such Fiscal Year.

e. The Members agree to report their shares of income and loss for federal income tax purposes in accordance with the provisions of this Agreement.

1.6. Code Section 704(c) Allocations. Solely for federal income tax purposes and not with respect to determining any Member's Capital Account, distributive shares of Profits, Losses, other items, or distributions, a Member's distributive share of income, gain, loss, or deduction with respect to any Property (other than money) contributed to the Company, or with respect to any Property the Asset Value of which was determined as provided in this Agreement upon the acquisition of one or more additional Units in the

Company by a new Member or existing Member in exchange for a Capital Contribution, shall be determined in accordance with Code Section 704(c) and the Regulations thereunder or with the principles of such provisions.

1.7. Allocations Relating to Taxable Issuance of Units. Any income, gain, loss or deduction realized by the Company as a direct or indirect result of the issuance of a Unit by the Company (the "Issuance Items") shall be allocated among the Members, so that, to the extent possible, the net amount of such Issuance Items, together with all other allocations under this Agreement to each Member, shall be equal to the net amount that would have been allocated to each such Member if the Issuance Items had not been realized.

1.8. Curative Reallocations Regarding Payments to Members. To the extent that compensation paid to any Member by the Company ultimately is not determined to be a guaranteed payment under Code Section 707(c) or a payment other than in his capacity as a Member pursuant to Code Section 707(a), the Member shall be specially allocated gross income of the Company in an amount equal to the amount of such compensation, and the Member's Capital Account shall be adjusted to reflect the payment of such compensation. If the Company's gross income for a Fiscal Year is less than the amount of such compensation paid in such year, the Member shall be specially allocated gross income of the Company in the succeeding year or years until the total amount so allocated equals the total amount of such compensation.

1.9. Division Among Members. If there is a change in a Member's Interest in the Company during a Fiscal Year, any distributions thereafter shall be made so as to take into account the varying Units of the Members during the period to which the distribution relates in any manner chosen by the Managing Member that is provided in Code Section 706(d) and the Regulations thereunder.

1.10. Special Basis Adjustment. At the request of either the transferor or transferee in connection with a transfer of a Member's Interest in the Company, the Managing Member may, in their sole discretion, cause the Company to make the election provided for in Code Section 754 and maintain a record of the adjustments to Basis of Property resulting from that election. Any such transferee shall pay all costs incurred by the Company in connection with such election and the maintenance of such records.

1.11. Tax Matters Member.

a. _____ is hereby designated the Tax Matters Member (as defined in the Code) on behalf of the Company.

b. Without the consent of the Members holding at least 60% of the Voting Units, the Tax Matters Member shall have no right to extend the statute

of limitations for assessing or computing any tax liability against the Company or the amount of any Company tax item.

c. If the Tax Matters Member elects to file a petition for readjustment of any Company tax item (in accordance with Code Section 6226(a)) such petition shall be

filed in the United States Tax Court unless the Members holding at least 60% of the Voting Units agree otherwise.

d. The Tax Matters Member shall, within ten (10) business days after receipt thereof, forward to each Member a photocopy of any correspondence relating to the Company received from the Internal Revenue Service. The Tax Matters Member shall, within ten (10) business days thereof, advise each Member in writing of the substance of any conversation held with any representative of the Internal Revenue Service.

e. Any reasonable costs incurred by the Tax Matters Member for retaining accountants and/or lawyers on behalf of the Company in connection with any Internal Revenue Service audit of the Company shall be expenses of the Company. Any accountants and/or lawyers retained by the Company in connection with any Internal Revenue Service audit of the Company shall be selected by the Tax Matters Member and the fees therefor shall be expenses of the Company.

1.12. Deemed Liquidation. If no Dissolution Event has occurred, but the Company is deemed liquidated for federal income tax purposes within the meaning of Regulation Section 1.704-(b)(2)(ii)(g), the Company shall not be wound up and dissolved but its assets and liabilities shall be deemed to have been distributed to the Members and contributed to a new Company which shall operate and be governed by the terms of this Agreement.

December 22, 1995

Full House, L.L.C.
5008 West 96th St.
Indianapolis, Indiana 46268

Boomtown Hoosier, Inc.
P.O. Box 399
Vardi, NV 89439

Re: Operating Agreement (the "Agreement") for Indiana Ventures LLC.

Ladies and Gentlemen:

This letter will set forth the understanding of the parties with respect to certain provisions of the Agreement. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Agreement. Attached hereto as Exhibit A are pages from the Agreement showing changes to the Agreement, indicated by blacklining, requested by tax counsel to Boomtown (the "Tax Changes"). The Members intend to execute the Agreement today, however, the Tax Changes have not been reviewed by tax counsel to Hilton. The Members agree that notwithstanding the execution of the Agreement by the Members, Tax Changes shown are subject to review of Hilton's tax counsel and the Members shall make any revisions to the Tax Changes determined to be reasonably necessary by joint agreement of tax counsel to Hilton and Boomtown such agreement to occur on or before December 27, 1995.

Please signify your agreement with the terms hereof by executing a copy of this letter as provided below and returning it to the undersigned.

Very truly yours,

Hilton Gaming (Switzerland County) Corporation

By: /s/

Title: President

Accepted and Agreed this
22nd day of December
---- --------

Boomtown Hoosier, Inc.

By: /s/ Robert F. List

Title: Vice President

Full House, L.L.C.

By:

Title:_____

December 22, 1995

Full House, L.L.C.
5008 West 96th St.
Indianapolis, Indiana 46268

Boomtown Hoosier, Inc.
P.O. Box 399
Vardi, NV 89439

Re: Operating Agreement (the "Agreement") for Indiana Ventures LLC.

Ladies and Gentlemen:

This letter will set forth the understanding of the parties with respect to certain provisions of the Agreement. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Agreement. Attached hereto as Exhibit A are pages from the Agreement showing changes to the

Agreement, indicated by blacklining, requested by tax counsel to Boomtown (the "Tax Changes"). The Members intend to execute the Agreement today, however, the Tax Changes have not been reviewed by tax counsel to Hilton. The Members agree that notwithstanding the execution of the Agreement by the Members, Tax Changes shown are subject to review of Hilton's tax counsel and the Members shall make any revisions to the Tax Changes determined to be reasonably necessary by joint agreement of tax counsel to Hilton and Boomtown such agreement to occur on or before December 27, 1995.

Please signify your agreement with the terms hereof by executing a copy of this letter as provided below and returning it to the undersigned.

Very truly yours,

Hilton Gaming (Switzerland County) Corporation

By:_____
Title:_____

Accepted and Agreed this 22nd
day of December

Boomtown Hoosier, Inc.

By:_____

Title:_____

Full House, L.L.C.

By: /s/ John M. House

Title: Member

EXHIBIT 3.47

FILING FEE: $125.00 K.K.
RECEIPT #C 34138
PRENTICE-HALL CORP.
502 EAST JOHN STREET, #E
CARSON CITY, NEVADA 89701

ARTICLES OF INCORPORATION

OF

CONRAD (NEW ZEALAND) CORPORATION

_____

I, the person hereinafter named as incorporator, for the purpose of associating to establish a corporation, under the provisions and subject to the requirements of Title 7, Chapter 78 of Nevada Revised Statutes, and the acts amendatory thereof, and hereinafter sometimes referred to as the General Corporation Law of the State of Nevada, do hereby adopt and make the following Articles of Incorporation:

FIRST: The name of the corporation (hereinafter called the corporation) is CONRAD (NEW ZEALAND) CORPORATION.

SECOND: The name of the corporation's resident agent in the State of Nevada is The Prentice-Hall Corporation System, Nevada, Inc., and the street address of the said resident agent where process may be served on the corporation is 502 East John Street, Carson City, NV 89706.

THIRD: The number of shares the corporation is authorized to issue is $25,000 dollars, consisting of 25,000 shares of a par value of ($1.00) one dollar each. All of said shares are of one class and are designated as Common Stock.

No holder of any of the shares of any class of the corporation shall be entitled as of right to subscribe for, purchase, or otherwise acquire any shares of any class of the corporation which the corporation proposes to issue or any rights or options which the corporation proposes to grant for the purchase of shares of any class of the corporation or for the purchase of any shares, bonds,

securities, or obligations of the corporation which are convertible into or exchangeable for, or which carry any rights, to subscribe for, purchase, or otherwise acquire shares of any class of the corporation; and any and all of such shares, bonds, securities, or obligations of the corporation, whether now or hereafter authorized or created, may be issued, or may be reissued or transferred if the same have been reacquired and have treasury status, and any and all of such rights and options may be granted by the Board of Directors to such persons, firms, corporations, and associations, and for such lawful consideration, and on such terms, as the Board of Directors in its discretion may determine, without first offering the same, or any thereof, to any said holder.

FOURTH: The governing board of the corporation shall be styled as a "Board of Directors," and any member of said Board shall be styled as a "Director."

The number of members constituting the first Board of Directors of the corporation is Five; and the name and the post office box or street address, either residence or business, of each of said members are as follows:

NAME	ADDRESS
Barron Hilton	9336 Civic Center Drive Beverly Hills, CA 90209
Gregory R. Dillon	9336 Civic Center Drive Beverly Hills, CA 90209
Eric M. Hilton	9336 Civic Center Drive Beverly Hills, CA 90209
William C. Lebo, Jr.	9336 Civic Center Drive Beverly Hills, CA 90209
Maurice J. Scanlon	9336 Civic Center Drive Beverly Hills, CA 90209

The number of directors of the corporation may be increased or decreased in the manner provided in the Bylaws of the corporation; provided, that the number of directors shall never be less than one. In the interim between election of directors by stockholders entitled to vote, all vacancies, including vacancies caused by an increase in the number of directors and including vacancies resulting from the removal of directors by the stockholders entitled to vote which are not filled by said stockholders, may be filled by the remaining directors, though less than a quorum.

FIFTH: The name and the post office box or street address, either residence or business, of the incorporator signing these Articles of

Incorporation is as follows:

NAME	ADDRESS
K. S. Mays	5670 Wilshire Blvd., Ste. 750 Los Angeles, CA 90035

SIXTH: The corporation shall have perpetual existence.

SEVENTH: The personal liability of the directors of the corporation is hereby eliminated to the fullest extent permitted by the General Corporation Law of the State of Nevada, as the same may be amended and supplemented.

EIGHTH: The corporation shall, to the fullest extent permitted by the General Corporation Law of the State of Nevada, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said Law from

and against any and all of the expenses, liabilities, or other matters referred to in or covered by said Law, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any Bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

NINTH: The corporation may engage in any lawful activity.

TENTH: The corporation reserves the right to amend, alter, change, or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

IN WITNESS WHEREOF, I do hereby execute these Articles of Incorporation on January 17, 1991.

/s/ K.S. Mays

K. S. Mays, Incorporator

STATE OF CALIFORNIA)
) SS.:

COUNTY OF LOS ANGELES)

On this 17th day of January, 1992, personally appeared before me, a Notary Public in and for the State and County aforesaid, K. S. Mays, known to me to be the person described in and who executed the foregoing Articles of Incorporation, and who acknowledged to me that she executed the same freely and voluntarily and for the uses and purposes therein mentioned.

WITNESS my hand and official seal, the day and year first above written.

/s/ Jillaine E. Costelloe

Notary Public

(Notarial Seal)

CERTIFICATE OF AMENDMENT OF
ARTICLES OF INCORPORATION

OF

CONRAD (NEW ZEALAND) CORPORATION

Pursuant to the provisions of Nevada Revised Statutes, Title 7, Chapter 78, the undersigned officers do hereby certify:

FIRST: The name of the Corporation is CONRAD (NEW ZEALAND) CORPORATION.

SECOND: The Board of Directors of the Corporation duly adopted the following resolutions on December 21, 1995

WHEREAS, this Board of Directors deems it advisable and desirable to change the Corporation's name to SWITZERLAND COUNTY DEVELOPMENT CORP.: and

WHEREAS, the sole shareholder of the Corporation has approved such proposed corporate name change by executing an Action Taken By Written Consent of the Sole Shareholder dated December 21, 1995.

THEREFORE, IT IS RESOLVED that Article First of the Corporation's Articles of Incorporation be amended to read as follows:

"FIRST: The name of the corporation (hereinafter called "the corporation") is SWITZERLAND COUNTY DEVELOPMENT CORP.

RESOLVED FURTHER, that the Corporation's President, or one of the Vice Presidents, and its Secretary, or one of its Assistant

Secretaries, are hereby authorized to execute a certificate setting forth the said Amendment and to cause the same to be filed pursuant to the provisions of Nevada Revised Statutes, Title 7, Chapter 78.

THIRD: The total number of outstanding shares of the Corporation having voting power is 100 shares, and the total number of votes entitled to be cast by the sole shareholder is 100.

FOURTH: The sole shareholder of all the aforesaid total number of outstanding shares having voting power, to wit, 100 shares, dispensed with the holding of a meeting of stockholders and adopted the amendments herein certified by a consent in writing signed

by the sole shareholder in accordance with the provisions of Nevada Revised Statutes, Title 7, Section 78.320.

Signed on December 21, 1995.

CONRAD (NEW ZEALAND) CORPORATION

By: /s/ Steve Krithis

Vice President

/s/ Cheryl L. Marsh

Secretary

STATE OF CALIFORNIA)

)

COUNTY OF LOS ANGELES)

On December 21, 1995 before me, David Marote, Notary Public, personally appeared STEVE KRITHIS and CHERYL L. MARSH, personally known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the entity upon behalf of which the persons acted, executed this instrument.

WITNESS my hand and official seal.

/s/ David Marote

David Marote, Notary Public

EXHIBIT 3.48

BYLAWS

OF

CONRAD (NEW ZEALAND) CORPORATION

(a Nevada corporation)

_____

ARTICLE I

STOCKHOLDERS

1. CERTIFICATES REPRESENTING STOCK. Every holder of stock in the corporation shall be entitled to have a certificate signed by, or in the name of, the corporation by the Chairman or Vice-Chairman of the Board of Directors, if any, or by the President or a Vice-President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the corporation or by agents designated by the Board of Directors, certifying the number of shares owned by him in the corporation and setting forth any additional statements that may be required by the General Corporation Law of the State of Nevada (General Corporation Law). If any such certificate is countersigned or otherwise authenticated by a transfer agent or transfer clerk or by a registrar other than the corporation, of facsimile of the signature of any such officers or agents designated by the Board may be printed or lithographed upon such certificate in lieu of the actual signatures. If any officer or officers who shall have signed, or whose facsimile signature or signatures shall have been used on any certificate or certificates shall cease to be such officer or officers of the corporation before such certificate or certificates shall have been delivered by the corporation, the certificate or certificates may nevertheless be adopted by the corporation and be issued and delivered as though the person or persons who signed such certificate or certificates, or whose facsimile signature or signatures shall have been used thereon, had not ceased to be such officer or officers of the corporation.

Whenever the corporation shall be authorized to issue more than one class of stock or more than one series of any class of stock, the certificates representing stock of any such class or series shall set forth thereon the statements prescribed by the General Corporation Law. Any restrictions on the transfer or registration of transfer of any shares of stock of any class or series shall be noted conspicuously on the certificate representing such shares.

The corporation may issue a new certificate of stock in place of any certificate theretofore issued by it, alleged to have been lost, stolen, or destroyed, and the Board of Directors may require the owner of any lost, stolen, or destroyed certificate, or his legal representative, to give the corporation a bond sufficient to indemnify the corporation against any claim that may be made against it on account of the alleged loss, theft, or destruction of any such certificate or the issuance of any such new certificate.

2. FRACTIONAL SHARE INTERESTS. The corporation shall not be obliged to but may execute and deliver a certificate for or including a fraction of a share. In lieu of executing and delivering a certificate for a fraction of a share, the corporation may pay to any person otherwise entitled to become a holder of a fraction of a share an amount in cash specified for such purpose as the value thereof in the resolution of the Board of Directors, or other instrument pursuant to which such fractional share would otherwise be issued, or, if not specified therein, then as may be determined for such purpose by the Board of Directors of the issuing corporation; or may execute and deliver registered or bearer scrip over the manual or facsimile signature of an officer of the corporation or of its agent for that purpose, exchangeable as therein provided for full share certificates, but such scrip shall not entitle the holder to any rights as a stockholder except as therein provided. Such scrip may provide that it shall become void unless the rights of the holders are exercised within a specified period and may contain any other provisions or conditions that the corporation shall deem advisable. Whenever any such scrip shall cease to be exchangeable for full share certificates, the shares that would otherwise have been issuable as therein provided shall be deemed to be treasury shares unless the scrip shall contain other provision for their disposition.

3. STOCK TRANSFERS. Upon compliance with provisions restricting the transfer or registration of transfer of shares of stock, if any, transfers or registration of transfers of shares of stock of the corporation shall be made only on the stock ledger of the corporation by the registered holder thereof, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation or with a transfer agent or a registrar, if any, and on surrender of the certificate or certificates for such shares of stock properly endorsed and the payment of all taxes, if any, due thereon.

4. RECORD DATE FOR STOCKHOLDERS. For the purpose of determining the stockholders entitled to notice or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or the allotment of any rights, or entitled to exercise any rights in respect of any change, conversion, or exchange of stock or for the purpose of any other lawful action, the directors may fix, in advance, a record date, which shall not be more than sixty days nor less than ten days before the date of such

meeting, nor more than sixty days prior to any other action. If no record date is fixed, the record date for determining stockholders entitled to notice or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent is expressed; and the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at any meeting of stockholders shall apply to any adjournment of the meeting provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

5. MEANING OF CERTAIN TERMS. As used in these Bylaws in respect of the right to notice of a meeting of stockholders or a waiver thereof or to participate or vote thereat to consent or dissent in writing in lieu of a meeting, as the case may be, the term "share" or "shares" or "share of stock" or "shares of stock" or "stockholder" or "stockholders" refers to an outstanding share or shares of stock and to a holder or holders of record of outstanding shares of stock when the corporation is authorized to issue only one class of shares of stock, and said reference is also intended to include any outstanding share or shares of stock and any holder or holders of record of outstanding shares of stock of any class upon which or upon whom the Articles of Incorporation confers such rights where there are two or more classes or series of shares of stock or upon which or upon whom the General Corporation Law confers such rights notwithstanding that the articles of incorporation may provide for more than one class or series of shares of stock, one or more of which are limited or denied such rights thereunder; provided, however, that no such right shall vest in the event of an increase or a decrease in the authorized number of shares of stock of any class or series which is otherwise denied voting rights under the provisions of the Articles of Incorporation.

6. STOCKHOLDER MEETINGS.

- TIME. The annual meeting shall be held on the date and at the time fixed, from time to time, by the directors, provided, that the first annual meeting shall be held on a date within thirteen months after the organization of the corporation, and each successive annual meeting shall be held on a date within thirteen months after the date of the preceding annual meeting. A special meeting shall be held on the date and at the time fixed by the directors.

- PLACE. Annual meetings and special meetings shall be held at such place,

within or without the State of Nevada, as the directors may, from time to time, fix.

- CALL. Annual meetings and special meetings may be called by the directors or by any officer instructed by the directors to call the meeting.

- NOTICE OR WAIVER OF NOTICE. Notice of all meetings shall be in writing and signed by the President or a Vice-President, or the Secretary, or an Assistant Secretary, or by such other person or persons as the directors must designate. The notice must state the purpose or purposes for which the meeting is called and the time when, and the place, where it is to be held. A copy of the notice must be either delivered personally or mailed postage prepaid to each stockholder not less than ten nor more than sixty days before the meeting. If mailed, it must be directed to the stockholder at his address as it appears upon the records of the corporation. Any stockholder may waive notice of any meeting by a writing signed by him, or his duly authorized attorney, either before or after the meeting; and whenever notice of any kind is required to be given under the provisions of the General Corporation Law, a waiver thereof in writing and duly signed whether before or after the time stated therein, shall be deemed equivalent thereto.

- CONDUCT OF MEETING. Meetings of the stockholders shall be presided over by one of the following officers in the order of seniority and if present and acting the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, the President, a Vice-President, or, if none of the foregoing is in office and present and acting, by a chairman

to be chosen by the stockholders. The Secretary of the corporation, or in his absence, an Assistant Secretary of the corporation, or in his absence, an Assistant Secretary, shall act as secretary of every meeting, but if neither the Secretary nor an Assistant Secretary is present the Chairman of the meeting shall appoint a secretary of the meeting.

- PROXY REPRESENTATION. Every stockholder may authorize another person or persons to act for him by proxy in any manner described in, or otherwise authorized by, the provisions of Section 78.355 of the General Corporation Law.

- INSPECTORS. The directors, in advance of any meeting, may, but need not, appoint one or more inspectors of election to act at the meeting or any adjournment thereof. If an inspector or inspectors are not appointed, the person presiding at the meeting may, but need not, appoint one or more inspectors. In case any person who may be appointed as an inspector fails to

appear or act, the vacancy may be filled by appointment made by the directors in advance of the meeting or at the meeting by the person presiding thereat. Each inspector, if any, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability. The inspectors, if any, shall determine the number of shares of stock outstanding and the voting power of each, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the person presiding at the meeting, the inspector or inspectors, if any, shall make a report in writing of any challenge, question or matter determined by him or them and execute a certificate of any fact found by him or them.

- QUORUM. Stockholders holding at least a majority of the voting power are necessary to constitute a quorum at a meeting of stockholders for the transaction of business unless the action to be taken at the meeting shall require a greater proportion. The stockholders present may adjourn the meeting despite the absence of a quorum.

- VOTING. Each share of stock shall entitle the holder thereof to one vote. In the election of directors, a plurality of the votes cast shall elect. Any other action shall be authorized by stockholders who hold at least a majority of the voting power and are present at a meeting at which a quorum is present, except where the General Corporation Law, the Articles of Incorporation; or these Bylaws prescribe a different percentage of votes and/or a different exercise of voting power. In the election of directors, voting need not be by ballot; and, except as otherwise may be provided by the General Corporation Law, voting by ballot shall not be required for any other action.

7. STOCKHOLDER ACTION WITHOUT MEETINGS. Except as may otherwise be provided by the General Corporation Law, any action required or permitted to be taken at a meeting of the stockholders may be taken without a meeting if a written consent thereto is signed by stockholders holding at least a majority of the voting power; provided that if a different proportion of voting power is required for such an action at a meeting, then that proportion of written consents is required. In no instance where action is authorized by written consent need a meeting of stockholders be called or noticed. Any

written consent shall be subject to the requirements of Section 78.320 of the General Corporation Law and of any other applicable provision of law.

ARTICLE II

DIRECTORS

1. FUNCTIONS AND DEFINITION. The business and affairs of the corporation shall be managed by the Board of Directors of the corporation. The Board of Directors shall have authority to fix the compensation of the members thereof for services in any capacity. The use of the phrase "whole Board" herein refers to the total number of directors which the corporation would have if there were no vacancies.

2. QUALIFICATIONS AND NUMBER. Each director must be at least 18 years of age. A director need not be a stockholder or a resident of the State of Nevada. The initial Board of Directors shall consist of five (5) persons. Thereafter the number of directors constituting the whole board shall be at least one. Subject to the foregoing limitation and except for the first Board of Directors, such number may be fixed from time to time by action of the stockholders or of the directors, or, if the number is not fixed, the number shall be five (5). The number of directors may be increased or decreased by action of the stockholders or of the directors.

3. ELECTION AND TERM. Directors may be elected in the manner prescribed by the provisions of Sections 78.320 through 78.335 of the General Corporation Law of Nevada. The first Board of Directors shall hold office until the first election of directors by stockholders and until their successors are elected and qualified or until their earlier resignation or removal. Any director may resign at any time upon written notice to the corporation. Thereafter, directors who are elected at an election of directors by stockholders, and directors who are elected in the interim to fill vacancies and newly created directorships, shall hold office until the next election of directors by stockholders and until their successors are elected and qualified or until their earlier resignation or removal. In the interim between elections of directors by stockholders, newly created directorships and any vacancies in the Board of Directors, including any vacancies resulting from the removal of directors for cause or without cause by the stockholders and not filled by said stockholders, may be filled by the vote of a majority of the remaining directors then in office, although less than a quorum, or by the sole remaining director.

4. MEETINGS.

-. TIME. Meetings shall be held at such time as the Board shall fix, except that the first meeting of a newly elected Board shall be held as soon after its election as the directors may conveniently assemble.

- PLACE. Meetings shall be held at such place within or without the State of Nevada as shall be fixed by the Board.

- CALL. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of

the Board, if any, the Vice-Chairman of the Board, if any, of the President, or of a majority of the directors in office.

- NOTICE OR ACTUAL OR CONSTRUCTIVE WAIVER. No notice shall be required for regular meetings for which the time and place have been fixed. Written, oral, or any other mode of notice of the time and place shall be given for special meetings in sufficient time for the convenient assembly of the directors thereat. Notice if any need not be given to a director or to any member of a committee of directors who submits a written waiver of notice signed by him before or after the time stated therein.

- QUORUM AND ACTION. A majority of the whole Board shall constitute a quorum except when a vacancy or vacancies prevents such majority, whereupon a majority of the directors in office shall constitute a quorum, provided, that such majority shall constitute at least one-third of the whole Board. A majority of the directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except as the Articles of Incorporation or these Bylaws may otherwise provide, and except as otherwise provided by the General Corporation Law, the act of a majority of the directors present at a meeting at which a quorum is present is the act of the Board. The quorum and voting provisions herein stated shall not be construed as conflicting with any provisions of the General Corporation Law and these Bylaws which govern a meeting of directors held to fill vacancies and newly created directorships in the Board or action of disinterested directors.

Members of the Board or of any committee which may be designated by the Board may participate in a meeting of the board or of any such committee, as the case may be, by means of a telephone conference or similar method of communication by which all persons participating in the meeting hear each other. Participation in a meeting by said means constitutes presence in person at the meeting.

- CHAIRMAN OF THE MEETING. The Chairman of the Board, if any and if present and acting, shall preside at all meetings. Otherwise, the Vice-Chairman of the Board, if any and if Present and acting, or the president, if present and acting, or any other director chosen by the Board, shall preside.

5. REMOVAL OF DIRECTORS. Any or all of the directors may be removed for cause or without cause in accordance with the provisions of the General Corporation Law.

6. COMMITTEES. Whenever its number consists of two or more, the Board of Directors may designate one or more committees which have such powers and duties as the Board shall determine. Any such committee, to the extent provided in the resolution or resolutions of the board, shall have and may exercise the powers and authority of the Board of Directors in the management of the business and affairs of the corporation and may authorize the seal or stamp of the corporation to be affixed to all papers on which the corporation desires to place a seal or stamp. Each committee must include at least one director. The Board of Directors may appoint natural persons who are not directors to serve on committees.

7. WRITTEN ACTION. Any action required or permitted to be taken at a meeting of the Board of Directors or of any committee thereof may be taken without a meeting if, before or after the action, a written consent thereto is signed by all the members of the Board or of the committee, as the case may be.

ARTICLE III

OFFICERS

1. The corporation must have a President, a Secretary, and a Treasurer, and, if deemed necessary, expedient, or desirable by the Board of Directors, a Chairman of the Board, a Vice-Chairman of the Board, an Executive Vice-President, one or more other Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers and agents with such titles as the resolution choosing them shall designate. Each of any such officers shall be chosen by the Board of Directors or chosen in the manner determined by the Board of Directors.

2. QUALIFICATIONS. Except as may otherwise be provided in the resolution choosing him, no officer other than the Chairman of the Board, if any, and the Vice-Chairman of the Board, if any, need be a director.

Any person may hold two or more offices, as the directors may determine.

3. TERM OF OFFICE. Unless otherwise provided in the resolution

choosing him, each officer shall be chosen for a term which shall continue until the meeting of the Board of Directors following the next annual meeting of stockholders and until his successor shall have been chosen and qualified.

Any officer may be removed, with or without cause, by the Board of Directors or in the manner determined by the Board.

Any vacancy in any office may be filled by the Board of Directors or in the manner determined by the Board.

4. DUTIES AND AUTHORITY. All officers of the corporation shall have such authority and perform such duties in the management and operation of the corporation as shall be prescribed in the resolution designating and choosing such officers and prescribing their authority and duties, and shall have such additional authority and duties as are incident to their office except to the extent that such resolutions or instruments may be inconsistent therewith.

ARTICLE IV

REGISTERED OFFICE

The location of the initial registered office of the corporation in the State of Nevada is the address of the initial resident agent of the corporation, as set forth in the original Articles of Incorporation.

The corporation shall maintain at said registered office a copy, certified by the Secretary of State of the State of Nevada, of its Articles of Incorporation, and all amendments thereto, and a copy, certified by the Secretary of the corporation, of these Bylaws, and all amendments thereto. The corporation shall also keep at said registered office a stock ledger or a duplicate stock ledger, revised annually, containing the names, alphabetically arranged, of all persons who are stockholders of the corporation, showing their places of residence, if known, and the number of shares held by them respectively or a statement setting out the name of the custodian of the stock ledger or duplicate stock ledger, and the present and complete post office address, including street and number, if any, where such stock ledger or duplicate stock ledger is kept.

ARTICLE V

CORPORATE SEAL OR STAMP

The corporate seal or stamp shall be in such form as the Board of Directors

may prescribe.

ARTICLE VI

FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of January in each year and end on the 31st of December next following.

ARTICLE VII

CONTROL OVER BYLAWS

The power to amend, alter, and repeal these Bylaws and to make new Bylaws shall be vested in the Board of Directors subject to the Bylaws, if any, adopted by the stockholders.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the Bylaws of Conrad (New Zealand) Corporation, a Nevada corporation, as in effect on the date hereof.

WITNESS my hand and the seal or stamp of the corporation.

Dated: January 22, 1992.

/s/ Cheryl L. Marsh

Secretary of
CONRAD (NEW ZEALAND) CORPORATION

(SEAL)

EXHIBIT 3.49

STATE OF COLORADO

DEPARTMENT OF

STATE

CERTIFICATE

I, VICTORIA BUCKLEY, SECRETARY OF STATE OF THE STATE OF

COLORADO HEREBY CERTIFY THAT

ACCORDING TO THE RECORDS OF THIS OFFICE

PINNACLE GAMING DEVELOPMENT CORP.
(COLORADO CORPORATION)

FILE # 19931093552 WAS FILED IN THIS OFFICE ON September 08, 1993 AND HAS COMPLIED WITH THE APPLICABLE PROVISIONS OF THE LAWS OF THE STATE OF COLORADO AND ON THIS DATE IS IN GOOD STANDING AND AUTHORIZED AND COMPETENT TO TRANSACT BUSINESS OR TO CONDUCT ITS AFFAIRS WITHIN THIS STATE.

Dated: February 22, 1999

/s/ Victoria Buckley

Secretary of State

CORP OCR

ARTICLES OF INCORPORATION

SUBMIT ORIGINAL OCR AND ONE COPY
PROFIT CORPORATION NAME AND PRINCIPAL
ADDRESS

NAME: Pinnacle Gaming Development Corp.
STREET: 7302 S. Alton Way, Suite J CITY: Englewood STATE: CO ZIP: 80112

THIS DOCUMENT MUST
BE TYPED IN BLACK

931093552 $50.00
SOS 09-08-93 12:54

SECRETARY OF STATE-1560 BROADWAY #200, DENVER, CO 80202
(303) 894-2200 EXT 2

CUMULATIVE VOTING SHARES OF STOCK IS AUTHORIZED. YES[_] NO[X] IF DURATION IS LESS THAN PERPETUAL ENTER NUMBER OF YEARS
THERE ARE PROVISIONS LIMITING OR DENYING TO SHAREHOLDERS THE PREEMPTIVE RIGHT TO ACQUIRE ADDITIONAL OR TREASURY SHARES OF THE CORPORATION.
YES [_] NO [X]

IF YES: state provision on a separate 8 1/2 X 11 SHEET OF PAPER.

STOCK INFORMATION: (if additional space is needed, continue on separate 8 1/2 X 11 sheet of paper).

STOCK CLASS	Common	AUTHORIZED SHARES	1,000,000	PAR VALUE	$ 0.01
STOCK CLASS		AUTHORIZED SHARES		PAR VALUE	

THE NAME OF THE INITIAL REGISTERED AGENT AND THE ADDRESS OF THE REGISTERED OFFICE IS: (corporation use LAST NAME space)

LAST NAME: The Benefit Group, Inc. FIRST & MIDDLE NAME:

STREET: 7302 S. Alton Way, Suite J CITY: Englewood STATE: CO ZIP: 80112

DIRECTORS: HOW MANY DIRECTORS CONSTITUTE THE INITIAL BOARD OF DIRECTORS OF THE CORPORATION?: One

THE NAMES AND ADDRESSES OF THE PERSONS WHO ARE TO SERVE AS DIRECTORS UNTIL THE 1st ANNUAL MEETING OF SHAREHOLDERS OR UNTIL THEIR SUCCESSORS ARE ELECTED AND QUALIFIED ARE: (If more than three, continue on a 8 1/2 X 11 SHEET OF PAPER)

LAST NAME: Faestel FIRST & MIDDLE NAME: Catherine Delores

STREET: 7302 S. Alton Way, Suite J CITY: STATE: ZIP:

LAST NAME: FIRST & MIDDLE NAME:

STREET: CITY: STATE: CO ZIP:

LAST NAME: FIRST & MIDDLE NAME:

STREET: CITY: STATE: ZIP:

INCORPORATORS: NAMES AND ADDRESSES: (if more than two, continue on a separate 8 1/2 X 11 SHEET OF PAPER)

NAME	ADDRESS
Catherine D. Faestel	7302 S. Alton Way, Suite J, Englewood, CO 80112

WE THE UNDERSIGNED PERSON(S) OF THE AGE OF 18 YEARS OR MORE, ACTING AS INCORPORATOR(S) OF A CORPORATION UNDER THE COLORADO CORPORATION CODE, ADOPT THE ABOVE ARTICLES OF INCORPORATION. THE CORPORATION IS ORGANIZED FOR ANY LAWFUL PURPOSES. A MORE SPECIFIC PURPOSE MAY BE STATED ON A SEPARATE 8 1/2 X 11 SHEET OF PAPER.

/s/ Catherine D. Faestel
SIGNATURE

PLEASE READ REVERSE SIDE BEFORE COMPLETING

MAIL TO
Colorado Secretary of State
Corporations Office
1560 Broadway Suite 200
Denver, Colorado 80202
(303) 894-2200

Submit in duplicate
Filing Fee: $60.00
This document must be typed

RESTATED ARTICLES OF INCORPORATION WITH AMENDMENTS

Pursuant to the provisions of the Colorado Corporation Code, the undersigned corporation adopts the following amended and restated articles of incorporation. These articles correctly set forth the provisions of the articles of incorporation, as amended, and supersede the original articles of incorporation and all amendments thereto.

First: The name of the corporation is (Note 1) Pinnacle Gaming Development Corp.

Second: The following amended and restated articles of incorporation were adopted on December 13, 1993, in the manner marked with an X below:

_____ Such amended and restated articles of incorporation were adopted by the board of directors where no shares have been issued.

X Such amended and restated articles of incorporation were adopted by a vote of the shareholders. The number of shares voted for the amended and restated articles of incorporation was sufficient for approval.

ARTICLE I: The name of the corporation as amended is (Note 2) _____

ATTACH A COPY OF YOUR AMENDED AND RESTATED ARTICLES OF INCORPORATION

PINNACLE GAMING DEVELOPMENT CORP. (Note 1)

By /s/ Erwin Haitzmann
XXX Erwin Haitzmann President

And /s/ Norbert Teufelberger (Note 3)

XXX Norbert Teufelberger Secretary

(Note 4)

_____

Director

Notes: 1. Exact corporate name of the corporation adopting the amended and restated articles of incorporation. (If there is a name change amendment, the name before the amendment is filed)
2. If restated articles contain an amendment to the corporate name, the corporate name as amended.
3. Signatures and titles of officers signing for the corporation
4. WHERE NO SHARES HAVE BEEN ISSUED, the signature of a director.

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
PINNACLE GAMING DEVELOPMENT CORP.

Pursuant to the provisions of the Colorado Corporation Code, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the Corporation is Pinnacle Gaming Development Corp.

SECOND: The following amendments to the Articles of Incorporation were adopted by the stockholders of the Corporation on December 13, 1993, in the manner prescribed by the Colorado Corporation Code. The number of shares voted for the amendments was sufficient for approval. The following articles are amended in their entirety to read:

ARTICLE I

Name

The name of the Corporation shall be Pinnacle Gaming Development Corp.

ARTICLE II

Duration

The period of duration of the Corporation shall be perpetual.

ARTICLE III

Purpose

The purpose for which the Corporation is organized is the transaction of all lawful business for which corporations may be incorporated pursuant to the Colorado Corporation Code.

ARTICLE IV

Capital Stock

The total number of shares of stock which the Corporation shall have authority to issue is 10,000,000 shares, consisting of 10,000,000 shares of Common Stock, having a par value of $.01 per share.

ARTICLE V

Cumulative Voting

Cumulative voting shall not be allowed in elections of directors or for any other purpose.

ARTICLE VI

Preemptive Rights

No holders of shares of capital stock of the Corporation shall be entitled, solely by virtue of being shareholders, to any preemptive or preferential right

to acquire any unissued stock or treasury stock or any other securities which the Corporation may now or hereafter be authorized to issue. However, the Corporation is authorized to transact all lawful business for which corporations may be incorporated under the Colorado Corporation Code, which includes authority to grant contractual or preferential purchase rights to holders of its capital stock.

ARTICLE VII

Initial Registered office and Agent

The address of the Corporation's initial registered office in Colorado for purposes of the Colorado Corporation Code shall be:

Suite 755
50 South Steele Street
Denver, Colorado 80209

The name of the Corporation's initial registered agent at the address of the aforesaid registered office for purposes of the Colorado Corporation Code shall be:

Norbert Teufelberger

ARTICLE VIII

Directors

The affairs of the Corporation shall be governed by a Board of Directors consisting of not less than three (except that there need be only as many directors as there are, or initially will be, shareholders in the event that the outstanding shares are, or initially will be, held of record by fewer than three shareholders) nor more than seven (7) directors, each being natural persons, of the age of eighteen years or older, who shall be elected in accordance with the Bylaws of the Corporation. Subject to such limitations, the number of directors shall be fixed by or in the manner provided in the Bylaws of the Corporation, as may be amended from time to time, except as to the number constituting the initial board which number shall be three (3).

The names and addresses of the members of the initial Board of Directors, who shall hold office until the first annual meeting of the shareholders of the Corporation or until their successors shall have been elected and qualified, are:

Name	Address
James D. Forbes	Suite 755 50 South Steele Street Denver, Colorado 80209
Erwin Haitzmann	Suite 755 50 South Steele Street Denver, Colorado 80209
Norbert Teufelberger	Suite 755 50 South Steele Street Denver, Colorado 80209

ARTICLE IX

Voting

When, with respect to any action to be taken by shareholders of the Corporation, the Colorado Corporation Code requires the affirmative vote of the holders of two-thirds of the outstanding shares entitled to vote thereon, or of any class or series, such action may be taken by the affirmative vote of the holders of a majority of the outstanding shares entitled to vote on such action.

ARTICLE X

Bylaws

The initial Bylaws of the Corporation shall be adopted by the Board of Directors. The power to alter, amend, or repeal the Bylaws or to adopt new Bylaws shall be vested in the Board of Directors. The Bylaws may contain any provision for the regulation and management of the affairs of the Corporation

not inconsistent with law or these Articles of Incorporation.

ARTICLE XI

Elimination of Personal Liability of a Director

Except for the liability of a director to the Corporation or to its shareholders for monetary damages for:

(i) any breach of the director's duty of loyalty to the Corporation or to its shareholders;

(ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;

(iii) acts specified in Section 7-5-114, or any successor provision, of the Colorado Corporation Code; or

(iv) any transaction from which the director derived an improper personal benefit,

there shall be no personal liability of a director to the Corporation or to its shareholders for monetary damages for breach of fiduciary duty as a director.

ARTICLE XII

Incorporator

The name and address of the incorporator of the Corporation is as follows:

Name	Address
Catherine D. Faestel	Suite J 7302 S. Alton Way Englewood, Colorado 80112

THIRD: The manner, if not set forth in such amendment, in which any exchange, reclassification, or cancellation of issued shares provided for in the amendment shall be effected, is as follows:

None.

FOURTH: The manner in which such amendment effects a change in the amount of stated capital, and the amount of stated capital as changed by such Amendment, are as follows:

None.

Dated: December 13, 1993 PINNACLE GAMING DEVELOPMENT CORP.

By /s/ Erwin Haitzmann
Erwin Haitzmann, President

Attest: /s/ Norbert Teufelberger
Norbert Teufelberger, Secretary

(CORPORATE SEAL)

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 13th day of December, 1993, by Erwin Haitzmann and Norbert Teufelberger, President and Secretary, respectively, of Pinnacle Gaming Development Corp., a Colorado corporation, on behalf of the Corporation and verified by each person on behalf of the Corporation, under penalties of perjury, that the foregoing instrument is the Corporation's deed and act and that the facts stated therein are true.

Witness my hand and official seal.

(SEAL)

/s/

Notary Public

(S E A L)

1625 Broadway, #1600

Address

Denver, CO

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
PINNACLE GAMING DEVELOPMENT CORP.

Pursuant to the provisions of the Colorado Business Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of incorporation:

FIRST: The name of the Corporation is Pinnacle Gaming Development Corp.

SECOND: The following amendment to the Articles of Incorporation was adopted by the shareholders of the Corporation on May 3, 1995, in the manner prescribed by the Colorado Business Corporation Act. The number of shares voted for the amendments was sufficient for approval.

ARTICLE XIII

Notwithstanding any other provision of these Articles of Incorporation to the contrary, all shares of capital stock of the Corporation shall always be subject to redemption by the Corporation, by action of the Board of Directors, if in the good faith judgment of the Board of Directors in accordance with its fiduciary duties such action should be taken, pursuant to any applicable provision of law, to the extent necessary to obtain a license or franchise, or to prevent the loss or secure the reinstatement of any license or franchise from any governmental agency held by the Corporation or any Subsidiary to conduct any portion of the business of the Corporation, or any Subsidiary, which license or franchise is conditioned upon some or all of the holders of the Corporation's stock of any class or series possessing prescribed qualifications. The terms and conditions of such redemption shall be as follows:

(a) the redemption price of the shares to be redeemed pursuant to this Article XIII shall be equal to the Fair Market Value of such shares or such other redemption price as required by pertinent state or federal law pursuant to which the redemption is required;

(b) the redemption price of such shares may be paid in cash, Redemption Securities or any combination thereof;

(c) if less than all the shares held by Disqualified Holders are to be redeemed, the shares to be redeemed shall be selected in such manner as shall be determined by the Board of Directors, which may include selection first of the most recently purchased shares thereof, selection by lot or selection in any other manner determined by the Board of Directors;

(d) at least 30 days' written notice of the Redemption Date shall be given to the record holders of the shares selected to be redeemed (unless waived in writing by any such holder); provided, however, that the Redemption Date may be the date on which

written notice shall be given to record holders if the cash or Redemption Securities necessary to effect the redemption shall have been deposited in trust for the benefit of such record holders and subject to immediate withdrawal by them upon surrender of the stock certificates fur their shares to be redeemed;

(e) from and after the Redemption Date or such earlier date as mandated by pertinent state or federal law, any and all rights of whatever nature, which may be held by the owners of shares selected for redemption (including without limitation any rights to vote or participate in dividends declared on stock of the same class or series as such shares), shall cease and terminate and they shall thenceforth be entitled only to receive the cash or Redemption Securities payable upon redemption; and

(f) such other terms and conditions as the Board of Directors shall determine.

For purposes of this Article XIII:

(i) "Disqualified Holder" shall mean any holder of shares of stock of the Corporation of any class (or classes) or series whose holding of such stock, either individually or when taken together with the holding of shares of stock of the Corporation of any class (or classes) or series by any other holders, may result, in the good faith judgment of the Board of Directors in accordance with its fiduciary duties, in the loss of, or the failure to secure a license or franchise or the reinstatement of, any license or franchise from any governmental agency held by the Corporation or any Subsidiary to conduct any portion of the business of the Corporation or any Subsidiary.

(ii) "Fair Market Value" of a share of the Corporation's stock of any class or series shall mean the average Closing Price for such a share for the 45 most recent days on which shares of stock of such class or series shall have been traded preceding the day on which notice of redemption shall be given pursuant to paragraph (d) of this Article XIII; provided, however, that if shares of stock of such class or series are not traded on any securities exchange or in the over-the-counter market, "Fair Market Value" shall be determined by the Board of Directors in good faith; and provided, further, however, that Fair Market Value of a share held by any stockholder who purchased any stock of the class (or classes) or series subject to redemption within 120 days of a Redemption Date need not (unless otherwise determined by the Board of Directors) exceed the purchase price paid by him for any stock of such class of the Corporation. "Closing Price" on any day means the reported closing sales price or, in case no such sale takes place, the average of the reported closing bid and asked prices on the Composite Tape for the New York Stock Exchange-Listed Stocks, or, if stock of the class or series in question is not quoted on such Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the closing sales price, or for such stock on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or if no such prices or quotations are available, the fair market value on the day in question as determined by the Board of Directors in good faith.

(iii) "Redemption Date" shall mean the date fixed by the Board of Directors for the redemption of any shares of stock of the Corporation pursuant to this of Article XIII.

(iv) "Redemption Securities" shall mean any debt or equity securities of the Corporation, any Subsidiary or any other corporation, or any combination thereof, having such terms and conditions as shall be approved by the Board of Directors and which, together with cash, if any, to be paid as part of the redemption price, which has a value, at the time notice of redemption is given pursuant to paragraph (d) of this Article XIII, at least equal to the Fair Market Value of the shares to be redeemed pursuant to this Article XIII (assuming, in the case of Redemption Securities to be publicly traded, such Redemption Securities were fully distributed and subject only to normal trading activity).

(v) "Subsidiary" shall mean any entity more than 50% of whose outstanding capitalization entitled to vote generally in the election of directors or other similar governing body is owned by the Corporation, by one or more subsidiaries of the Corporation, or by the Corporation and one or more of its subsidiaries.

THIRD: The manner, if not set forth in such amendment, in which any exchange, reclassification, or cancellation of issued shares provided for in the amendment shall be effected, is as follows:

None.

FOURTH: The manner in which such amendment effects a change in the amount of stated capital, and the amount of stated capital as changed by such amendment, are as follows:

None.

DATED: May 4th, 1995 PINNACLE GAMING DEVELOPMENT CORP.

By /s/ James D. Forbes

James D. Forbes, Vice President

ATTEST:

/s/ Norbert Teufelberger

Norbert Teufelberger, Secretary

Address: 50 South Steele Street, Suite 755
(CORPORATE SEAL) Denver, Colorado 80209

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 4th day of May, 1995, James D. Forbes and Norbert Teufelberger, Vice President and Secretary, respectively, of Pinnacle Gaming Development Corp., a Colorado corporation, on behalf of the Corporation and verified by each person on behalf of the Corporation, under penalties of perjury, and that the foregoing instrument is the Corporation's deed and act and that the facts stated therein are true.

Witness my hand and official seal.

/s/ Patricia Brackelbank
Notary Public

(SEAL)

My Commission Expires 5/17/98

READ INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING
SUBMIT SIGNED FORM WITH FILING FEE

<TABLE>
<S> <C>
Report Year 1995 SECRETARY OF STATE
MAILING DATE 09/01/95 FILED
FORMATION BELOW IS ON FILE IN THIS OFFICE DO NOT CHANGE PRE-PRINTED INFORMATION SEP 25 1995

CORPORATE NAME REGISTERED AGENT, REGISTERED OFFICE, CITY, STATE & ZIP FOR OFFICE USE ONLY
931093552 DP STATE/COUNTRY OF INC CO.

TEUFELBERGER NORBERT
PINNACLE GAMING DEVELOPMENT CORP.

50 S STEELE ST. 755
DENVER CO 80209

951119234 C $25.00
SECRETARY OF STATE
09-27-95 08:03

FIRST REPORT OR CORRECTIONS IN THIS COLUMN

RETURN COMPLETED REPORTS TO:
Department of State

Cororate Report Section

1560 Broadway, Suite 200

Denver, CO 80202

TYPE NEW AGENT NAME

SIGNATURE OF NEW REGISTERED AGENT

MUST HAVE A STREET ADDRESS

CITY STATE ZIP

OFFICERS NAME AND ADDRESS TITLE

Erwin Haitzmann President
50 S. Steele Street, Suite 755
Denver, CO 80209

James D. Forbes VP
50 S. Steele Street, Suite 755
Denver, CO 80209

Norbert Teufelberger Sec. & Treas.
50 S. Steele Street, Suite 755
Denver, CO 80209

DIRECTORS OR LIMITED LIABILITY COMPANY MANAGERS

Erwin Haitzmann
50 S. Steele Street, Suite 755
Denver, CO 80209

James D. Forbes
50 S. Steele Street, Suite 755
Denver, CO 80209

Norbert Teufelberger
50 S. Steele Street, Suite 755
Denver, CO 80209

</TABLE>
Address of Principal Place of Business

Street: 50 S. Steele Street, Suite 755
City: Denver State: CO Zip 80209

SIGNATURE

Under penalties of perjury and as an authorized officer, I declare that this biennial report and, if applicable, the statement of change of registered office and/or agent, has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete.

/s/ Norbert Teufelberger

Authorized Agent

Title: Secretary & Treasurer Date: September 8, 1995

NOTE: DO NOT USE THIS BOX IF THIS IS YOUR FIRST REPORT!!!! SEE INSTRUCTIONS ON REVERSE.IF THERE ARE NO CHANGES SINCE YOUR LAST REPORT,
[_] MARK THIS BOX, SIGN ABOVE AND RETURN WITH THE FEE AND BY THE DATE DUE INDICATED ABOVE (UPPER LEFT HAND CORNER). IF YOU ARE FILING AFTER THE DATE DUE ABOVE, CONTACT THIS OFFICE FOR THE PROPER FEE. (303) 894-2251

SEE INSTRUCTIONS ON BACK

<TABLE>
<S> <C> <C>
Mail to: Secretary of State FOR OFFICE USE ONLY
Corporations Section
1560 Broadway, Suite 200
Denver, CO 80202
MUST BE TYPED (303) 894-2251
FILING FEE: $10.00 Fax (303) 894-2242 951158136 C $10.00
MUST SUBMIT TWO COPIES SECRETARY OF STATE
STATEMENT OF CHANGE OF 12-26-95 15:02
REGISTERED OFFICE OR
PLEASE INCLUDE A TYPED SELF REGISTERED AGENT, OR BOTH
ADDRESSED ENVELOPE ---
</TABLE>

Pursuant to the provisions of the Colorado Business Corporation Act, the Colorado Nonprofit Corporation Act, the Colorado Uniform Limited Partnership Act of 1981 and the Colorado Limited Liability Company Act, the undersigned, organized under the laws of:

Colorado

submits the following statement for the purpose of changing its registered office or its registered agent, or both, in the state of Colorado:

FIRST: The name of the corporation, limited partnership or limited liability company is: Pinnacle Gaming Development Corp.

SECOND: Street address of current REGISTERED OFFICE is: 50 S. Steele Street, Suite 755, Denver, Colorado 80209
(Include City, State, Zip)

and if changed, the new street address is: 1675 Broadway, Suite 1200, Denver, Colorado 80202

THIRD: The name of its current REGISTERED AGENT is: Norbert Teufelberger

and if changed, the new registered agent is: The Corporation Company

Signature of New Registered Agent: /s/ Registered Agent

Principal place of business:_____

The address of its registered office and the address of the business office of its registered agent, as changed, will be identical.

PINNACLE GAMING DEVELOPMENT CORP.

Name of Entity

By: /s/ Treasurer

Its: Treasurer

Title

<TABLE>
<S> <C> <C>

SECRETARY OF STATE
CORPORATIONS SECTION

FOR OFFICE USE ONLY

MUST BE TYPED
FILING FEE: $10.00
MUST SUBMIT TWO COPIES

STATEMENT OF CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT, OR BOTH

961047470 C $15.00
SECRETARY OF STATE
04-05-96

PLEASE INCLUDE A TYPED SELF ADDRESSED ENVELOPE
</TABLE>

Pursuant to the provisions of the Colorado Business Corporation Act, the Colorado Nonprofit Corporation Act, the Colorado Uniform Limited Partnership Act of 1981 and the Colorado Limited Liability Company Act, the undersigned, organized under the laws of: COLORADO submits the following statement for the purpose of changing its registered office or its registered agent, or both, in the state of Colorado:

FIRST: The name of the corporation, limited partnership or limited liability company is: PINNACLE GAMING DEVELOPMENT CORP.

SECOND: Street address of current REGISTERED OFFICE is: 1675 Broadway, Suite 1200, Denver, CO 80202
and if changed, the new street address is:_____
c/o The Prentice-Hall Corporation System, Inc.
One Civic Center Plaza, 1560 Broadway, Denver, Colorado 80202

THIRD: The name of its current REGISTERED AGENT is: The Corporation Company

and if changed, the new registered agent is: The Prentice-Hall Corporation System, Inc.

Signature of New Registered Agent: /s/ of the Registered Agent

Principal place of business:_____

The address of its registered office and the address of the business office of its registered agent, as changed, will be identical.

PINNACLE GAMING DEVELOPMENT CORP.
Name of Entity

By: /s/ Secretary

Its: Secretary

Title

FEE $ 25.00

STATE OF COLORADO

ON OR BEFORE
DATE DUE 11/30/1997

BIENNIAL REPORT OF
A CORPORATION OR LIMITED LIABILITY COMPANY

REPORT YEAR 1997

READ INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING
SUBMIT SIGNED FORM WITH FILING FEE

MAILING DATE 09/01/1997
FORMATION BELOW IS ON FILE IN THIS OFFICE DO NOT CHANGE PRE-PRINTED INFORMATION

<TABLE>
<S>
<C>

CORPORATE NAME REGISTERED AGENT, REGISTERED OFFICE, CITY, STATE & ZIP
931093552 DP STATE/COUNTRY OF INC CO.

FOR OFFICE USE ONLY

19931093552 DPC STATE/COUNTRY OF INC CO

19971165887 M

PRENTICE-HALL CORP SYSTEM INC.
PINNACLE GAMING DEVELOPMENT CORP.

$ 25.00
Secretary of State

1560 BROADWAY
DENVER, CO 80202-5817

10-16-97 13:48:22

FIRST REPORT OR CORRECTIONS IN THIS COLUMN

RETURN COMPLETED REPORTS TO:
Department of State

TYPE NEW AGENT NAME

Cororate Report Section

SIGNATURE OF NEW REGISTERED AGENT

1560 Broadway, Suite 200

MUST HAVE A STREET ADDRESS

Denver, CO 80202

CITY STATE ZIP

OFFICERS NAME AND ADDRESS TITLE

Arthur M. Goldberg
3930 Howard Hughes Pkwy.
Las Vegas, NV 89109

Timothy J. Parrott
P.O. Box 399
Verdi, NV 89439

Timothy M. Hawes
3930 Howard Hughes Pkwy.
Las Vegas, NV 89109

DIRECTORS OR LIMITED LIABILITY COMPANY MANAGERS

PLEASE SEE ATTACHED LIST.

</TABLE>

Address of Principal Place of Business

Street: 9336 Civic Center Drive

City: Beverly Hills State: CA Zip 90210

SIGNATURE

Under penalties of perjury and as an authorized officer, I declare that this biennial report and, if applicable, the statement of change of registered office and/or agent, has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete.

By: /s/ Director

Authorized Agent

Title: Director Date: October 3, 1997

[_] NOTE: DO NOT USE THIS BOX IF THIS IS YOUR FIRST REPORT!!!! SEE INSTRUCTIONS ON REVERSE. IF THERE ARE NO CHANGES SINCE YOUR LAST REPORT, MARK THIS BOX, SIGN ABOVE AND RETURN WITH THE FEE AND BY THE DATE DUE INDICATED ABOVE (UPPER LEFT HAND CORNER). IF YOU ARE FILING AFTER THE DATE DUE ABOVE, CONTACT THIS OFFICE FOR THE PROPER FEE. (303) 894-2251

SEE INSTRUCTIONS ON BACK

PINNACLE GAMING DEVELOPMENT CORP.
(A COLORADO CORPORATION)

DIRECTORS

Arthur M. Goldberg
3930 Howard Hughes Pkwy.
Las Vegas, NV 89109

Timothy J. Parrott
P.O. Box 399
Verdi, NV 89439

Timothy M. Hawes
3930 Howard Hughes Pkwy.
Las Vegas, NV 89109

Robert F. List
P.O. Box 399
Verdi, NV 89439

EXHIBIT 3.50

BYLAWS

OF

PINNACLE GAMING DEVELOPMENT CORP.

ARTICLE I

Offices

Section 1. Offices:

The principal office of the Corporation shall be at Suite 755, 50 South Steele Street, in the City of Denver, County of Denver, State of Colorado, and the Corporation shall have other offices at such places as the Board of Directors may from time to time determine.

ARTICLE II

Shareholders' Meetings

Section 1. Place:

The place of shareholders' meetings shall be the principal office of the Corporation unless some other place either within or without the State of Colorado shall be determined and designated from time to time by the Board of Directors.

Section 2. Annual Meeting:

The annual meeting of the shareholders of the Corporation for the election of directors to succeed those whose terms expire, and for the transaction of such other business as may properly come before the meeting, shall be held each year on the last day of November beginning in the year 1994. If the annual meeting of the shareholders be not held, or if held and directors shall not have been elected for any reason, then the election of directors may be held at any meeting of shareholders thereafter called pursuant to these Bylaws and the laws of Colorado.

Section 3. Special Meetings:

Special meetings of the shareholders for any purpose or purposes may be called by the President, the Board of Directors, or the holders of ten percent or more of all the shares entitled to vote at such meeting, by the giving of notice in writing as hereinafter described.

Section 4. Voting:

At all meetings of shareholders, voting may be viva voce; but any qualified voter may demand a stock vote, whereupon such vote shall be taken by ballot and the Secretary shall record the name of the shareholder voting, the number of shares voted, and, if such vote shall be by proxy, the name of the proxy holder. Voting may be in person or by proxy

appointed in writing, manually signed by the shareholder or his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided therein.

Each shareholder shall have such rights to vote as the Articles of Incorporation provide for each share of stock registered in his name on the books of the Corporation, except where the transfer books of the Corporation shall have been closed or a date shall have been fixed as a record date, not to exceed, in any case, fifty days preceding the meeting, for the determination of shareholders entitled to vote. The Secretary of the Corporation shall make, at least ten days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a Period of ten days prior to such meeting, shall be kept on file at the principal office of the Corporation and shall be subject to inspection by any shareholder for any purpose germane to the meeting at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder for any purpose germane to the meeting during the whole time of the meeting.

Section 5. Order of Business:

The order of business at any meeting of shareholders shall be as follows:

1. Calling the meeting to order.

2. Calling of roll.

3. Proof of notice of meeting.

4. Report of the Secretary of the stock represented at the meeting and the existence or lack of a quorum.

5. Reading of minutes of last previous meetings and disposal of any unapproved minutes.6. Reports of officers.

7. Reports of committee.

8. Election of directors, if appropriate.

9. Unfinished business.

10. New business.

11. Adjournment.

To the extent that these Bylaws do not apply, Roberts' Rules of Order shall prevail.

Section 6. Notices:

Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting, except that, if the authorized capital stock is to be increased, at least thirty days' notice shall be given. Notice to shareholders of record, if mailed, shall be deemed delivered as to any shareholder of record when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the Corporation, with postage prepaid. If three successive letters mailed to the last-known address of any shareholder of record are returned as undeliverable, no further notices to such shareholder shall be necessary until another address for such shareholder is made known to the Corporation.

When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting.

Section 7. Quorum:

A quorum at any annual or special meeting shall consist of the

representation in person or by proxy of a majority in number of the shares of outstanding capital stock of the Corporation entitled to vote at such meeting, and the vote of a majority of the quorum shall be the act of the shareholders unless the vote of a greater number, or voting by classes, is required by the Colorado Corporation Code or the Articles of Incorporation. In the event a quorum be not present, the meeting may be adjourned by those present for a period not to exceed sixty days at any one adjournment. The shareholders entitled to vote, present either in person or by proxy at such adjourned meeting, shall, if equal to one-half of the shares entitled to vote at the meeting, constitute a quorum, and the vote of a majority of the quorum shall be the act of the shareholders at such adjourned meeting unless the vote of a greater number, or voting by classes, is required by the Colorado Corporation Code or the Articles of Incorporation.

Section 8. Action by Shareholders Without a Meeting:

Any action required to be or which may be taken at a meeting of the shareholders of the Corporation may be taken without a meeting if one or more written consents setting forth the action so taken is signed by all of the shareholders entitled to vote with respect to the subject matter thereof, and delivered to the Secretary of the Corporation for inclusion in the corporate records. Such action is effective when all shareholders entitled to vote have signed the consent, unless the consent specifies a different effective date.

ARTICLE III

Board of Directors

Section 1. Organization and Powers:

The Board of Directors shall constitute the policy-making or legislative authority of the Corporation. Management of the affairs, property, and business of the Corporation shall be vested in the Board of Directors, which shall consist of not less than three nor more than seven members, who shall be elected at the annual meeting of shareholders by a plurality vote for a term of one year, and shall hold office until their successors are elected and qualify. Directors need not be shareholders of the Corporation nor residents of Colorado. Directors shall have all powers with respect to the management, control, and determination of policies of the Corporation that are not limited by these Bylaws, the Articles of Incorporation, or the statutes of the State of Colorado, and the enumeration of any power shall not be considered a limitation thereof.

Section 2. Vacancies:

Any vacancy in the Board of Directors, however caused or created, shall be filled by the affirmative vote of a majority of the remaining directors, though lose than a quorum of the Board, or at a special meeting of the shareholders called for that purpose. The directors elected to fill vacancies shall hold office for the unexpired term and until their successors are elected and qualify.

Section 3. Regular Meetings:

A regular meeting of the Board of Directors shall be held, without other notice than this Bylaw, immediately after and at the same place as the annual meeting of shareholders or any special meeting of shareholders at which a director or directors shall have been elected. The Board of Directors may provide by resolution the time and place, either within or without the State of Colorado, for the holding of additional regular meetings without other notice than such resolution.

Section 4. Special Meetings:

Special Meetings of the Board of Directors may be held at the principal office of the Corporation, or such other place as may be fixed by resolution of the Board of Directors for such purpose, at any time on call of the President or of any member of the Board, or may be held at any time and place without notice, by unanimous written consent of all the members, or with the presence and participation of all members at such meeting.

Section 5. Notices:

Notices of both regular and special meetings, save when held by unanimous consent or participation, shall be mailed by the Secretary to each member of the Board not less than ten days before any such meeting and notices of special meetings may state the purposes thereof. No failure or irregularity of notice of any regular meeting shall invalidate such meeting or any proceeding thereat.

Section 6. Quorum and Manner of Acting:

A quorum for any meeting of the Board of Directors shall be a majority of the Board of Directors as then constituted. Any act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. Any action of such majority, although not at a regularly called meeting, and the record thereof, if assented to in writing by all of the other members of the Board, shall always be as valid and effective in all respects as if otherwise duly taken by the Board of Directors.

Section 7. Committees:

The Board of Directors may, by resolution of a majority of the full Board, designate two or more directors to constitute an Executive Committee and one or more other committees, each of which shall have and may exercise, to the extent provided in such resolution, all of the authority of the Board of Directors in the management of the Corporation, except that no such committee shall have the authority to declare dividends or distributions; approve or recommend to shareholders actions or proposals required by the Colorado Corporation Code to be approved by shareholders; fill vacancies on the Board of Directors or any committee thereof; amend the Corporation's Bylaws; approve a plan of merger not requiring shareholder approval; reduce earned or capital surplus; authorize or approve the reacquisition of shares unless pursuant to a general formula or method specified by the Board of Directors pursuant to the Colorado Corporation Code; or authorize or approve the issuance or sale of, or any contract to issue or sell, shares or designate the terms of a series of a class of shares.

Neither the designation of any such committee, the delegation of authority to such committee, nor any action by such committee, the delegation of authority to such committee, nor any action by such committee pursuant to its authority shall alone constitute compliance by any member of the Board of Directors, nor a member of the committee in question, with his responsibility to act in good faith, in a manner he reasonably believes to be in the best interests of the Corporation, and with such care as an ordinarily prudent person in like position would use under similar circumstances.

Section 8. Action by Directors Without a Meeting:

Any action required to be, or which may be, taken at a meeting of the Board of Directors, Executive Committee or other committee of the directors, may be taken without a meeting if one or more written consents setting forth the action so taken is signed by all directors or committee members entitled to vote with respect to the subject matter thereof, and delivered to the Secretary of the Corporation for inclusion in the corporate records. Such action is effective when all directors or committee members have signed the consent, unless the consent specifies a different effective date.

Section 9. Order of Business:

The order of business at any regular or special meeting of the Board of Directors, unless otherwise prescribed for any meeting by the Board, shall be as follows:

1. Reading and disposal of any unapproved minutes.

2. Reports of officers and committees.

3. Unfinished business.

4. New business.

5. Adjournment.

To the extent that these Bylaws do not apply, Roberts' Rules of Order shall prevail.

Section 10. Remuneration:

No stated salary shall be paid to directors for their services as such, but, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board. Members of special or standing committees may be allowed like compensation for attending meetings. Nothing herein contained shall be construed to preclude any director from receiving compensation for serving the Corporation in any other capacity, subject to such resolutions of the Board of Directors as may then govern receipt of such compensation.

ARTICLE IV

Officers

Section 1. Titles:

The officers of the Corporation shall consist of a President, a Secretary, and a Treasurer, each of whom shall be elected for one year by the directors at their first meeting following the annual meeting of shareholders. Such officers shall hold office until their successors are elected and qualify. The Board of Directors may from time to time elect or appoint such other officers and assistant officers as it deems necessary, each of whom shall serve during such terms as may be fixed by the Board at a duly held meeting. Any two or more offices may be held by the same person except the offices of President and Secretary.

Section 2. President:

The President shall preside at all meetings of shareholders and, in the absence of a, or the, Chairman of the Board of Directors, at all meetings of the directors. He shall be generally vested with the power of the chief executive officer of the Corporation and shall countersign all certificates, contracts, and other instruments of the Corporation as authorized by the Board of Directors or required by law. He shall make reports to the Board of Directors and

shareholders and shall perform such other duties and services as may be required of him from time to time by the Board of Directors.

Section 3. Vice President.

If a Vice President is elected or appointed, or if more than one Vice President is elected, the Vice President bearing the title of "Senior" or Executive" Vice President, or similar title, shall perform all the duties of the President if the President is absent or for any

reason is unable to perform his duties and shall have such other duties as the Board of Directors shall authorize or direct.

Section 4. Secretary:

The Secretary shall issue notices of all meetings of shareholders and directors, shall keep minutes of all such meetings, and shall record all proceedings. He shall have custody and control of the corporate records and books, excluding the books of account, together with the corporate seal. He shall make such reports and perform such other duties as may be consistent with his office or as may be required of him from time to time by the Board of Directors.

Section 5. Treasurer:

The Treasurer shall have custody of all monies and securities of the Corporation and shall have supervision over the regular books of account. He shall deposit all monies, securities, and other valuable effects of the Corporation in such banks and depositaries as the Board of Directors may designate and shall disburse the funds of the Corporation in payment of just debts and demands against the Corporation, or as they may be ordered by the Board of Directors, shall render such account of his transactions as may be required of him by the President or the Board of Directors from time to time and shall otherwise perform such duties as may be required of him by the Board of Directors.

The Board of Directors may require the Treasurer to give a bond indemnifying the Corporation against larceny, theft, embezzlement, forgery, misappropriation, or any other act of fraud or dishonesty resulting from his duties as Treasurer of the Corporation, which bond shall be in such amount as appropriate resolution or resolutions of the Board of Directors may require.

Section 6. Vacancies or Absences:

If a vacancy in any office arises in any manner, the directors then in office may choose, by a majority vote, a successor to hold office for the unexpired term of the officer. If any officer shall be absent or unable for any reason to perform his duties, the Board of Directors, to the extent not otherwise inconsistent with these Bylaws, may direct that the duties of such officer during such absence or inability shall be performed by such other officer or subordinate officer as seems advisable to the Board.

Section 7. Compensation:

No officer shall receive any salary or compensation for his services unless and until the Board of Directors authorizes and fixes the amount and terms of such salary or compensation.

ARTICLE V

Stock

Section 1. Certificates of Shares:

Each holder of stock of the Corporation shall be entitled to a stock certificate signed by the President (or Vice President if one is appointed) and also by the Secretary or an assistant secretary of the Corporation. The certificates of shares shall be in such form, not inconsistent with the Articles of Incorporation, as shall be prepared or approved by the Board of Directors. All certificates shall be consecutively numbered. Each certificate shall state upon its face that the Corporation is organized under the laws of Colorado; the name of the person to whom issued; the number and class of shares and the designation of the series, if any, which such certificate represents; the par value of each share represented by the certificate, or a statement that the shares are without par value. The name of the person owning the shares represented thereby, with the number of such shares and the date of issue, shall be entered on the Corporation's books, and no certificate shall be valid unless it be signed by the proper officers as set forth above. The seal of the Corporation, or a facsimile thereof, may be affixed to the stock certificates. The signatures of officers as above described on any such certificate may be facsimiles if the certificate is countersigned by a transfer agent or registered by a registrar both of which may be the Corporation itself or an employee of the Corporation.

Section 2. New Certificates:

All certificates surrendered to the Corporation shall be canceled and no new certificate shall be issued, except to evidence transfer of stock from the

unissued stock or treasury of the Corporation, or, in the case of a lost certificate, except upon posting a bond of indemnity in such form and with such surety or sureties and for such amount as shall be satisfactory to the directors and upon producing by affidavit or otherwise such evidence of loss or destruction as the Board may require, until the former certificates for the same number of shares have been surrendered and canceled.

Section 3. Transfer of Shares:

Shares in the capital stock of the Corporation shall be transferred only on the books of the Corporation by the holder thereof in person, or by his attorney, upon surrender and cancellation of certificates for a like number of shares. The delivery of a certificate of stock of this Corporation to a bona fide purchaser or pledgee for value, together with a written transfer of the same or a written power of attorney to sell, assign, and transfer the same, signed by the owner of the certificate, shall be a sufficient delivery to transfer the title against all persons except the Corporation. No transfer of stock shall be valid against the Corporation until it shall have been registered upon the books of the Corporation.

Section 4. Closing of Transfer Books or Provisions for Record Date:

For purposes or determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of dividends, the stock transfer books may be closed by the Board of Directors for a period not

exceeding fifty days prior to such action. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a day not more than fifty days prior to the holding of any such meeting of shareholders, or payment of dividends, as the day as of which shareholders entitled to notice of and to vote at such meeting, or to payment of dividends, as the case may be, shall be determined.

Section 5. Regulations:

The Board of Directors shall have power and authority to take all action they deem expedient concerning the issue, transfer, and registration of certificates for shares of the capital stock of the Corporation. The Board of Directors may appoint a transfer agent and a registrar and may require all stock certificates to bear the signature of such transfer agent or such registrar.

Section 6. Restrictions on Stock:

The Board of Directors may restrict any stock issued by giving the Corporation or any shareholder "first right of refusal to purchase" the stock, by making the stock redeemable or by restricting the transfer of the stock, under such terms and in such manner as the directors may deem necessary and as are not inconsistent with the Articles of Incorporation or the laws of the State of Colorado. Any stock so restricted must carry a stamped legend setting out the restriction or conspicuously noting the restriction and stating where it may be found in the records of the Corporation.

ARTICLE VI

Dividends and Finances

Section 1. Dividends:

Dividends may be declared by the directors and paid out of any funds legally available therefor under the laws of Colorado, as may be deemed advisable from time to time by the Board of Directors of the Corporation. Before declaring any dividends, the Board of Directors may set aside out of net profits or earned or other surplus such sums as the Board may think proper as a reserve fund to meet contingencies or for other purposes deemed proper and to the best interests of the Corporation.

Section 2. Monies:

The monies, securities, and other valuable effects of the Corporation shall be deposited in the name of the Corporation in such banks or trust companies as the Board of Directors shall designate and shall be drawn out or removed only as may be authorized by the Board of Directors from time to time.

Section 3. Fiscal Year:

Unless and until the Board of Directors by resolution shall determine otherwise, the fiscal year shall begin on the last day of the calendar year and end on the first day of the calendar year and the first fiscal period shall end December 31, 1993.

ARTICLE VII

Seal

The Board of Directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation

and the words "SEAL, Colorado," and shall be entrusted in the care of the Secretary or such other officer of the Corporation as the Board of Directors shall designate.

ARTICLE VIII

Notices

Section 1. Requirements:

Whenever a notice shall be required by the statutes of the State of Colorado or by these Bylaws, such notice may be given in writing by depositing the same in the United States mails in a postpaid, sealed envelope addressed to the person for whom such notice is intended to his or her home or other address, as the same shall appear on the stock transfer books of the Corporation. A waiver of any notice in writing, signed by a shareholder, director, or officer, whether before, at, or after the time stated in such waiver for holding a meeting, shall be deemed the equivalent of duly giving such notice.

Section 2. Waiver:

By attending a meeting, a shareholder: (a) waives objection to lack of notice or defective notice of such meeting unless the shareholder, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting; and (b) waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the shareholder objects to considering the matter when it is presented.

By attending or participating in a regular or special meeting, a director waives any required notice of such meeting unless the director, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting.

Section 3. Ratification:

The ratification or approval in writing of the minutes of any meeting of shareholders, directors, or officers shall have the same force and effect as if the ratifying or approving shareholder, director, or officer were present in person at said meeting.

ARTICLE IX

Amendments

Subject to repeal or change by action of the shareholders, or unless the

shareholders in amending or repealing a particular bylaw expressly provide that the Board of Directors

may not amend or repeal such bylaw, these Bylaws may be altered, amended, or repealed by resolution of a majority of the Board.

ARTICLE X

Indemnification

Section 1. Definitions:

For purposes of this Article X, the following terms shall have the meanings set forth below:

(a) "Corporation" includes the Corporation and any domestic or foreign predecessor entity of the Corporation in a merger, consolidation, or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(b) "Director" means an individual who is or was a director of the Corporation and an individual who, while a director of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan. A director shall be considered to be serving an employee benefit plan at the Corporation's request if his duties to the Corporation also impose duties on or otherwise involve services by him to the plan or to participants in or beneficiaries of the plan.

(c) "Expenses" includes attorney fees.

(d) "Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expense incurred with respect to a proceeding.

(e) "Official capacity," when used with respect to a director, means the office of director in the Corporation, and, when used with respect to an individual other than a director, means the office in the Corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Corporation. "Official capacity" does not include service for any other foreign or domestic corporation or for any partnership, joint venture, trust, other enterprise, or employee benefit plan.

(f) "Party" includes an individual who was, is, or is threatened to

be made a named defendant or respondent in a proceeding.

(g) "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.

Section 2. Permissive Indemnification:

(a) Except as provided in paragraph (d) of this Section 2, the Corporation may indemnify against liability incurred in any proceeding an individual made a party to the proceeding because he is or was a director if: (i) he conducted himself in good faith; (ii) he reasonably believed: (A) in the case of conduct in his official capacity with the Corporation, that his conduct was in the Corporation's best interests; or (B) in all other cases, that his conduct was at least not opposed to the Corporation's best interests; and (iii) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful.

(b) A director's conduct with respect to an employee benefit plan for a purpose he reasonably believed to be in the interests of the participants in or beneficiaries of the plan is conduct that satisfies the requirements of subparagraph (B) of subparagraph (ii) of paragraph (a) of this Section 2. A director's conduct with respect to an employee benefit plan for a purpose that he did not reasonably believe to be in the interests of the participants in or beneficiaries of the plan shall be deemed not to satisfy the requirements of subparagraph (i) of paragraph (a) of this Section 2.

(c) The termination of any proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, is not of itself determinative that the individual did not meet the standard of conduct set forth in paragraph (a) of this Section 2.

(d) The Corporation may not indemnify a director under this Section 2 either: (i) in connection with a proceeding by or in the right of the Corporation in which the director was adjudged liable to the Corporation; or (ii) in connection with any proceeding charging improper personal benefit to the director, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.

(e) Indemnification permitted under this Section 2 in connection with a proceeding by or in the right of the Corporation is limited to reasonable expenses incurred in connection with the proceeding.

Section 3. Mandatory Indemnification:

Unless limited by the Articles of Incorporation, the Corporation shall be required to indemnify a person who is or was a director of the Corporation and who was wholly successful, on the merits or otherwise, in defense of any proceeding to which he was a party against reasonable expenses incurred by him in connection with the proceeding.

Section 4. Court-Ordered Indemnification:

Unless limited by the Articles of Incorporation, a director who is or was a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. On receipt of an application, the court, after giving

any notice the court considers necessary, may order indemnification in the following manner:

(a) If it determines the director is entitled to mandatory indemnification under Section 3, the court shall order indemnification, in which case the court shall also order the Corporation to pay the director's reasonable expenses incurred to obtain court-ordered indemnification.

(b) If it determines that the director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he met the standard of conduct set forth in paragraph (a) of Section 2 or was adjudged liable in the circumstances described in paragraph (d) of Section 2, the court may order such indemnification as the court deems proper; except that the indemnification with respect to any proceeding in which liability shall have been adjudged in the circumstances described in paragraph (d) of Section 2 is limited to reasonable expenses incurred.

Section 5. Determination:

(a) The Corporation may not indemnify a director under Section 2 unless authorized in the specific case after a determination has been made that indemnification of the director is permissible in the circumstances because he has met the standard of conduct set forth in paragraph (a) of Section 2.

(b) The determination required to be made by paragraph (a) of this Section 5 shall be made: (i) by the Board of Directors by a majority vote of a quorum, which quorum shall consist of directors not parties to the proceeding; or (ii) if a quorum cannot be obtained, by a majority vote of a committee of the Board designated by the Board, which committee shall consist of two or more directors not parties to the proceeding; except that directors who are parties to the proceeding may participate in the

designation of directors for the committee.

(c) If the quorum cannot be obtained or the committee cannot be established under paragraph (b) of this Section 5, or even if a quorum is obtained or a committee designated if such quorum or committee so directs, the determination required to be made by paragraph (a) of this Section 5 shall be made: (i) by independent legal counsel selected by a vote of the Board of Directors or the committee in the manner specified in subparagraph (i) or (ii) of paragraph (b) of this Section 5 or, if a quorum of the full Board cannot be obtained and a committee cannot be established, by independent legal counsel selected by a majority vote of the full Board; or (ii) by the shareholders.

(d) Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible; except that, if the determination that indemnification is permissible is made by independent legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by the body that selected said counsel.

Section 6. Payment In Advance:

(a) The Corporation may pay for or reimburse the reasonable expenses incurred by a director who is a party to the proceeding in advance of the final disposition of the proceeding if: (i) the director furnishes the Corporation a written affirmation of his good-faith belief that he has met the standard of conduct described in subparagraph (i) of paragraph (a) of Section 2; (ii) the director furnishes the Corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is determined that he did not meet such standard of conduct; and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Section 6.

(b) The undertaking required by subparagraph (ii) of paragraph (a) of this Section 6 shall be an unlimited general obligation of director, but need not be secured and may be accepted without reference to financial ability to make repayment.

Section 7. Indemnification of Officers, Employees and Agents:

Unless limited by the Articles of Incorporation:

(a) An officer of the Corporation who is not a director is entitled to mandatory indemnification pursuant to Section 3 of this Article X and is entitled to apply for court-ordered indemnification pursuant to Section 4

of this Article X in each case to the same extent as a director;

(b) The Corporation may indemnify and advance expenses pursuant to Section 6 of this Article X to an officer, employee, or agent of the Corporation who is not a director to the same extent as a director; and

(c) The Corporation may indemnify and advance expenses to an officer, employee, or agent of the Corporation who is not a director to a greater extent if consistent with law and if provided for by its Articles of Incorporation, Bylaws, resolution of its shareholders or directors, or in a contract.

Section 8. Insurance:

The Corporation may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, fiduciary, or agent of the Corporation and who, while a director, officer, employee, fiduciary or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against or incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this section.

Section 9. Notice to Shareholders:

Any indemnification of or advance of expenses to a director in accordance with this Article X, if arising out of a proceeding by or on behalf of the Corporation, shall be reported in writing to the shareholders with or before the notice of the next shareholders' meeting.

CERTIFICATE

I do hereby certify that I was Secretary of the Corporation on December 2, 1993, the date that Action by Unanimous Written Consent was taken, and I do hereby certify that the above and foregoing Bylaws were duly adopted as the Bylaws of said Corporation by such Action by Unanimous Consent.

/s/ Norbert Teufelberger

(SEAL)

EXHIBIT 3.51

ARTICLES OF INCORPORATION

OF

HP CASINO, INC.

ONE: The name of this corporation is HP Casino, Inc.

TWO: The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

THREE: The name and address of this corporation's initial agent for service of process is:

G. Michael Finnigan
1050 South Prairie Avenue
Inglewood, California 90301

FOUR: This corporation is authorized to issue one class of shares of stock; the total number of said shares is 100,000.

FIVE: The liability of the directors of this corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

SIX: This corporation is authorized to indemnify the directors and officers of this corporation to the fullest extent permissible under California law.

Dated: October 4, 1995

/s/ Rita Burns

Rita Burns, Incorporator

EXHIBIT 3.52

BYLAWS

for the regulation, except as otherwise provided by statute or the Articles of Incorporation, of

HP CASINO, INC.

a California corporation

TABLE OF CONTENTS

<TABLE>
<CAPTION>

<TABLE>
<CAPTION>

Section	Title	Page
<S>		<C>
3.05	Removal	10
3.06	Resignation	10
3.07	Meetings of the Board of Directors and Committees	10
	(a) Regular Meetings	10
	(b) Organization Meeting	10
	(c) Special Meetings	10
	(d) Notices; Waivers	10
	(e) Adjournment	11
	(f) Place of Meeting	11
	(g) Presence by Conference Telephone Call	11
	(h) Quorum	11
3.08	Action Without Meeting	11
3.09	Committee Meetings	11

</TABLE>

BYLAWS

for the regulation, except as otherwise provided
by statute or the Articles of Incorporation,
of

HP CASINO, INC.

ARTICLE I. GENERAL PROVISIONS

Section 1.01 Principal Executive Office. The Board of Directors shall fix the location of the principal executive office of the corporation at any place within or without the State of California. The Board of Directors shall have the power to change the principal executive office to another location and may fix and locate one or more subsidiary offices within or without the State of California.

Section 1.02 Number of Directors. The number of directors of the corporation shall be one (1) until changed by a bylaw amending this Section 1.02 duly adopted by the vote or written consent of a majority of the outstanding shares entitled to vote; provided, however, that if at any time the number of directors is more than one (1), a bylaw reducing the number of directors to a number less than five (5) cannot be adopted if the votes cast against its adoption at a meeting or the shares not consenting in the case of action by written consent are equal to more than 16-2/3 percent of the outstanding shares entitled to vote.

ARTICLE II. SHARES AND SHAREHOLDERS

Section 2.01 Meetings of Shareholders.

(a) Place of Meetings. Meetings of shareholders shall be held at any place within or without the State of California designated by the Board of Directors. In the absence of any such designation, shareholders' meetings shall be held at the principal executive office of the corporation.

(b) Annual Meetings. An annual meeting of the shareholders of the corporation shall be held on such date and at such time as shall be designated by the Board of Directors. Should said day fall upon a legal holiday, the annual meeting of shareholders shall be held at the same time on the next day thereafter ensuing which is a full business day. At each annual meeting directors shall be elected, and any other proper business may be transacted.

(c) Special Meetings. Special meetings of the shareholders may be called by the Board of Directors, the chairman of the board, the president, or by the holders of shares entitled to cast not less than 10% of the votes at the meeting. Upon request in writing to the chairman of the board, the president, any vice president or the secretary by any person (other than the board) entitled to call a special meeting of shareholders, the officer forthwith shall cause notice to be given to the shareholders entitled to vote that a meeting will be held at a time requested by the person or persons calling the meeting, not less than 35 nor more than 60 days after the receipt of the request. If the notice is not given within 20 days after receipt of the request, the persons entitled to call the meeting may give the notice.

(d) Notice of Meetings. Notice of any shareholders' meeting shall be given not less than 10 nor more than 60 days before the date of the meeting to each shareholder entitled to vote thereat. Such notice shall state the place, date and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (ii) in the case of the annual meeting, those matters which the Board, at the time of the giving of the notice, intends to present for action by the shareholders. The notice of any meeting at which directors are to be elected shall include the names of nominees intended at the time of the notice to be presented by the board for election.

If action is proposed to be taken at any meeting, which action is within Sections 310, 902, 1201, 1900 or 2007 of the General Corporation Law of the State of California, the notice shall also state the general nature of that proposal.

Notice of a shareholders' meeting shall be given either personally or by first-class mail, or other means of written communication, charges prepaid, addressed to the shareholder at the address of such shareholder appearing on the books of the corporation or given by the shareholder to the corporation for the purpose of notice; or if no such address appears or is given, at the place where

the principal executive office of the corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal executive office is located. The notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication. An affidavit of mailing of any notice executed by the secretary, assistant secretary or any transfer agent, shall be prima facie evidence of the giving of the notice.

(e) Adjourned Meeting and Notice Thereof. Any meeting of shareholders may be adjourned from time to time by the vote of a majority of the shares represented either in person or by

proxy whether or not a quorum is present. When a shareholders' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. However, if the adjournment is for more than 45 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting.

(f) Waiver of Notice. The transactions of any meeting of shareholders, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of shareholders, except that if action is taken or proposed to be taken for approval of any of those matters specified in the second paragraph of subparagraph (d) of Section 2.01 of this Article II, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(g) Quorum. The presence in person or by proxy of the persons entitled to vote a majority of the shares entitled to vote at any meeting shall constitute a quorum for the transaction of business. If a quorum is present, the affirmative vote of the majority of the shares represented and voting at the meeting (which shares voting affirmatively also constitute at least a majority of the required quorum) shall be the act of the shareholders, unless the vote of a greater number or voting by classes is required by law or the Articles of Incorporation of the corporation.

The shareholders present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough shareholders to leave less than a quorum, provided that any action taken (other than adjournment) must be approved by at least a majority of the shares required to constitute a quorum.

Section 2.02 Action Without a Meeting. Any action which may be taken at any annual or special meeting of shareholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares having not less

than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Notwithstanding the foregoing, directors may not be elected by writ ten consent except by unanimous written consent of all shares entitled to vote for the election of directors, except as provided by Section 3.04 hereof.

Where the approval of shareholders is given without a meeting by less than unanimous written consent, unless the consents of all shareholders entitled to vote have been solicited in writing, the secretary shall give prompt notice of the corporate action approved by the shareholders without a meeting. In the case of approval of transactions pursuant to Section 310, 317, 1201 or 2007 of the General Corporation Law of the State of California, the notice shall be given at least ten (10) days before the consummation of any action authorized by that approval. Such notice shall be given in the same manner as notice of shareholders' meeting.

Section 2.03 Voting of Shares.

(a) In General. Except as otherwise provided in the Articles of Incorporation and subject to subparagraph (b) hereof, each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote of shareholders.

(b) Cumulative Voting. At any election of directors, every shareholder complying with this paragraph (b) and entitled to vote may cumulate his or her votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which the shareholder's shares are entitled, or distribute the shareholder's votes on the same principle among as many candidates as the shareholder thinks fit. No shareholder shall be entitled to cumulate votes (i.e., cast for any one or more candidates a number of votes greater than the number of votes which such shareholder normally

is entitled to cast) unless such candidate or candidates' names have been placed in nomination prior to the voting and the shareholder has given notice at the meeting prior to the voting of the shareholder's intention to cumulate the shareholder's votes. If any one shareholder has given such notice, all shareholders may cumulate their votes for candidates in nomination. In any election of directors, the candidates receiving the highest number of affirmative votes up to the number of directors to be elected by such shares are elected; votes against a director and votes withheld shall have no legal effect.

(c) Election by Ballot. Elections for directors need not be by ballot unless a shareholder demands election by ballot at the meeting and before the voting begins.

Section 2.04 Proxies. Every person entitled to vote shares may authorize another person or persons to act by proxy with respect to such shares. No proxy shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in the proxy. Every proxy continues in full force and effect until revoked by the person executing it prior to the vote pursuant thereto, except as otherwise herein provided. Such revocation may be effected by a writing delivered to the corporation stating that the proxy is revoked or by a subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or as to any meeting by attendance at such meeting and voting in person by the person executing the proxy. The dates contained on the forms of proxy presumptively determine the order of execution, regardless of the postmark dates on the envelopes in which they are mailed. A proxy is not revoked by the death or incapacity of the maker unless, before the vote is counted, written notice of such death or incapacity is received by the corporation. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Sections 705(e) and 705(f) of the California General Corporation Law.

Section 2.05 Inspectors of Election.

(a) Appointment. In advance of any meeting of shareholders the Board may appoint inspectors of election to act at the meeting and any adjournment thereof. If inspectors of election are not so appointed, or if any persons so appointed fail to appear or refuse to act, the chairman of any meeting of shareholders may, and on the request of any shareholder or a shareholder's proxy shall, appoint inspectors of election (or persons to replace those who so fail or refuse) at the meeting. The number of inspectors shall be either one or three. If appointed at a meeting on the request of one or more shareholders or proxies, the majority of shares represented in person or by proxy shall determine whether one or three inspectors are to be appointed.

(b) Duties. The inspectors of election shall determine the number of
------
shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum and the authenticity, validity and effect of proxies, receive votes, ballots or consents, hear and determine all challenges and questions in any way arising in connection with the right to vote, count and tabulate all votes or consents, determine when the polls shall close, determine the result and do such acts as may be proper to conduct the election or vote with fairness to all shareholders. The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or cer-

tificate made by the inspectors of election is prima facie evidence of the facts stated therein.

Section 2.06 Record Date. In order that the corporation may determine the
----
shareholders entitled to notice of any meeting or to vote or entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights in respect of any other lawful action, the Board may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days prior to the date of such meeting nor more than 60 days prior to any other action. If no record date is fixed:

(1) The record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.

(2) The record date for determining shareholders entitled to give consent to corporate action in writing without a meeting, when no prior action by the Board has been taken, shall be the day on which the first written consent is given.

(3) The record date for determining shareholders for any other purpose shall be at the close of business on the day on which the board adopts the resolution relating thereto, or the 60th day prior to the date of such other action, whichever is later.

A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting unless the board fixes a new record date for the adjourned meeting, but the board shall fix a new record date if the meeting is adjourned for more than 45 days from the date set for the original meeting.

Shareholders at the close of business on the record date are entitled to notice and to vote or to receive the dividend, distribution or allotment of rights or to exercise the rights, as the case may be, notwithstanding any transfer of any shares on the books of the corporation after the record date, except as otherwise provided in the Articles of Incorporation or by agreement or in the California General Corporation Law.

Section 2.07 Share Certificates.

(a) In General. The corporation shall issue a certificate or certificates representing shares of its capital stock. Each certificate so issued shall be signed in the name of the corporation by the chairman or vice chairman of the board or the president or a vice president and by the chief financial

officer or an assistant treasurer or the secretary or any assistant secretary, shall state the name of the record owner thereof and shall certify the number of shares and the class or series of shares represented thereby. Any or all of the signatures on the certificate may be facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were an officer, transfer agent or registrar at the date of issue.

(b) Two or More Classes or Series. If the shares of the corporation are classified or if any class of shares has two or more series, there shall appear on the certificate one of the following:

(1) A statement of the rights, preferences, privileges, and restrictions granted to or imposed upon the respective classes or series of shares authorized to be issued and upon the holders thereof; or

(2) A summary of such rights, preferences, privileges and restrictions with reference to the provisions of the Articles of Incorporation and any certificates of determination establishing the same; or

(3) A statement setting forth the office or agency of the corporation from which shareholders may obtain upon request and without charge, a copy of the statement referred to in subparagraph (1).

(c) Special Restrictions. There shall also appear on the certificate (unless stated or summarized under subparagraph (1) or (2) of subparagraph (b) above) the statements required by all of the following clauses to the extent applicable:

(1) The fact that the shares are subject to restrictions upon transfer.

(2) If the shares are assessable, a statement that they are assessable.

(3) If the shares are not fully paid, a statement of the total consideration to be paid therefor and the amount paid thereon.

(4) The fact that the shares are subject to a voting agreement or an irrevocable proxy or restrictions upon voting rights contractually imposed by the corporation.

(5) The fact that the shares are redeemable.

(6) The fact that the shares are convertible and the period for conversion.

Section 2.08 Transfer of Certificates. Where a certificate for shares is presented to the corporation or its transfer clerk or transfer agent with a request to register a transfer of shares, the corporation shall register the transfer, cancel the certificate presented, and issue a new certificate if: (a) the security is endorsed by the appropriate person or persons; (b) reasonable assurance is given that those endorsements are genuine and effective; (c) the corporation has no notice of adverse claims or has discharged any duty to inquire into such adverse claims; (d) any applicable law relating to the collection of taxes has been complied with; (e) the transfer is not in violation of any federal or state securities law; and (f) the transfer is in compliance with any applicable agreement governing the transfer of the shares.

Section 2.09 Lost Certificates. Where a certificate has been lost, destroyed or wrongfully taken, the corporation shall issue a new certificate in place of the original if the owner: (a) so requests before the corporation has notice that the certificate has been acquired by a bona fide purchaser; (b) files with the corporation a sufficient indemnity bond, if so requested by the Board of Directors; and (c) satisfies any other reasonable requirements as may be imposed by the Board. Except as above provided, no new certificate for shares shall be issued in lieu of an old certificate unless the corporation is ordered to do so by a court in the judgment in an action brought under Section 419(b) of the California General Corporation Law.

ARTICLE III. DIRECTORS

Section 3.01 Powers. Subject to the provisions of the California General

Corporation Law and the Articles of Incorporation, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board may delegate the management of the day-to-day operations of the business of the corporation to a management company or other person provided that the business and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 3.02 Committees of the Board. The Board may, by resolution adopted by a majority of the authorized number of directors, designate one or more committees, each consisting of two or more directors, to serve at the pleasure of the Board. The Board may designate one or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the authorized number of directors. Any such

committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except with respect to:

(1) The approval of any action which also requires, under the California General Corporation Law, shareholders' approval or approval of the outstanding shares;

(2) The filling of vacancies on the Board or in any committee.

(3) The fixing of compensation of the directors for serving on the Board or on any committee.

(4) The amendment or repeal of bylaws or the adoption of new bylaws.

(5) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.

(6) A distribution (within the meaning of the California General Corporation Law) to the shareholders of the corporation, except at a rate or in a periodic amount or within a price range determined by the Board.

(7) The appointment of other committees of the Board or the members thereof.

Section 3.03 Election and Term of Office. The directors shall be elected at each annual meeting of shareholders but, if any such annual meeting is not held or the directors are not elected thereat, the directors may be elected at any special meeting of shareholders held for that purpose. Each director, including a director elected to fill a vacancy, shall hold office until the

expiration of the term for which elected and until a successor has been elected and qualified.

Section 3.04 Vacancies. Except for a vacancy created by the removal of a director, vacancies on the Board may be filled by approval of the Board or, if the number of directors then in office is less than a quorum, by (a) the unanimous written consent of the directors then in office, (b) the affirmative vote of a majority of the directors then in office at a meeting held pursuant to notice or waivers of notice under the California General Corporation Law, or (c) a sole remaining director. The shareholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors, but any such election by written consent requires the consent of a majority of the outstanding shares entitled to vote.

The Board of Directors shall have the power to declare vacant the office of a director who has been declared of unsound mind by an order of court, or convicted of a felony.

Section 3.05 Removal. Any or all of the directors may be removed without cause if such removal is approved by the vote of a majority of the outstanding shares entitled to vote, except that no director may be removed (unless the entire board is removed) when the votes cast against removal, or not consenting in writing to such removal, would be sufficient to elect such director if voted cumulatively at an election at which the same total number of votes were cast (or, if such action is taken by written consent, all shares entitled to vote were voted) and the entire number of directors authorized at the time of the director's most recent election were then being elected.

Section 3.06 Resignation. Any director may resign effective upon giving written notice to the chairman of the board, the president, the secretary or the Board of Directors of the corporation, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

Section 3.07 Meetings of the Board of Directors and Committees.

(a) Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place within or without the State as may be designated from time to time by resolution of the Board or by written consent of all members of the Board or in these bylaws.

(b) Organization Meeting. Immediately following each annual meeting of

shareholders the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meetings is hereby dispensed with.

(c) Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairman of the board or the president or, by any vice president or the secretary or any two directors.

(d) Notices; Waivers. Special meetings shall be held upon four days' notice by mail or forty-eight hours' notice delivered personally or by telephone or telegraph. Notice of a meeting need not be given to any director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents and approvals shall be filed with

the corporate records or made a part of the minutes of the meeting.

(e) Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of such adjournment to another time and place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of adjournment.

(f) Place of Meeting. Meetings of the Board may be held at any place within or without the state which has been designated in the notice of the meeting or, if not stated in the notice or there is no notice, then such meeting shall be held at the principal executive office of the corporation, or such other place designated by resolution of the Board.

(g) Presence by Conference Telephone Call. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Such participation constitutes presence in person at such meeting.

(h) Quorum. A majority of the authorized number of directors constitutes a quorum of the Board for the transaction of business. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless a greater number be required by law or by the Articles of Incorporation. A meeting at

which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 3.08 Action Without Meeting. Any action required or permitted to be taken by the Board of Directors, may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such directors.

Section 3.09 Committee Meetings. The provisions of Sections 3.07 and 3.08 of these bylaws apply also to committees of the Board and action by such committees, mutatis mutandis.

ARTICLE IV. OFFICERS

Section 4.01 Officers. The officers of the corporation shall consist of a chairman of the board or a president, or both, a

secretary, a chief financial officer, and such additional officers as may be elected or appointed in accordance with Section 4.03 of these bylaws and as may be necessary to enable the corporation to sign instruments and share certificates. Any number of offices may be held by the same person.

Section 4.02 Elections. All officers of the corporation, except such officers as may be otherwise appointed in accordance with Section 4.03, shall be chosen by the Board of Directors, and shall serve at the pleasure of the Board of Directors, subject to the rights, if any, of an officer under any contract of employment.

Section 4.03 Other Officers. The Board of Directors, the chairman of the board, or the president at their or his discretion, may appoint one or more vice presidents, one or more assistant secretaries, a treasurer, one or more assistant treasurers, or such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors, the chairman of the board, or the president, as the case may be, may from time to time determine.

Section 4.04 Removal. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without

cause, by the Board of Directors, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors, without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

Section 4.05 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors or to the president, or to the secretary of the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.06 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to such office.

Section 4.07 Chairman of the Board. The chairman of the board, if there shall be such an officer, shall, if present, preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors. If there is no president, the chairman of the board shall in addition

be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 4.08 below.

Section 4.08 President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairman of the board, if there be such an officer, the president shall be general manager and chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the corporation. He shall preside at all meetings of the shareholders and, in the absence of the chairman of the board, or if there be none, at all meetings of the Board of Directors. He shall be ex-officio a member of all the standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws.

Section 4.09 Vice President. In the absence of the president or in the event of the president's inability or refusal to act, the vice president, or in the event there be more than one vice president, the vice president designated by the Board of Directors, or if no such designation is made, in order of their

election, shall perform the duties of president and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice president shall perform such other duties as from time to time may be assigned to such vice president by the president or the Board of Directors.

Section 4.10 Secretary. The secretary shall keep or cause to be kept the minutes of proceedings and record of shareholders, as provided for and in accordance with Section 5.01(a) of these bylaws.

The secretary shall give, or cause to be given, notice of all meetings of the shareholders and of the Board of Directors required by these bylaws or by law to be given, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

Section 4.11 Chief Financial Officer. The chief financial officer shall have general supervision, direction and control of the financial affairs of the corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws. In the absence of a named treasurer, the chief financial officer shall also have the powers and duties of the treasurer as hereinafter set forth and shall be authorized and empowered to sign as treasurer in any case where such officer's signature is required.

Section 4.12 Treasurer. The treasurer shall keep or cause to be kept the books and records of account as provided for and in accordance with Section 5.01(a) of these bylaws. The books of account shall at all reasonable times be open to inspection by any director.

The treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositaries as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these bylaws. In the absence of a named chief financial officer, the treasurer shall be deemed to be the chief financial officer and shall have the powers and duties of such office as hereinabove set forth.

ARTICLE V. MISCELLANEOUS

Section 5.01 Records and Reports.

(a) Books of Account and Proceedings. The corporation shall keep adequate

and correct books and records of account and shall keep minutes of the proceedings of its shareholders, Board and committees of the board and shall keep at its principal executive office, or at the office of its transfer agent or registrar, a record of its shareholders, giving the names and addresses of all shareholders and the number and class of shares held by each. Such minutes shall be kept in written form. Such other books and records shall be kept either in written form or in any other form capable of being converted into written form.

(b) Annual Report. An annual report to shareholders referred to in Section 1501 of the California General Corporation Law is expressly dispensed with, but nothing herein shall be interpreted as prohibiting the Board of Directors from issuing annual or other periodic reports to the shareholders of the corporation as they consider appropriate.

(c) Shareholders' Requests for Financial Reports. If no annual report for the last fiscal year has been sent to shareholders, the corporation shall, upon the written request of any shareholder made more than 120 days after the close of that fiscal year, deliver or mail to the person making the request within 30 days thereafter the financial statements for that year required by Section 1501(a) of the California General Corporation Law. Any shareholder or shareholders holding at least 5 percent of the outstanding shares of any class of this corporation may make a written request to the corporation for an income statement of the corporation for the three-

month, six-month or nine-month period of the current fiscal year ended more than 30 days prior to the date of the request and a balance sheet of the corporation as of the end of such period, and the corporation shall deliver or mail the statements to the person making the request within 30 days thereafter. A copy of the statements shall be kept on file in the principal office of the corporation for 12 months and they shall be exhibited at all reasonable times to any shareholder demanding an examination of them or a copy shall be mailed to such shareholder upon demand.

Section 5.02 Rights of Inspection.

(a) By Shareholders.

(1) Record of Shareholders. Any shareholder or shareholders holding at least 5 percent in the aggregate of the outstanding voting shares of the corporation or who hold at least 1% of such voting shares and have filed a Schedule 14B with the United States Securities and Exchange Commission relating

to the election of directors of the corporation shall have an absolute right to do either or both of the following: (i) inspect and copy the record of shareholders' names and addresses and shareholdings during usual business hours upon five business days' prior written demand upon the corporation, or (ii) obtain from the transfer agent for the corporation, upon written demand and upon the tender of its usual charges for such a list (the amount of which charges shall be stated to the shareholder by the transfer agent upon request), a list of the shareholders' names and addresses, who are entitled to vote for the election of directors, and their shareholdings, as of the most recent record date for which it has been compiled or as of a date specified by the shareholder subsequent to the date of demand. The list shall be made available on or before the later of five business days after demand is received or the date specified therein as the date as of which the list is to be compiled.

The record of shareholders shall also be open to inspection and copying by any shareholder or holder of a voting trust certificate at any time during usual business hours upon written demand on the corporation, for a purpose reasonably related to such holder's interests as a shareholder or holder of a voting trust certificate.

(2) Corporate Records. The accounting books and records and minutes of proceedings of the shareholders and the Board and committees of the board shall be open to inspection upon the written demand on the corporation of any shareholder or holder of a voting trust certificate at any reasonable time during usual business hours, for a purpose reasonably related to such holder's interests as a shareholder or as the holder of such voting trust certificate. This right of inspection

shall also extend to the records of any subsidiary of the corporation.

(3) Bylaws. The corporation shall keep at its principal executive office in this state, the original or a copy of its bylaws as amended to date, which shall be open to inspection by the shareholders at all reasonable times during office hours.

(b) By Directors. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation of which such person is a director and also of its subsidiary corporations, domestic or foreign. Such inspection by a director may be made in person or by agent or attorney and the right of inspection includes the right to copy and make extracts.

Section 5.03 Checks, Drafts, Etc. All checks, drafts or other orders for

payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 5.04 Representation of Shares of Other Corporations. The chairman of the board, if any, president or any vice president of this corporation, or any other person authorized to do so by the chairman of the board, president or any vice president, is authorized to vote, represent and exercise on behalf of this corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this corporation. The authority herein granted to said officers to vote or represent on behalf of this corporation any and all shares held by this corporation in any other corporation or corporations may be exercised either by such officers in person or by any other person authorized so to do by proxy or power of attorney duly executed by said officers.

Section 5.05 Indemnification and Insurance.

(a) Right to Indemnification. Each person who was or is made a party to or is threatened to be made a party to or is involuntarily involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "Proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the corporation or is or was serving (during such person's tenure as director or officer) at the request of the corporation, any other corporation, partnership, joint venture, trust or other enterprise in any capacity, whether the basis of a Proceeding is an alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer,

shall be indemnified and held harmless by the corporation to the fullest extent authorized by California General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than said law permitted the corporation to provide prior to such amendment), against all expenses, liability and loss (including attorneys' fees, judgments, fines, or penalties and amounts to be paid in settlement) reasonably incurred or suffered by such person in connection therewith. The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the corporation the expenses incurred in defending a Proceeding in advance of its final disposition; provided, however, that, if California General Corporation Law requires, the payment of such expenses in advance of the final disposition of a Proceeding shall be made only upon receipt by the corporation of an undertaking by or on behalf of such

director or officer to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section or otherwise. No amendment to or repeal of this Section 5.05 shall apply to or have any effect on any right to indemnification provided hereunder with respect to any acts or omissions occurring prior to such amendment or repeal.

(b) Right of Claimant to Bring Suit. If a claim for indemnity under paragraph (a) of this Section is not paid in full by the corporation within ninety (90) days after a written claim has been received by the corporation, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall also be entitled to be paid the expense of prosecuting such claim including reasonable attorneys' fees incurred in connection therewith. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending a Proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under California General Corporation Law for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board of Directors, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in California General Corporation Law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel, or its shareholders) that the claimant has not met such applicable standard of conduct,

shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(c) Non-Exclusivity of Rights. The rights conferred in this Section shall not be exclusive of any other rights which any director, officer, employee or agent may have or hereafter acquire under any statute, provision of the Articles of Incorporation, bylaw, agreement, vote of shareholders or disinterested directors or otherwise, to the extent the additional rights to indemnification are authorized in the Articles of Incorporation of the corporation.

(d) Insurance. In furtherance and not in limitation of the powers conferred by statute:

(1) the corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the

corporation, or is serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the corporation would have the power to indemnify the person against that expense, liability or loss under the California General Corporation Law.

(2) the corporation may create a trust fund, grant a security interest and/or use other means (including, without limitation, letters of credit, surety bonds and/or other similar arrangements), as well as enter into contracts providing indemnification to the full extent authorized or permitted by law and including as part thereof provisions with respect to any or all of the foregoing to ensure the payment of such amounts as may become necessary to effect indemnification as provided therein, or elsewhere.

(e) Indemnification of Employees and Agents of the Corporation. The corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, including the right to be paid by the corporation the expenses incurred in defending a Proceeding in advance of its final disposition, to any employee or agent of the corporation to the fullest extent of the provisions of this Section or otherwise with respect to the indemnification and advancement of expenses of directors and officers of the corporation.

Section 5.06 Employee Stock Purchase Plans. The corporation may adopt and carry out a stock purchase plan or agreement or stock option plan or agreement providing for the issue and sale for such consideration as may be fixed of its unissued shares, or of issued shares acquired or to be acquired, to one or more of the employees or directors of the corporation or of a subsidiary or to a trustee on their behalf and for the payment for such shares in installments or at one time, and may provide for aiding any such persons in paying for such shares

by compensation for services rendered, promissory notes or otherwise.

A stock purchase plan or agreement or stock option plan or agreement may include, among other features, the fixing of eligibility for participation therein, the class and price of shares to be issued or sold under the plan or agreement, the number of shares which may be subscribed for, the method of payment therefor, the reservation of title until full payment therefor, the effect of the termination of employment, an option or obligation on the part of the corporation to repurchase the shares upon termination of employment, subject to the provisions of the California General Corporation Law, restrictions upon transfer of the shares and the time limits of and termination of the plan.

Section 5.07 Construction and Definitions. Unless the context otherwise

requires, the general provisions, rules of construction and definitions contained in the California General Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person.

ARTICLE VI. AMENDMENTS

Section 6.01 Power of Shareholders. New bylaws may be adopted or these bylaws may be amended or repealed by the vote of shareholders entitled to exercise a majority of the voting power of the corporation or by the written assent of such shareholders, except as otherwise provided by law or by the Articles of Incorporation.

Section 6.02 Power of Directors. Subject to the right of shareholders as provided in Section 6.01 to adopt, amend or repeal bylaws, any bylaw may be adopted, amended or repealed by the Board of Directors other than a bylaw or amendment thereof changing the authorized number of directors, if such number is fixed, or the maximum-minimum limits thereof, if an indefinite number.

The undersigned, as the incorporator of HP Casino, Inc., hereby adopts the foregoing bylaws as the bylaws of said corporation.

Dated as of October 5, 1995.

/s/ Rita Burns

_____

Rita Burns, Incorporator

The undersigned, constituting the sole director of HP Casino, Inc., hereby adopts the foregoing bylaws as the bylaws of said corporation.

Dated as of October 5, 1995.

/s/ R. D. Hubbard

_____

R. B. Hubbard, Sole Director

THIS IS TO CERTIFY:

That I am the duly elected, qualified and acting Secretary of HP Casino, Inc., and that the foregoing bylaws were adopted as the bylaws of said corporation as of the 5th day of October, 1995, by the sole director of said corporation.

Dated as of October 5, 1995.

/s/ Donald M. Robbins

_____

Donald M. Robbins, Secretary

Exhibit 4.2

HOLLYWOOD PARK, INC.
1993 STOCK OPTION PLAN

1. Purpose.

The purpose of this 1993 Stock Option Plan (the "Plan") of Hollywood Park, Inc., a Delaware corporation (the "Company"), is to secure for the Company and its stockholders the benefits arising from stock ownership by selected key employees, directors, consultants and advisors of the Company or its subsidiaries as the Committee (hereinafter defined) may from time to time determine. The Plan will provide a means whereby (i) such employees may purchase shares of the Common Stock of the Company pursuant to options which will qualify as "incentive stock options" under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) such employees or other persons may purchase shares of the Common Stock of the Company pursuant to "non-incentive" or "non-qualified" stock options and (iii) any of such persons may receive shares of the Common Stock of the Company, or cash in lieu thereof, pursuant to stock appreciation rights granted in tandem with such options.

2. Administration.

The Plan shall be administered by the Company's Compensation Committee or to another committee established by the Board of Directors of the Company to administer the Plan and to whom administration of the Plan will be duly delegated (in either event, the "Committee"), which Committee shall consist of two or more directors, each of whom shall be a "disinterested person," within the meaning of Rule 16b-3(c) (2) (i) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). No member of the Committee shall be eligible for grants to acquire, or allocations of, equity securities of the Company under the Plan or under any other plan of the Company or its affiliates for a period of one year before or during membership on the Committee (or for such other period as may be required from time to time by Rule 16b-3 of the Exchange Act), except any such plans that would not disqualify any member from qualifying as a "disinterested person" pursuant to said Rule. Any action of the Committee with respect to administration of the Plan shall be taken by a majority vote or written consent of its members.

Subject to the express provisions of the Plan, the Committee shall have authority (i) to construe and interpret the Plan, (ii) to define the terms used herein, (iii) to prescribe, amend and rescind rules and regulations relating to the Plan, (iv) to determine the individuals to whom and the time or times at which options shall be granted, the terms and provisions of the option agreements (which need not be identical), whether such options will be incentive stock options or non-qualified stock options, whether to include a stock appreciation right with an option and the terms of such rights, the number of shares to be subject to each option, the option price, the number of

installments, if any, in which each option may be exercised, and the duration of each option, (v) to approve and determine the duration of leaves of absence which may be granted to participants without constituting a termination of their employment for the purposes of the Plan, and (vi) to make all other determinations necessary or advisable for the administration of the Plan. All determinations

and interpretations made by the Committee shall be binding and conclusive on all participants in the Plan and their legal representatives and beneficiaries.

The Company will indemnify and hold harmless the members of the Board of Directors and the Committee from and against any and all liabilities, costs and expenses incurred by such persons as a result of any act, or omission to act, in connection with the performance of such persons' duties, responsibilities and obligations under the Plan, other than such liabilities, costs and expenses as may result from the gross negligence, bad faith, willful misconduct and/or criminal acts of such persons.

3. Shares Subject to the Plan.

Subject to adjustment as provided in paragraph 16 hereof, the shares to be offered under the Plan shall consist of the Company's authorized but unissued Common Stock, par value $.10 per share (hereinafter called "stock") and the aggregate amount of such stock which may be issued upon exercise of all options under the Plan shall not exceed 625,000 shares (as adjusted to reflect the one-for-four stock dividend to be paid on June 1, 1993). If any option granted under the Plan shall expire or terminate for any reason (other than surrender at the time of exercise of a related stock appreciation right provided for in paragraph 8 hereof), without having been exercised in full, the unpurchased shares subject thereto shall again be available for options to be granted under the Plan.

4. Eligibility and Participation.

All key employees, directors (other than Committee members), consultants and advisers, of the Company or of any subsidiary corporation (as defined in Section 425(f) of the Code) shall be eligible for selection to Participate in the Plan, except that only regular employees, of the Company or a subsidiary may receive incentive stock options under the Plan. An individual who has been granted an option may, if such individual is otherwise eligible, be granted an additional option or options if the Committee shall so determine, subject to the other provisions of the Plan. Such options may be granted in lieu of outstanding options previously granted under this Plan or may be in addition to such options.

No incentive stock option may be granted to any person who, at the time the incentive stock option is granted, owns shares of the Company's outstanding Common Stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company (and of its affiliates, if applicable), unless the exercise price of such option is at least 110 percent

(110%) of the fair market value of the stock subject to the option and such option by its terms is not exercisable after the expiration of five years from the date such option is granted.

The aggregate fair market value (determined at the time the options are granted) of the shares covered by incentive stock options granted to any one employee under this Plan or any other incentive stock option plan of the Company which may become exercisable for the first time in any one calendar year shall not exceed $100,000; provided, however, that if the Code or the regulations thereunder shall permit a greater amount of incentive stock options to vest in any calendar year, then such higher limit shall be applicable, subject to the provisions of the specific option agreement.

All options granted under the Plan shall be granted within ten years from April 20, 1993.

5. Duration of Options.

Each option and all rights associated therewith shall expire on such date as the Committee may determine, and shall be subject to earlier termination as provided herein; provided, however, that in the case of incentive stock options, each incentive stock option and all rights associated therewith shall expire in any event within ten (10) years of the date on which such incentive stock option is granted; and provided further that all such options and rights shall be subject, to earlier termination as hereinafter provided.

6. Purchase Price.

The purchase price of the stock covered by each option shall be determined by the Committee, but in the case of incentive stock options, shall be not less than one hundred percent (100%) of the fair market value of such stock on the date the incentive stock option is granted. The purchase price of the shares upon exercise of an option shall be paid in full at the time of exercise (i) in cash or by check payable to the order of the Company, (ii) by delivery of shares of Common Stock of the Company already owned by, and in the possession of the option holder, or (iii) if authorized by the Committee or if specified in the option being exercised, by a promissory note made by the option holder in favor of the Company, upon the terms and conditions determined by the Committee and secured by the shares issuable upon exercise complying with applicable law (including, without limitation, date corporate and federal margin requirements), or any combination thereof. Shares of Common Stock used to satisfy the exercise price of an option shall be valued at their fair market value determined (in accordance with paragraph 9 hereof) as of the close of the business day immediately preceding the date of exercise. Deliveries of cash, shares, and notices to the Company shall be directed to the Secretary of the Company.

7. Exercise of Options.

Each option granted under this Plan shall be exercisable and the total number of shares subject thereto shall be purchasable, in such installments (which need not be equal) during the period prior to its expiration date as the Committee shall determine, but in no event shall any option be exercisable for at least six months after the date of grant (except in the case of death of the option holder). Unless otherwise determined by the Committee, if the option holder shall not in any given installment period purchase all of the shares which the option holder is entitled to purchase in such installment period, then the option holder's right to purchase any shares not purchased in such installment period shall continue until the expiration date or sooner termination of the option holder's option. No option or installment thereof may be exercised except in respect of whole shares, and fractional share interest shall be disregarded except that they may be accumulated in accordance with the preceding sentence. No partial exercise of any option may be for less than one hundred (100) shares.

Nothing contained in this Plan (or in any option granted pursuant to this Plan) shall confer upon any option holder who is an employee any right to continue in the employ of the Company or of any subsidiary, or interfere in any way with the right of the Company or any

subsidiary to terminate his employment at any time or to increase or decrease his compensation from the rate in existence at the time of the granting of an option, and further, nothing contained herein or in any option agreement shall affect any contractual rights of an option holder who is an employee.

Nothing contained in this Plan (or in any option granted pursuant to this Plan) shall confer upon any option holder who is not an employee the right to continue serving as a director of the Company or of any subsidiary, or interfere in any way with the right of the Company or any subsidiary to remove a director.

8. Stock Appreciation Rights.

If deemed appropriate by the Committee, any stock option may be coupled with a stock appreciation right at the time of the grant of the option, or the Committee may grant a stock appreciation right to any person at any time after granting an option to such person prior to the end of the term of such associated option. Such stock appreciation right shall be subject to such terms and conditions not inconsistent with the Plan as the Committee shall impose, provided that:

(1) A stock appreciation right shall be exercisable to the extent, and only to the extent, the associated option is exercisable and shall be exercisable only for such period as the Committee may determine (which period may expire prior to the expiration date of the option).

(2) A stock appreciation right shall entitle the option holder to surrender to the Company unexercised the option to which it is related, or

any portion thereof, and to receive from the Company in exchange therefor that number of shares (rounded down to the nearest whole number) having an aggregate value equal to the excess of the fair market value of one share (determined as hereinafter provided) over the option price per share specified in such option multiplied by the number of shares subject to the option, or portion thereof, which is so surrendered.

(3) The Committee may, at its sole discretion, elect to settle, or the stock appreciation right may permit the optionee to elect to receive (subject to approval by the Committee), any part or all of the Company's obligation arising out of the exercise of a stock appreciation right by the payment of cash having a value equal to the aggregate fair market value of that part or all of the shares it would otherwise be obligated to deliver. Notwithstanding the foregoing, in no event shall cash be payable to an officer or director of the Company upon exercise of a stock appreciation right if the stock appreciation right was exercised during the first six months of its term and unless the stock appreciation right was exercised during a period of ten business days beginning with the third business day after the release to the public of a quarterly or annual summary statement of the Company's sales and earnings or unless the transaction is otherwise exempt form the operation of Section 16(b) of the Securities Exchange Act of 1934.

9. Fair Market Value of Common Stock.

The fair market value of a share of Common Stock of the Company shall be determined for purposes of the Plan by reference to the closing price on the principal stock exchange on which such shares are then listed, or if such shares are not then listed on a stock exchange, by reference to the closing price (if a National Market issue) or the mean between the bid and asked price (if other over-the-counter issue) of a share as supplied by the National Association of Securities Dealers through NASDAQ (or its successor in function), in each case as reported by The Wall Street Journal, for the business day the option or stock appreciation right is granted or exercised, or on the next preceding day on which such stock is traded or listed if none of such stock was traded on the day such option was granted or exercised (or, if for any reason no such price is available, in such other manner as the Committee may deem appropriate to reflect the then fair market value thereof).

10. Withholding Tax.

Upon (i) the disposition by an employee or other person of shares of stock acquired pursuant to the exercise of an incentive stock option granted pursuant to the Plan within two years of the granting of the incentive stock option or within one year after exercise of the incentive stock option; (ii) the exercise by an employee or other person of "non-incentive" or "non-qualified" options; or (iii) the exercise by an employee or other person of a stock appreciation right; the Company shall have the right to (a) require such employee or other person to

pay the Company the amount of any taxes which the Company may be required to withhold with respect to such shares or (b) deduct from all amounts paid in cash with respect to the exercise of a stock appreciation right the amount of any taxes which the Company may be required to withhold with respect to such cash amounts.

11. Non-Transferability.

All options (and any accompanying stock appreciation rights) granted under the Plan shall, by their terms, be non-transferable by the option holder, either voluntarily or by operation of law, otherwise than by will or the laws of descent and distribution, and shall be exercisable during the option holder's lifetime only by the option holder, regardless of any community property interest therein of the spouse of the option holder, or such spouse's successors in interest. If the spouse of the option holder shall have acquired a community property interest in any such option (or accompanying stock appreciation right), the option holder, or the option holder's permitted successors in interest, may exercise the option (or accompanying stock appreciation right) on behalf of the spouse of the option holder or such spouse's successors in interest.

12. Holding of Stock After Exercise of Option.

At the discretion of the Committee, any option may provide that the option holder, by accepting such option, represents and agrees, for the option holder and the option holder's permitted transferees (by will or the laws of descent and distribution), that none of the shares purchased upon exercise of the option or any accompanying stock appreciation right will be acquired with a view to any sale, transfer or distribution of such shares in violation of the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, or any applicable state "blue sky" laws, and the person entitled to exercise the same shall furnish evidence satisfactory to the Company (including a written and signed representation)

to that effect in form and substance satisfactory to the Company, including an indemnification of the Company in the event of any violation of the Securities Act of 1933 or state blue sky law by such person.

13. Termination of Employment or Services Rendered.

If a holder of an incentive stock option ceases to be employed by the Company or one of its subsidiaries for any reason other than the option holder's death or permanent disability (within the meaning of Section 105(d) (4) of the Code), the option holder's incentive stock option (and any accompanying stock appreciation rights) shall be exercisable for a period of three (3) months after the date the option holder ceases to be an employee of the Company or such subsidiary (unless by its terms it sooner expires) to the extent exercisable on the date of such cessation of employment and shall thereafter expire and be void and of no further force or effect.

Unless otherwise specified in the individual option agreement, if a holder of non-qualified stock option ceases to be employed by or perform services for the Company or one of its subsidiaries for any reason other than the option holder's death or permanent disability (within the meaning of Section 105(d) (4) of the Code), the option holder's nonqualified stock option (and any accompanying stock appreciation rights) shall be exercisable for a period of one (1) month after the date the option holder ceases to be an employee of or to perform services for the Company or such subsidiary (unless by its terms it sooner expires) to the extent exercisable on the date of such cessation of employment and shall thereafter expire and be void and of no further force or effect.

A leave of absence approved in writing by the Committee shall not be deemed a termination of employment for the purposes of this paragraph 13, but no incentive stock option may be exercised during any such leave of absence, except during the first three (3) months thereof.

Unless otherwise specified in the individual option agreement, during such period after notice to terminate, such option shall be exercisable only as to those shares with respect to which installments, if any, had accrued as of the date of termination.

14. Death or Permanent Disability of Option Holder.

If the holder of an incentive stock option dies or becomes permanently disabled while the option holder is employed by the Company or one of its subsidiaries, the option holder's option (and any accompanying stock appreciation right) shall expire one (1) year after the date of such death or permanent disability unless by its terms it sooner expires. During such period after death, such option (and any accompanying stock appreciation right) may, to the extent that it remained unexercised (but exercisable by the option holder according to such option's terms) on the date of such death or permanent disability, be exercised by the person or persons to whom the option holder's rights under the option shall pass by will or by the laws of descent and distribution.

Unless otherwise specified in the individual option agreement, if the holder of a non-qualified stock option dies or becomes permanently disabled, the option holder's option (and any accompanying stock appreciation right) shall expire six (6) months after the date of such

death or permanent disability, be exercised by the person or persons to whom the option holder's rights under the option shall pass by will or by the laws of descent and distribution.

15. Privileges of Stock Ownership.

No person entitled to exercise any option or stock appreciation right granted under the Plan shall have any of the rights or privileges of a stockholder of the Company in respect of any shares of stock issuable upon exercise of such option or stock appreciation right until such option holder has become the holder of record of such shares. No adjustment shall be made for dividends or distributions of rights in respect of such shares if the record date is prior to the date on which such option holder becomes the holder of record, except as set forth in Paragraph 16 hereof.

Upon the exercise of an option or any accompanying stock appreciation right, unless there is in effect at that time a registration statement under the Securities Act of 1933, as amended (the "Securities Act") permitting the resale of such shares received upon exercise to the public by the option holder (and there is available for delivery a prospectus meeting the requirements of Section 10(a) (3) of the Securities Act), the option holder (or the option holder's permitted transferees by will or the laws of descent and distribution) shall represent and warrant in writing to the Company that the shares purchased upon exercise of the option or any accompanying stock appreciation right are being acquired for investment and not with a view to the sale, transfer or distribution thereof in violation of the Securities Act and the rules and regulations promulgated thereunder, or any applicable state "blue sky" laws. The person entitled to exercise the option or the accompanying stock appreciation rights shall furnish evidence satisfactory to the Company, including a written and signed representation to the foregoing effect in form and substance satisfactory to the Company, including an indemnification of the Company in the event of any violation of the Securities Act of 1933 or state blue sky laws by such person. If, subsequent to the exercise of an option, there should become effective under the Securities Act, a registration statement permitting the resale to the public shares of the capital stock of the Company issued upon exercise of options granted under this Plan, and if there is available for delivery by the option holder a prospectus meeting the requirements of Section 10(a) (3) of the Securities Act, then any representations and warranties previously made that such shares were being acquired for investment and not with a view to the sale, transfer or distribution thereof shall be disregarded, and the holders of shares shall be released from such representations and warranties with respect to such shares.

No shares shall be sold, issued or delivered upon the exercise of any option or accompanying stock appreciation right unless and until there shall have been full compliance with any then applicable requirements of the Securities Act of 1933 (whether by registration or satisfaction of exemption conditions), all applicable listing requirements of any national securities exchange on which shares of the same class are then listed, and any other requirements of law or any regulatory bodies have jurisdiction over such sale, issuance and delivery.

16. Adjustments.

If the outstanding shares of the Common Stock of the Company are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Company through reorganization, recapitalization, reclassificiation, stock dividend, stock split, reverse stock split, merger, consolidation, combination, exchange of shares, or other similar transaction, the Committee shall make an appropriate and proportionate adjustment in the maximum number and kind of shares as to which options may be granted under this Plan, including the maximum number that may be granted hereunder or to any one participant. A corresponding adjustment changing the number or kind of shares allocated to unexercised options or portions thereof, which shall have been granted prior to any such change, shall likewise be made, to the end that the optionee's proportionate interest shall be maintained as before the occurrence of such events. Any such adjustment in the outstanding options shall be made without change in the aggregate purchase price applicable to the unexercised portion of the option but with a corresponding adjustment in the price for each share or other unit of any security covered by the option, provided, however, that each such adjustment in the number and kind of shares subject to outstanding options, including any adjustment in the option price, shall be made in such a manner as not to constitute a "modification" as defined in Section 424 of the Code. Any such adjustment made by the Committee shall be conclusive.

Upon (i) the dissolution or liquidation of the Company, or upon a reorganization, merger or consolidation of the Company with one or more corporations as a result of which the Company is not the surviving corporation (except for a transaction the principal purpose of which is to change the State of the Company's incorporation), (ii) a sale of all or substantially all the property or more than eighty percent (80%) of the then outstanding shares of stock of the Company to another corporation or (iii) if the majority of any class of directors be comprised of individuals who were not either nominated by the then existing Board of Directors or had not been appointed by the then existing Board of Directors (any of the foregoing, a "Corporate Transaction"), subject to the following sentence, the Plan shall terminate and be of no further force and effect. Notwithstanding the foregoing, the Committee shall provide in writing in connection with any such transaction for any or all of the following alternatives (separately or in combination): (i) for the options and any accompanying stock appreciation rights theretofore granted more than six months before such transaction to become immediately exercisable notwithstanding the provisions of paragraph 7 hereof; (ii) for the assumption by the successor corporation of the options and stock appreciation rights theretofore granted or the substitution by such corporation for such options and rights of new options and rights covering the stock of the successor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices; (iii) for the continuance of the Plan by such successor corporation in which event the Plan and the options and any accompanying stock appreciation rights theretofore granted shall continue in the manner and under the terms so provided, or (iv) for the payment in cash or stock in lieu of an in complete satisfaction of such options and rights. It is expressly contemplated that an option can be exercised subject to the consummation of a Corporate Transaction.

Adjustments under this paragraph 16 shall be made by the Committee, whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional shares of stock shall be issued under the Plan upon any such adjustment.

At the discretion of the Committee, any option may contain provisions to the effect that upon the happening of certain events, including a change of control (as defined by the Committee in the option) of the Company, any outstanding options and accompanying stock appreciation rights not theretofore exercisable shall immediately become exercisable in their entirety, notwithstanding any of the other provisions of the option.

17. Amendment and Termination of Plan.

The Committee may at any time suspend, amend or terminate the Plan and may with the consent of an option holder, make such modifications of the terms and conditions of his option as it shall deem advisable; provided that except as permitted under the provisions of Paragraph 16 hereof, an amendment or modification which would:

a) increase the maximum shares available for grant under the Plan;

b) change the minimum purchase price of incentive stock options set forth in Paragraph 5 (provided, however, that the Committee may cancel and regrant at a lower price all or any options granted under the Plan);

c) materially modify the requirements as to eligibility for participation in the Plan;

d) materially increase the benefits accruing to participants under the Plan;

e) increase the maximum term of incentive stock options provided for in paragraph 5;

f) permit the granting of options or stock appreciation rights to anyone other than as provided in paragraph 4; or

g) otherwise require Shareholder Approval (as defined below) under Rule 16b-3 under the Exchange Act or Section 422 of the Code,

may not be adopted without further approval by the affirmative vote of the holders of a majority of securities of the Company present, or represented, and entitled to vote at a meeting duly held in accordance with the applicable laws of the State or other jurisdiction in which the Company is incorporated, or by the written consent of the holders of a majority of the Securities of the Company entitled to vote ("Shareholder Approval").

No option may be granted during any suspension or after such termination. The amendment, suspension or termination of the Plan shall not, without the consent of the option holder, alter or impair any rights or obligations under any option or accompanying stock appreciation right theretofore granted under the Plan. An option may be terminated by agreement between an optionee and the Company and in lieu of the terminated option, a new option may be granted with an exercise price which may be higher or lower than the exercise price of the terminated option.

18. Effective Date of Plan.

This plan shall be effective upon adoption by the Board of Directors of the Company and Shareholder Approval (as defined in Paragraph 17) within twelve months from the date the Plan is adopted by the Board of Directors. Any options granted under the Plan prior to obtaining such Shareholder Approval shall be granted under the conditions that the options so granted: (1) shall not be exercisable prior to such approval, and (2) shall become null and void if such Shareholder Approval is not obtained.

EXHIBIT 5

March 25, 1999

Hollywood Park, Inc.
1050 South Prairie Avenue
Inglewood, California 90301

Re: 9 1/4% Series B Senior Subordinated Notes Due 2007

Ladies and Gentlemen:

We have acted as counsel to Hollywood Park, Inc., a Delaware corporation (the "Company"), in connection with the offer to exchange (the "Exchange Offer") all of the Company's previously issued $350,000,000 aggregate principal amount of 9 1/4% Series A Senior Subordinated Notes due 2007 (the "Old Notes") for $350,000,000 aggregate principal amount of 9 1/4% Series B Senior Subordinated Notes due 2007 (the "Exchange Notes"). A registration statement on Form S-4 relating to the Exchange Offer has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Registration Statement"). This opinion is furnished to you in connection with the registration of the Exchange Notes.

We are familiar with the corporate proceedings taken by the Company in connection with the issuance of the Exchange Notes pursuant to the Exchange Offer. It is our opinion that the Exchange Notes, when issued pursuant to the terms of the Exchange Offer, will be legally issued, fully paid and non-assessable and will constitute binding obligations of the Company.

Our opinion set forth above is subject to and limited by the following: (a) the effect of bankruptcy, insolvency, reorganization, moratorium and other similar laws and legal and equitable principles relating to, limiting or affecting the enforcement of creditors' rights generally including, without limitation, preferences, equitable subordination and fraudulent conveyances, and (b) the effect of general principles of equity, whether applied by a court of law or equity.

We consent to the filing of this opinion as Exhibit 5 to the Registration Statement and to the reference to this firm under the caption "Legal Matters" in the Prospectus which is a part of the Registration Statement. This opinion is

furnished to you in connection with the registration of the Exchange Notes pursuant to the Exchange Offer, is solely for your benefit

and may not be relied upon by, nor copies delivered to, any other person or entity without our prior written consent.

Sincerely,

/s/ Irell & Manella LLP

IRELL & MANELLA LLP

Exhibit 10.1

HOLLYWOOD PARK OPERATING COMPANY
DIRECTORS DEFERRED COMPENSATION PLAN

1. Eligibility. Each member of the Board of Directors of Hollywood Park Operating Company (the "Corporation") is eligible to participate in the Plan.

2. Participation.

(a) Time of Election. Six months prior to the beginning of a calendar year, commencing with calendar year 1993, each eligible Director may elect to participate in the Plan by directing that all or any part of the compensation (including fees payable for services as chairman or a member of a committee of the Board) which otherwise would have been payable currently for services rendered as a Director during such calendar year and succeeding calendar years shall be credited to a deferred compensation account (the "Director's Account"). Any person who shall become a Director during any calendar year, and who was not a Director of the Corporation prior to the beginning of such calendar year, may elect, within 30 days after the Director's term begins, to defer payment of all or any part of the Director's compensation earned during the remainder of such calendar year and for succeeding calendar years; provided, however, that such election shall only be implemented six months after the date such election is filed with the Corporation pursuant to Section 2(b). Notwithstanding the foregoing, with respect to calendar year 1992, each eligible Director may elect within two weeks after the effective date of this Plan (as described in Paragraph 6, below) to defer the Director's Compensation for services rendered as a Director beginning six months after such election .

(b) Form and Duration of Election. An election to participate in the Plan shall be made by written notice signed by the Director and filed with the Secretary of the Corporation. Such election shall specify the amount of the Director's compensation to be deferred and specify an allocation of the deferral between cash and stock as herein provided. Such election shall continue until the Director terminates such election by signed written notice filed with the Secretary of the Corporation. Any such termination shall become effective six months after notice is given and only with respect to fees payable for services rendered as a Director thereafter. Amounts credited to the Director's Account prior to the effective date of termination shall not be affected by such termination and shall be distributed only in accordance with the terms of the Plan.

If a Director participates in both this Plan and the Hollywood Park Realty Enterprises, Inc. Deferred Compensation Plan, such Director must make

identical elections (including termination) under each plan.

(c) Renewal. A Director who has terminated his election to participate may thereafter file another election to participate for the calendar year subsequent to the filing of such election and succeeding calendar years, subject to Section 2(a) hereof.

3. The Director's Account. All compensation which a Director has elected to defer under the Plan shall be credited, at the Director's election, to the Director's Account as follows:

(a) As of the date the Director's compensation would otherwise be payable, the Director's Account will be credited with an equivalent cash amount. The cash credited to the Director's Account shall be reduced by the amount of Paired Stock credited to the Director's Account pursuant to subparagraph (b).

(b) As of the date the Director's compensation would otherwise be payable, there shall be credited to the Director's Account the number of full and fractional shares of the Corporation's Common Stock obtained by dividing the amount of the Director's compensation for the calendar quarter or month, as the case may be, which he elected to defer by the average of the closing price of a share of Paired Stock (as described below) on the NASDAQ National Market System on the last ten business days of the calendar quarter or month, as the case may be, for which such compensation is payable. Each share of Paired Stock consists of one share of the Corporation's Common Stock and one share of Hollywood Park Realty Enterprises, Inc.'s Common Stock.

(c) At the end of each calendar quarter there shall be credited to the Director's Account the number of full and/or fractional shares of Paired Stock obtained by dividing the dividends which would have been paid on the shares credited to the Director's Account as of the dividend record date, if any, occurring during such calendar quarter if such shares had been shares of issued and outstanding Paired Stock on such date, by the closing price of the Paired Stock on the NASDAQ National Market System on the date such dividend(s) is paid. In the case of stock dividends, there shall be credited to the Director's Account the number of full and/or fractional shares of Paired Stock which would have been issued with respect to the shares credited to the Director's Account as of the dividend record date if such shares of Paired Stock had been shares of issued and outstanding Paired Stock on such date.

(d) No fractional share interests credited to a Director's Account shall be distributed pursuant to Section 4 hereof. Instead, any fractional shares of Paired Stock remaining at the time the final distribution is made pursuant to paragraph 4 herein shall be converted into a cash credit by multiplying the number of fractional shares by the average of the closing price of the Paired Stock on the NASDAQ National Market System on the last ten business days prior to the date of the final distribution from the Director's Account.

(e) Cash amounts credited to the Director's Account pursuant to subparagraph (a) above shall accrue interest commencing from the date the cash amounts are credited to the Director's Account at a rate per annum to be determined from time to time by the Board of Directors (the "Board"). Amounts credited to the Director's Account shall continue to accrue interest until distributed in accordance with the Plan.

The Director shall not have any interest in the cash or Paired Stock credited to the Director's Account until distributed in accordance with the Plan.

4. Distribution from Accounts.

(a) Form of Election. At the time a Director makes a participation election pursuant to paragraphs 2(a) or 2(c), the Director shall also file with the Secretary of the Corporation a signed written election with respect to the distribution of the aggregate amount of cash and shares credited to the Director's Account pursuant to such participation election. A Director may elect to receive such amount in one lump-sum payment or in a number of approximately equal annual installments (provided the payout period does not exceed 15 years). The lump-sum payment or the first installment shall be paid as of the first business day of the calendar quarter immediately following the cessation of the Director's service as a Director of the Company. Subsequent installments shall be paid as of the first business day of each succeeding installment period until the entire amount credited to the Director's Account shall have been paid. A cash payment will be made with the final distribution for any fraction of a share in accordance with paragraph 3(d) hereof.

(b) Adjustment of Method of Distribution. A Director participating in the Plan may, prior to the beginning of any calendar year, file another written notice with the Secretary of the Corporation electing to change the date and/or method of distribution of the aggregate amount of cash and shares credited to the Director's Account for services rendered as a Director commencing with such calendar year. Amounts credited to the Director's Account prior to the effective date of such change shall not be affected by such change and shall be distributed only in accordance with the election in effect at the time such amounts were credited to the Director's Account.

5. Distribution on Death. If a Director should die before all amounts credited to the Director's Account shall have been paid in accordance with the election referred to in paragraph 4, the balance in such Account as of the date of the Director's death shall be paid promptly following the Director's death to the beneficiary designated in writing by the Director. Such balance shall be

paid to the estate of the Director if (a) no such designation has been made or (b) the designated beneficiary shall have predeceased the Director and no further designation has been made.

6. Effective Date. This Plan shall not become effective until approved by the affirmative vote of the holders of a majority of the Corporation's Common Stock present in person or represented by proxy at the Corporation's 1990 Annual Meeting of Stockholders or such earlier date as is permitted by Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

7. Shares Issuable. The maximum number of shares of Paired Stock which may be issued pursuant to this Plan is 100,000.

8. Limitation on Distributions. Notwithstanding anything to the contrary in this Plan, the maximum amount of shares of Paired Stock which can be issued pursuant to this Plan and the Hollywood Park Realty Enterprises, Inc. Deferred Compensation Plan in any fiscal year is one percent (1%) of the outstanding number of shares of Paired Stock at the beginning of such fiscal year, except to the extent that a greater distribution is authorized by the Board (as defined below). If distributions would exceed this amount, distributions to each Director shall be reduced on a pro rata basis. Shares of Paired Stock not distributed in any fiscal year because of this Section 8 shall be distributed as soon as possible in the next fiscal year, within the limits of this Section 8.

9. Miscellaneous.

(a) The right of a Director to receive any amount in the Director's Account shall not be transferable or assignable by the Director, except by will or by the laws of descent and distribution or pursuant to a qualified domestic relations order as defined by the Internal Revenue Code of 1986, as amended, or Title I of the Employee Retirement Income Security Act, or the rules thereunder, and no part of such amount shall be subject to attachment or other legal process.

(b) The Corporation shall not be required to reserve or otherwise set aside funds or shares of Paired Stock for the payment of its obligations hereunder. The Corporation shall make available as and when required a sufficient number of shares of Paired Stock to meet the needs of the Plan, either by the issuance of new shares of Paired Stock or the purchase of shares of Paired Stock on the open market or through private purchases, as the Corporation may determine.

(c) The establishment and maintenance of, or allocation and credits to

the Director's Account shall not vest in the Director or his beneficiary any right, title or interest in and to any specific assets of the Corporation. A Director shall not have any dividend or voting rights or any other rights of a stockholder (except as expressly set forth in paragraph 3 with respect to dividends and as provided in subparagraph (g) below) until the shares credited to a Director's Account are distributed. The rights of a Director to receive payments under this Plan shall be no greater than the right of an unsecured general creditor of this Corporation.

(d) The Plan shall be administered by the Board. The Board shall have the power to interpret provisions of the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations it deems necessary or advisable to administer the Plan with all such determinations being final and binding; provided, however, that the Board will not have the power to take any action relating to eligibility for participation in the Plan or the number of shares of Common Stock to be issued to each participating Director.

(e) The Board may at any time terminate the Plan or amend the Plan in any manner it deems advisable and in the best interests of the Corporation; provided, however, that (i) no amendment or termination shall impair the rights of a Director with respect to amounts then credited to the Director's Account, (ii) no amendment shall accelerate any payments or distributions under the Plan (except with regard to bona fide

---

financial hardships), (iii) no amendment may be made which would cause the Plan to fail to satisfy the requirements of Rule 16b-3 promulgated under the or any successor rule or regulation, and (iv) if this Plan is deemed to be a "Grant and Award Plan" under Rule 16b-3(c) promulgated under the Exchange Act, the provisions of this Plan shall not be amended more than once every six months, other than to comport with changes in the Internal Revenue Code, the Employee Retirement Income Security Act, or the rules thereunder.

(f) Each Director participating in the Plan will receive an annual statement indicating the amount of cash and number of shares credited to the Director's Account as of the end of the preceding calendar year.

(g) If adjustments are made to outstanding shares of Paired Stock, or if outstanding shares of Paired Stock are converted into or exchanged for, other securities or property, as a result of stock dividends, stock splits, reverse stock splits, recapitalizations, reclassifications, mergers, consolidations and the like (including the unpairing of the Paired Stock), an appropriate adjustment (as determined in good faith by the Board) will also be made in the number and kind of shares or property credited to the Director's Account so that when distributions are made pursuant to this Plan, the Director will receive the number and kind of securities or property to which a holder of Paired Stock would have been entitled upon such event.

In addition, if outstanding shares of Paired Stock are converted into or exchanged for another security (the "New Security"), all references to "Paired Stock" in this Plan shall be deemed to be references to the New Security.

10. No Accrual Following Proposed Merger. If the merger (the "Merger") pursuant to which the Corporation will become a wholly-owned subsidiary of Hollywood Park Realty Enterprises, Inc. ("Realty") becomes effective (whether approved by the stockholders at the 1990 Annual Meetings of Stockholders of the Corporation and Realty, respectively, or by other stockholder action), then no Director of the Corporation may defer any future compensation pursuant to this Plan subsequent to the effective date of the Merger. This Plan will remain in effect, however, with respect to compensation deferred by any Director prior to the effective date of the Merger.

Exhibit 10.2

AIRCRAFT TIME SHARING AGREEMENT

THIS TIME SHARING AGREEMENT (the "Agreement") is made and entered into as of the 2nd day of June, 1998, by and between HOLLYWOOD PARK, INC., a Delaware corporation ("Timesharer") and R.D. HUBBARD ENTERPRISES, INC., a Texas corporation ("Owner").

SECTION I
TIME SHARING AIRCRAFT

For and in consideration of the expenses to be paid hereunder and the covenants and agreements herein contained to be kept and performed, Owner does hereby consent to time share with Timesharer for Timesharer's use the following described Aircraft with equipment, accessories and flight crew (the "Aircraft"):

Canadair Challenger 601-3A, Year 1987, Serial No. 5014, bearing FAA No. N888DH and
Two (2) General Electric CF34-3A Engines, Serial Nos. 350273 & 350282

The home airport of the Aircraft shall be Portland International Airport, Portland, Oregon, or such other airport or airports as the Owner shall determine from time to time.

SECTION II
TERM

The term of this Agreement shall commence on June 2, 1998 and expire on December 31, 1999. Thereafter, this Agreement shall automatically renew for additional terms of one (1) month each unless written notice of termination is given by one party to the other at least two (2) weeks prior to the commencement of a renewal term.

SECTION III
EXPENSES

During the term of this Agreement, Timesharer agrees to reimburse Owner for the following expenses incurred as a result of Timesharer's use of the Aircraft:

a. Fuel, oil, lubricants, and other additives;

b. Travel expenses of the crew, including food, lodging, and ground transportation;

c. Hangar and tie-down costs away from the Aircraft's base of operations;

d. Insurance obtained for the specific flight;

e. Landing fees, airport taxes, and similar assessments;

f. Customs, foreign permit, and similar fees directly related to the flight;

g. In-flight food and beverages;

h. Passenger ground transportation;

i. Flight planning and weather contract services; and

j. An additional charge equal to 100% of the expenses listed is subparagraph a. of this section.

By the thirtieth (30th) day of each month, Owner shall provide Timesharer with an invoice setting forth the amount owed by Timesharer for the previous month. Timesharer shall pay such amount within fifteen (15) days of receipt of such invoice.

Said payments shall be paid at the address of the Owner provided to Timesharer, or at such other place as Owner may designate. Timesharer agrees to reimburse Owner for all costs and expenses, including court costs and reasonable attorney's fees, incurred by Owner in the enforcement of its rights and remedies under this Agreement.

SECTION IV
TITLE

The registration of, and title to, the Aircraft shall remain in the name of Owner, and the Aircraft shall at all times during the term of this Agreement, or any extension hereof, bear United States registration markings. All responsibility and obligations in regard to maintaining the Aircraft as above owned, registered, and marked shall be borne by Owner. This Agreement does not confer on Timesharer any right, title or interest whatsoever, legal or equitable, in the Aircraft, or to the proceeds of the sale of the Aircraft.

SECTION V
RESTRICTIONS ON USE

During Timesharer's use of the Aircraft, Timesharer agrees to use the Aircraft only for the purposes, in the manner and within the geographical limits set forth in applicable insurance policies, to abide by and conform to, and cause others to abide by and conform to, all laws, ordinances, orders, rules and regulations, national, state, municipal or otherwise, now existing or hereinafter enacted, controlling or in any way affecting the operation, use or occupancy of the Aircraft or the use of any airport premises by the Aircraft. Timesharer shall be solely responsible for any fines, penalties or forfeitures occasioned by Aircraft. If such fines or penalties are imposed on Owner and paid by Owner, Timesharer shall reimburse Owner for the amount thereof within 15 days of receipt by Timesharer of written demand from Lender.

SECTION VI
ASSIGNMENT

Timesharer agrees to keep safe and use carefully the Aircraft, and not to sell or attempt to sell, assign or dispose of the Aircraft, or any interest therein, or any part, or necessary equipment or to permit any charge, lien or encumbrance of any nature upon the Aircraft or any part thereof, or land or rent the same (other than to or at the direction of Owner), or change the home airport from that designated therein, or remove the Aircraft from the Continental United States for a period exceeding thirty (30) days without the prior written consent of Owner. Timesharer agrees that Owner reserves the power to assign its rights under this Agreement.

SECTION VII
MAINTENANCE AND REPAIR

Owner agrees to retain the responsibility for the repair and maintenance of the Aircraft so as to keep it in good safe operating condition.

Owner shall perform at its own expense all inspections, repairs, replacements, modifications, maintenance, and overhaul work as necessary and in accordance with the standards set by the Federal Aviation Administration regulations and requirements or those of any other governmental authority. The Owner's flight crew shall maintain all log books and records pertaining to Timesharer's personal use and operation of the Aircraft in accordance with the rules and regulations of the Federal Aviation Administration. Such records shall be the property of the Owner.

SECTION VIII
ALTERATIONS

Timesharer shall not have the right to alter, modify, or make additions or improvements to the Aircraft.

SECTION IX
INDEMNIFICATION OF OWNER

Timesharer agrees to be responsible and liable to Owner for, and to indemnify Owner against, loss of any and all damage during Timesharer's use of the Aircraft during the term of this Agreement or until redelivery of the Aircraft to Owner, and to indemnify and save Owner harmless from and against all claims, costs, expenses, damages and liabilities, including personal injury, death or property damage claims arising or in any manner occasioned by Timesharer's custody or operation of the Aircraft for use, including consequential damages.

Timesharer shall never, at any time during the term of this Agreement, for any purpose whatsoever, be or become an agent for Owner, and Owner shall not be responsible for the acts or omissions of Timesharer or its agents.

SECTION X
RISK OF LOSS

Owner agrees to maintain general insurance covering the Aircraft, together with all of its equipment and accessories; however, pursuant to Section III of this Agreement, Timesharer agrees to either (i) reimburse Owner for any insurance premiums attributable to Timesharer's use and operation of the Aircraft; or (ii) obtain adequate and necessary insurance coverage, including but not limited to loss or damage from crash, fire, windstorm, collision, or other casualty, hull damage and liability for personal injuries, death or property damages, arising or in any manner occasioned by the acts or omission of Timesharer while in custody or operation of the Aircraft for personal use. If Timesharer is required to obtain such insurance, then losses under the hull damage policies will be made payable to Owner and Timesharer shall deliver said policies, or evidence of said insurance, to Owner with premium receipts therefor.

Timesharer shall immediately notify Owner of each accident involving the Aircraft while it is in timesharer's possession, which notification shall specify the time, place, and nature of the accident or damage, the names and addresses of parties involved, persons injured, witnesses, and owners of properties damaged, and such other information as may be known. Timesharer shall advise Owner of all correspondence, papers, notices, and documents whatsoever received by timesharer in connection with any claim or demand involving or relating to the Aircraft or its operation, and shall aid in any investigations instituted by Owner and in recovery of damages from third persons liable for same.

Timesharer hereby appoints Owner as Timesharer's attorney-in-fact to make proof of loss, and claim for, receive payment of and execute or endorse all documents, checks for drafts for hull damage or return premium under said insurance policies.

SECTION XI
INSPECTION BY OWNER

During Timesharer's use, Timesharer agrees to permit Owner to inspect the Aircraft at any reasonable time, either on the land or aloft, and to furnish any information in respect to Timesharer's use of the Aircraft that Owner may reasonably request, and to execute and deliver to Owner any additional or supplemental instruments or documents as may be required by Owner in connection with Timesharer's personal use of the Aircraft.

SECTION XII
RETURN TO OWNER

Upon completion of each time shared use of the Aircraft, Timesharer agrees to return the Aircraft to Owner at such place as may be designated by Owner, in the same operating order, repair, condition and appearance as when received, excepting only for (i) reasonable wear and tear; (ii) damage attributable to acts or omissions of the Timesharer covered by collectible insurance as provided for in Section X; and (iii) damage attributable to acts or omissions of Owner.

SECTION XIII
REMEDIES

In the event Timesharer is required to obtain insurance pursuant to Section X of this Agreement, and Timesharer fails to pay all costs and expenses to procure and maintain such insurance, Owner may, at its option and without liability, terminate this Agreement.

Owner's rights and remedies with respect to any of the terms and conditions of this Agreement shall be cumulative and not exclusive, and shall be in addition to all other rights and remedies in its favor. Owner's failure to enforce strictly any provisions of this Agreement shall not be construed as a waiver thereof or as excusing Timesharer from future performance.

SECTION XIV
MODIFICATION OF AGREEMENT

This Agreement constitutes the entire agreement between the parties. Any change or modification to this Agreement must be in writing and signed by the Owner and Timesharer. The validity of any portion of this Agreement shall not affect the remaining valid portions. All notices shall be binding upon the parties if sent to the address provided pursuant to this Agreement unless a subsequent address shall have been furnished, by certified mail, by one party to the other.

SECTION XV
GOVERNING LAW

This Agreement shall be interpreted in accordance with, and performance shall be governed by, the law of the State of Oregon.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

<TABLE>
<S>

	<C>
OWNER:	TIMESHARER:
R.D. HUBBARD ENTERPRISES, INC.	HOLLYWOOD PARK, INC.
/s/ Edward A. Burger	/s/ G. Michael Finnigan
By:	By:
Title: Vice President of Finance	Title: President / Chief Financial Officer

</TABLE>

EXHIBIT 10.11

SECOND ADDENDUM
TO THE LEASE AGREEMENT
DATED DECEMBER 19, 1997
BY AND BETWEEN
CRYSTAL PARK HOTEL AND CASINO DEVELOPMENT COMPANY, LLC
AND
CALIFORNIA CASINO MANAGEMENT, INC.

Be it known that Crystal Park Hotel and Casino Development Company, LLC (hereafter referred to as LANDLORD) and California Casino Management, Inc. (hereafter referred to as TENANT) do hereby agree to amend the above stated lease (hereafter referred to as ORIGINAL LEASE) as follows:

LANDLORD and TENANT (hereafter jointly referred to as PARTIES) do agree that commencing on November 1, 1998 and continuing through December 31, 1999 the monthly lease payments by TENANT to LANDLORD relative to the property addressed in the ORIGINAL LEASE shall be $100,000 (one-hundred-thousand dollars) per month.

PARTIES agree that provided TENANT makes the above stated lease payments to LANDLORD that LANDLORD will deem TENANT to be in full compliance with the lease between PARTIES and not in default thereof.

All other terms of the original lease shall be deemed to be unmodified and in full force.

By their signatures below, or those of their authorized agents, PARTIES agree to be bound by the above.

Signed :

Crystal Park Hotel and Casino Development Company, LLC LANDLORD,	California Casino Management, Inc., TENANT
BY:	BY:
/s/ G. Michael Finnigan ----------	/s/ Leo Chu ----------
	Leo Chu
its:	its:
----------	President/General Manager

Date: 8 Mar 99

Date: 3-5-99

Exhibit 10.36

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made on December 23, 1998, by and between HOLLYWOOD PARK, INC. a Delaware corporation ("Company"), and G. MICHAEL FINNIGAN, an individual ("Executive"), with respect to the following facts and circumstances:

RECITALS

Executive is currently employed as executive vice president and chief financial officer of the Company and president of its Sports and Entertainment Division. Company desires to retain Executive as President and Chief Executive Officer of Realty Investment Group, Inc., a subsidiary (the "Realty Subsidiary") of the Company which will conduct all of the real estate business and related development activities of the Company and its operating subsidiaries.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements set forth herein, the parties hereto agree as follows:

ARTICLE 1

EMPLOYMENT AND TERM

1.1 Employment. Company agrees to engage Executive in the capacity as President and Chief Executive Officer of the Realty Subsidiary on the Effective Date (as hereinafter defined) and Executive hereby accepts such engagement by Company upon the terms and conditions specified below. The Company agrees that throughout the Term it shall take all such action as may be necessary or appropriate in order to cause all of the real estate business and related development activities of the Company and its subsidiaries to be conducted through or under the control and supervision of the Realty Subsidiary. The Company will form Realty Subsidiary within thirty days of the date hereof.

1.2 Term. The term of this Agreement (the "Term") shall commence on January 1, 1999 (or such earlier date on which Executive shall be released from his current duties (such date being referred to as the "Effective Date") and shall continue in force until three years from and after the Effective Date, unless earlier terminated under Article 6 below. Each 12-month period commencing as of the Effective Date is sometimes called a year of the "Term," and the date which is 365 days from and after the Effective Date shall be referred to as the "Anniversary Date"). At least ninety (90) days prior to the expiration of the Term (as the same may be extended from time to time) , Executive and Company shall advise each other whether they wish to renew the term of this Agreement and the proposed basis for such renewal.

ARTICLE 2

DUTIES OF EXECUTIVE

2.1 Duties. Executive shall perform all the duties and obligations of President and Chief Executive Officer of the Realty Subsidiary, including primary responsibility for Company's real estate and related operations subject to the control and supervision of the Board of Directors of Realty Subsidiary and such other executive duties consistent with the foregoing as may be assigned to him from time to time by the Board of Directors of Realty Subsidiary. Executive shall report to the Chairman of the Board of Realty Subsidiary, who shall at all times be R. D. Hubbard or another person acceptable to Executive. Executive shall perform the services contemplated herein faithfully, diligently, to the best of his ability and in the best interests of Company. Executive shall devote substantially all his business time and efforts to the rendition of such services. Executive shall, at all times perform such services in compliance with, and to the extent of his authority, shall to the best of his ability cause Realty Subsidiary to be in compliance with, any and all laws, rules and regulations applicable to Realty Subsidiary of which Executive is aware. Executive may rely on Company's and Realty Subsidiary's inside counsel and outside lawyers in connection with such matters. Executive shall, at all times during the Term, in all material respects adhere to and obey any and all written internal rules and regulations governing the conduct of Company's employees, as established or modified from time to time; provided, however, in the event of any conflict between the provisions of this Agreement and any such rules or regulations, the provisions of this Agreement shall control.

2.2 Location of Services. Executive's principal place of employment shall be at Company's headquarters in the greater Los Angeles, California area. Executive understands he will be required to travel to Company's various operations as part of his employment.

2.3 Exclusive Service. Except as otherwise expressly provided herein, Executive shall devote substantially all his business time, attention, energies, skills, learning and best efforts to the business of Company. Executive may participate in social, civic, charitable, religious, business, educational or professional associations, so long as such participation does not materially interfere with the duties and obligations of Executive hereunder. This Section 2.3, however, shall not be construed to prevent Executive from making passive outside investments so long as such investments do not require material time of Executive or otherwise interfere with the performance of Executive's duties and obligations hereunder. Executive shall not make any investment in an enterprise that competes with Company without the prior written approval of Company after full disclosure of the facts and circumstances; provided, however, that so long as Executive does not utilize material, non-public information this sentence shall not preclude Executive from owning up to one percent (1%) of the securities of a publicly traded entity.

ARTICLE 3

COMPENSATION

3.1 Salary. In consideration for Executive's services hereunder, Company shall pay or cause Realty Subsidiary to pay Executive an annual salary at the rate of Four Hundred Thousand Dollars ($400,000) per year during each of the years of the Term; payable in accordance with Company's regular payroll schedule from time to time (less any deductions required for Social Security, state, federal and local withholding taxes, and any other authorized or mandated withholdings).

3.2 Bonus. Executive shall be entitled to earn a bonus with respect to each year of the Term during which Executive is employed under this Agreement of up to Two Hundred Thousand Dollars ($200,000) per year. The bonus referable to the initial year of the Term shall be determined in the discretion of the Board. For each of the following years in the Term, one-half of the Bonus will be earned based on whether Realty Subsidiary meets performance targets established by the Board within three (3) months of the start of each year, and the second half at the discretion of the Board of Directors.

ARTICLE 4

EXECUTIVE BENEFITS

4.1 Vacation. In accordance with the general policies of Company applicable generally to other senior executives of Company pursuant to Company's personnel policies from time to time, Executive shall be entitled to four weeks vacation each calendar year, without reduction in compensation.

4.2 Company Employee Benefits. Executive shall receive all group insurance and pension plan benefits and any other benefits on the same basis as they are available generally to other senior executives of Company under Company personnel policies in effect from time to time.

4.3 Benefits. Executive shall receive all other such fringe benefits as Company may offer generally to other senior executives of Company under Company personnel policies in effect from time to time, such as health and disability insurance coverage and paid sick leave, but not less than those currently received.

4.4 Indemnification. Executive shall have the benefit of indemnification as provided under applicable law and the bylaws of Company, which indemnification shall continue after the termination of this Agreement for such period as may be necessary to continue to indemnify Executive for his acts during the term hereof. Company shall cause Executive to be covered by the current policies of directors and officers liability insurance covering directors and officers of Company, copies of which have been provided to Executive, in accordance with their terms, to the maximum extent of the coverage available for any director or officer of Company. Company shall use commercially reasonable efforts to cause the current policies of directors

and officers liability insurance covering directors and officers of Company to be maintained throughout the term of Executive's employment with Company and for such period thereafter as may be necessary to continue to cover acts of Executive during the term of his employment (provided that Company may substitute therefor, or allow to be substituted therefor, policies of at least the same coverage and amounts containing terms and conditions which are, in the aggregate, no less advantageous to the insured in any material respect).

ARTICLE 5

REIMBURSEMENT FOR EXPENSES

Executive shall be reimbursed by Company and Realty Subsidiary for all ordinary and necessary expenses incurred by Executive in the performance of his duties or otherwise in furtherance of the business of Company or Realty Subsidiary in accordance with the policies of Company or Realty Subsidiary in effect from time to time. Executive shall keep accurate and complete records of all such expenses, including but not limited to, proof of payment and purpose. Executive shall account fully for all such expenses to Company or Realty Subsidiary.

ARTICLE 6

TERMINATION

6.1 Termination for Cause. Without limiting the generality of Section 6.2, Company shall have the right to terminate Executive's employment, without further obligation or liability to Executive, upon the occurrence of any one or more of the following events, which events shall be deemed termination for cause.

6.1.1 Failure to Perform Duties. If Executive neglects to perform the duties of his employment under this Agreement in a professional and businesslike manner after having received written notice specifying such failure to perform and a reasonable opportunity, not to exceed ten days, to perform or if such performance cannot be completed within such time period, commenced within such period and diligently pursued to completion as soon as practicable thereafter.

6.1.2 Willful Breach. If Executive willfully commits a material breach of this Agreement or a material willful breach of his fiduciary duty to Company.

6.1.3 Wrongful Acts. If Executive is convicted of a felony or any other serious crime, commits a serious wrongful act or engages in other misconduct involving acts of moral turpitude that would make the continuance of his employment by Company materially detrimental to Company, which determination shall be made in the reasonable exercise of Company's judgment.

6.1.4 Disability. If Executive is physically or mentally disabled from the performance of a major portion of his duties for a continuous period of 120 days or greater, which determination shall be made in the reasonable exercise of Company's judgment,

provided, however, if Executive's disability is the result of a serious health condition as defined by the federal Family and Medical Leave Act (or its California equivalent) ("FMLA"), Executive's employment shall not be terminated due to such disability at any time during or after any period of FMLA-qualified leave except as permitted by FMLA. If there should be a dispute between Company and Executive as to Executive's physical or mental disability for purposes of this Agreement, the question shall be settled by the opinion of an impartial reputable physician or psychiatrist agreed upon by the parties or their representatives, or if the parties cannot agree within ten days after a request for designation of such party, then a physician or psychiatrist designed by the Los Angeles County Medical Association. The certification of such physician or psychiatrist as to the questioned dispute shall be final and binding upon the parties hereto.

6.2 Termination Without Cause. Notwithstanding anything to the contrary herein, Company shall have the right to terminate Executive's employment under this Agreement at any time without cause by giving notice of such termination to Executive.

6.3 Termination by Executive for Good Reason. Executive may terminate his employment under this Agreement on thirty (30) days prior notice to Company for good reason. For purposes of this Agreement, "good reason" shall mean and be limited to (a) a material breach of this Agreement by Company (including without limitation any material reduction in the authority or duties of Executive or any relocation of his or its principal place of business outside the greater Los Angeles metropolitan area) and the failure of Company to remedy such breach within thirty (30) days after written notice (or as soon thereafter as practicable so long as it commences effectuation of such remedy within such time period and diligently pursues such remedy to completion as soon as practicable); (b) a "change of control" with respect to the ownership of Company. For purposes of this Agreement, a change of control shall mean (1) a sale of substantially all of the property or more than eighty percent (80%) of the then outstanding stock of Company to another corporation; or (2) the dissolution of liquidation of Company or the reorganization, merger or consolidation of Company with one or more corporations as a result of which Company is not the surviving corporation; or (c) the failure of R. D. Hubbard or another person acceptable to Executive in his sole discretion to be Chairman of the Board of Directors of Realty Subsidiary.

6.4 Effectiveness on Notice. Any termination under this Section 6 shall be effective upon receipt of notice by Executive or Company, as the case may be, of such termination or upon such other later date as may be provided

herein or specified by Company or Executive in the notice (the "Termination Date").

6.5 Effect of Termination.

6.5.1 Payment of Salary and Expenses Upon Termination. If the Term of this Agreement is terminated, all benefits provided to Executive by Company hereunder shall thereupon cease and Company shall pay or cause to be paid to Executive all accrued but unpaid salary and vacation benefits. In addition, promptly upon submission by Executive of his unpaid expenses incurred prior to the Termination Date and owing to Executive pursuant to Article 5, reimbursement for such expenses shall be made.

6.5.2 Termination for Disability. In the event of a termination under Section 6.1.4 (for disability), Executive may be eligible for benefits under the California State Disability Insurance program for his first six months of disability. In addition Executive shall be eligible for the benefits provided for under any long term disability insurance policy which Company may have as in effect from time to time. Eligibility and benefits with regard to either insurance program shall be governed by the provisions of the insurance program or policy and shall not be the responsibility of Company.

6.5.3 Termination Without Cause or Termination by Executive for Good Reason. If Company terminates Executive without cause or Executive terminates for good reason under clause (a) of Section 6.3 only, the following shall apply:

(a) Executive shall be entitled to receive an amount equal to his annual compensation for one year (equal to his salary at the time of Termination and bonus (determined based on his bonus for the last completed year) as of the date of termination), plus any amounts payable under Section 6.5.1 above, plus continuation of health and disability insurance coverage for a period of six (6) months after Termination at Company's expense; and

(b) In addition to those already vested, all unvested stock options that would have vested on future Anniversary Dates of the Agreement shall be deemed immediately and fully vested and exercisable by Executive; and

6.6 Suspension. In lieu of terminating Executive's employment hereunder for cause under Section 6.1, Company shall have the right, at its sole election, to suspend the operation of this Agreement during the continuance of events or circumstances under Section 6.1 for an aggregate of not more than 30 days during the Term (the "Default Period") by giving Executive written notice of Company's election to do so at any time during the Default Period. Company shall have the right to extend the Term beyond its normal expiration date by the period(s) of any suspension(s). Company's exercise of its right to suspend the

operation of this Agreement shall not preclude Company from subsequently terminating Executive's employment hereunder. Executive shall not render services to any other person, firm or corporation in the casino business during any period of suspension. Executive shall be entitled to continued compensation pursuant to the provisions hereof during the Default Period.

6.7 DEFRA Limitation. The payments that Executive shall be entitled to receive hereunder and upon the exercise of his stock options shall in all events be limited by the provisions of Section 280G of the Internal Revenue Code ("Code") and the regulations thereunder (or their then equivalents) and no payment shall be made that would have the result of limiting the deductibility of such payments by Company or that would result in the imposition of an excise tax under Section 4999 of the Code.

6.8 Exercisability of Options. As provided in the Option Agreement, all options terminate no later than ninety (90) days after the termination, regardless of the cause of such termination.

ARTICLE 7

CONFIDENTIALITY

7.1 Nondisclosure of Confidential Material. In the performance of his duties, Executive may have access to confidential records, including, but not limited to, development, marketing, organizational, financial, managerial, administrative and sales information, data, specifications and processes presently owned or at any time hereafter developed or used by Company or its agents or consultants that is not otherwise part of the public domain (collectively, the "Confidential Material"). All such Confidential Material is considered secret and is disclosed to Executive in confidence. Executive acknowledges that the Confidential Material constitutes proprietary information of Company which draws independent economic value, actual or potential, from not being generally known to the public or to other persons who could obtain economic value from its disclosure or use, and that Company has taken efforts reasonable under the circumstances, of which this Section 7.1 is an example, to maintain its secrecy. Except in the performance of his duties to Company or as required by a court order, Executive shall not, directly or indirectly for any reason whatsoever, disclose, divulge, communicate, use or otherwise disclose any such Confidential Material, unless such Confidential Material ceases to be confidential because it has become part of the public domain (not due to a breach by Executive of his obligations hereunder). Executive shall also take all reasonable actions appropriate to maintain the secrecy of all Confidential Information. All records, lists, memoranda, correspondence, reports, manuals, files, drawings, documents, equipment, and other tangible items (including computer software), wherever located, incorporating the Confidential Material, which Executive shall prepare, use or encounter, shall be and remain Company's sole and exclusive property and shall be included in the Confidential Material. Upon termination of this Agreement, or whenever requested by Company, Executive

shall promptly deliver to Company any and all of the Confidential Material, not previously delivered to Company, that is in the possession or under the control of Executive.

7.2 Assignment of Intellectual Property Rights. Any ideas, processes, know-how, copyrightable works, maskworks, trade or service marks, trade secrets, inventions, developments, discoveries, improvements and other matters that may be protected by intellectual property rights, that relate to Company's business and are the results of Executive's efforts during the Term (collectively, the "Executive Work Product"), whether conceived or developed alone or with others, and whether or not conceived during the regular working hours of Company, shall be deemed works made for hire and are the property of Company. In the event that for whatever reason such Executive Work Product shall not be deemed a work made for hire, Executive agrees that such Executive Work Product shall become the sole and exclusive property of Company, and Executive hereby assigns to Company his entire right, title and interest in and to each and every patent, copyright, trade or service mark (including any attendant goodwill), trade secret or other

intellectual property right embodied in Executive Work Product. Company shall also have the right, in its sole discretion to keep any and all of Executive Work Product as Company's Confidential Material. The foregoing work made for hire and assignment provisions are and shall be in consideration of this agreement of employment by Company, and no further consideration is or shall be provided to Executive by Company with respect to these provisions. Executive agrees to execute any assignment documents Company may require confirming Company's ownership of any of Executive Work Product. Executive also waives any and all moral rights with respect to any such works, including without limitation any and all rights of identification of authorship and/or rights of approval, restriction or limitation on use or subsequent modifications. Executive promptly will disclose to Company any Executive Work Product.

7.3 No Unfair Competition After Termination of Agreement. Executive hereby acknowledges that the sale or unauthorized use or disclosure of any of Company's Confidential Material obtained by Executive by any means whatsoever, at any time before, during or after the Term shall constitute unfair competition. Executive shall not engage in any unfair competition with Company either during the Term or at any time thereafter.

7.4 Irreparable Injury. The promised service of Executive under this Agreement and the other promises of this Article 7 are of special, unique, unusual, extraordinary, or intellectual character, which gives them peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law.

7.5 Remedies for Breach. Executive agrees that money damages will not be a sufficient remedy for any breach of the obligations under this Article 7 and Article 2 hereof and that Company shall be entitled to injunctive relief (which shall include, but not be limited to, restraining Executive from directly

or indirectly using or disclosing the Confidential Material) and to specific performance as remedies for any such breach. Executive agrees that Company shall be entitled to such relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of proving actual damages and without the necessity of posting a bond or making any undertaking in connection therewith. Any such requirement of a bond or undertaking is hereby waived by Executive and Executive acknowledges that in the absence of such a waiver, a bond or undertaking might otherwise be required by the court. Such remedies shall not be deemed to be the exclusive remedies for any breach of the obligations in this Article 7, but shall be in addition to all other remedies available at law or in equity.

ARTICLE 8

ARBITRATION

In the event there is any dispute between Executive and Company which the parties are unable to resolve themselves, including any dispute with regard to the application, interpretation or validity of this Agreement or any dispute with regard to any aspect of Executive's employment or the termination of Executive's employment, both Executive and Company agree by entering into this Agreement that the exclusive remedy for determining any such dispute, regardless of its nature, will be by arbitration in accordance with the then

applicable rules of the American Arbitration Association; provided, however, the breach of the obligation to provide services under this Agreement or of the obligations of Article 7 may be enforced by an action for injunctive relief and damages in a court of competent jurisdiction. In the event of any conflict between this Agreement and the rules of the American Arbitration Association, the provisions of this Agreement shall be determinative. In the event the parties are unable to agree upon an arbitrator, the parties shall select a single arbitrator from a list designated by the Los Angeles Office of the American Arbitration Association of seven arbitrators all of whom shall be retired judges of the Superior of appellate courts resident in Los Angeles who are members of the "Independent List" of retired judges. If the parties are unable to select an arbitrator from the list provided by the American Arbitration Association, then the parties shall each strike names alternatively from the list, with the first to strike being determined by lot. After each party has used three strikes, the remaining name on the list shall be the arbitrator. This agreement to resolve any disputes by binding arbitration shall extend to claims against any shareholder or partner of Company, any brother-sister company, parent, subsidiary or affiliate of Company, any officer, director, employee, or agent of Company, or of any of the above, and shall apply as well to claims arising out of state and federal statutes and local ordinances as well as to claims arising under the common law. Unless mutually agreed by the parties otherwise, any arbitration shall take place in Los Angeles County, California. In the event the parties are unable to agree upon a location for the arbitration, the location within Los Angeles County shall be determined by the

arbitrator. The prevailing party in such arbitration proceeding, as determined by the arbitrator, and in any enforcement or other court proceedings, shall be entitled to the extent permitted by law, to reimbursement from the other party for all of the prevailing party's costs (including but not limited to the arbitrator's compensation), expenses and attorneys' fees.

ARTICLE 9

MISCELLANEOUS

9.1 Amendments. The provisions of this Agreement may not be waived, altered, amended or repealed in whole or in part except by the signed written consent of the parties sought to be bound by such waiver, alteration, amendment or repeal.

9.2 Entire Agreement. This Agreement and the nonqualified Option Amendment of even date herewith constitutes the total and complete agreement of the parties and supersedes all prior and contemporaneous understandings and agreements heretofore made, and there are no other representations, understandings or agreements.

9.3 Counterparts. This Agreement may be executed in one of more counterparts, each of which shall be deemed and original, but all of which shall together constitute one and the same instrument.

9.4 Severability. Each term, covenant, condition or provision of this Agreement shall be viewed as separate and distinct, and in the event that any such term, covenant, condition or provision shall be deemed by an arbitrator or a court of competent jurisdiction to be invalid or unenforceable, the court or arbitrator finding such invalidity or

unenforceability shall modify or reform this Agreement to give as much effect as possible to the terms and provisions of this Agreement. Any term or provision which cannot be so modified or reformed shall be deleted and the remaining terms and provisions shall continue in full force and effect.

9.5 Waiver or Delay. The failure or delay on the part of Company, or Executive to exercise any right or remedy, power or privilege hereunder shall not operate as a waiver thereof. A waiver, to be effective, must be in writing and signed by the party making the waiver. A written waiver of default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

9.6 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the parties to it and their respective heirs, legal representatives, successors and assigns, except as otherwise provided herein.

9.7 No Assignment or Transfer by Executive. Neither this Agreement nor any of the rights, benefits, obligations or duties hereunder may be assigned or transferred by Executive. Any purported assignment or transfer by Executive shall be void.

9.8 Necessary Acts. Each party to this Agreement shall perform any further acts and execute and deliver any additional agreements, assignments or documents that may be reasonably necessary to carry out the provisions or to effectuate the purpose of this Agreement.

9.9 Governing Law. This Agreement and all subsequent agreements between the parties shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of California.

9.10 Notices. All notices, requests, demands and other communications to be given under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service, if personally served on the party to whom notice is to be given, or 48 hours after mailing, if mailed to the party to whom notice is to be given by certified or registered mail, return receipt requested, postage prepaid, and properly addressed to the party at his address set forth as follows or any other address that any party may designate by written notice to the other parties:

To Executive: G. Michael Finnigan
26804 Rolling Hills Road
Rolling Hills Estates, California 90274

To Company: Hollywood Park, Inc.
1050 South Prairie Avenue
Inglewood, California 90301
Attn: R. D. Hubbard

9.11 Headings and Captions. The headings and captions used herein are solely for the purpose of reference only and are not to be considered as construing or interpreting the provisions of this Agreement.

9.12 Construction. All terms and definitions contained herein shall be construed in such a manner that shall give effect to the fullest extent possible to the express or implied intent of the parties hereby.

9.13 Counsel. Executive has been advised by Company that he should consider seeking the advice of counsel in connection with the execution of this Agreement and Executive has had an opportunity to do so. Executive has read and understands this Agreement, and has sought the advice of counsel to the extent he has determined appropriate.

9.14 Withholding of Compensation. Executive hereby agrees that Company may deduct and withhold from the compensation or other amounts payable

to Executive hereunder or otherwise in connection with Executive's employment any amounts required to be deducted and withheld by Company under the provisions of any applicable Federal, state and local statute, law, regulation, ordinance or order.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first written above.

EXECUTIVE	COMPANY
/s/ G. Michael Finnigan	Hollywood Park, Inc., a Delaware corporation
G. Michael Finnigan	
Social Security No:_____	By: /s/ R. D. Hubbard
	Its: Chief Executive Officer

Exhibit 10.37

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made on September 10, 1998, by and between HOLLYWOOD PARK, INC. a Delaware corporation ("Company"), and PAUL ALANIS, an individual ("Executive"), with respect to the following facts and circumstances:

RECITALS

Executive is currently employed as president and chief operating officer of Horseshoe Gaming, LLC ("Horseshoe"). Company desires to retain Executive as President and Chief Operating Officer of Company after Executive completes his obligations under his existing employment agreement and after such agreement has terminated. Executive desires to be retained by Company in that capacity, on the terms and conditions and for the consideration set forth below.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements set forth herein, the parties hereto agree as follows:

ARTICLE 1

EMPLOYMENT AND TERM

1.1 Employment. Company agrees to engage Executive in the capacity as President and Chief Operating Officer of Company on the Effective Date (as hereinafter defined) and Executive hereby accepts such engagement by Company upon the terms and conditions specified below. It is understood and agreed, however, that it is the intent of the parties in entering into this Agreement that Executive is to be promoted to the position of Chief Executive Officer of Company and a member of the Board of Directors by at some point in time during 1999.

1.2 Term. The term of this Agreement (the "Term") shall commence on January 1, 1999 (or such earlier date on which Executive shall be released from his commitments to his current employer (such date being referred to as the "Effective Date") and shall continue in force until three years from and after the Effective Date, unless earlier terminated under Article 6 below. Each 12-month period commencing as of the Effective Date is sometimes called a year of the "Term," and the date which is 365 days from and after the Effective Date shall be referred to as the "Anniversary Date"). At least ninety (90) days prior to the expiration of the Term (as the same may be extended from time to time) , Executive and Company shall advise each other whether they wish to renew the term of this Agreement and the proposed basis for such renewal.

ARTICLE 2

DUTIES OF EXECUTIVE

2.1 Duties. Executive shall perform all the duties and obligations of President and Chief Operating Officer, including primary responsibility for Company's day-to-day operations subject to the control and supervision of the Chief Executive Officer of Company and such other executive duties consistent with the foregoing as may be assigned to him from time to time by the Chief Executive Officer of Company. Executive shall report to the Chief Executive Officer of Company. Upon promotion to Chief Executive Officer, Executive shall perform the duties generally associated with such position as presently held by Mr. R.D. Hubbard, subject to the control and supervision of the Board of Directors, and such other executive duties consistent with the foregoing as may be assigned to him from time to time by the Board of Directors of Company. Executive shall report to the Chairman of the Board of Directors. Executive shall perform the services contemplated herein faithfully, diligently, to the best of his ability and in the best interests of Company. Executive shall devote all his business time and efforts to the rendition of such services. Executive shall, at all times perform such services in compliance with, and to the extent of his authority, shall to the best of his ability cause Company to be in compliance with, any and all laws, rules and regulations applicable to Company of which Executive is aware. Executive may rely on Company's inside counsel and outside lawyers in connection with such matters. Executive shall, at all times during the Term, in all material respects adhere to and obey any and all written internal rules and regulations governing the conduct of Company's employees, as established or modified from time to time; provided, however, in the event of any conflict between the provisions of this Agreement and any such rules or regulations, the provisions of this Agreement shall control.

2.2 Location of Services. Executive's principal place of employment shall be at Company's headquarters in the greater Los Angeles, California area. Executive understands he will be required to travel to Company's various operations as part of his employment.

2.3 Exclusive Service. Except as otherwise expressly provided herein, Executive shall devote his business time, attention, energies, skills, learning and best efforts to the business of Company. Executive may participate in social, civic, charitable, religious, business, educational or professional associations, so long as such participation does not materially interfere with the duties and obligations of Executive hereunder. This Section 2.3, however, shall not be construed to prevent Executive from making passive outside investments so long as such investments do not require material time of Executive or otherwise interfere with the performance of Executive's duties and obligations hereunder. Executive shall not make any investment in an enterprise that competes with Company without the prior written approval of Company after full disclosure of the facts and circumstances; provided, however, that so long as Executive does not utilize material, non-public information this sentence shall not preclude Executive from owning up to one percent (1%) of the securities of a publicly traded entity. Company acknowledges that Executive presently owns an approximately 3% interest in Horseshoe Gaming, LLC, which Executive, at the termination of his employment with Horseshoe Gaming, LLC.,

will sell back to such

company pursuant to the terms of his existing employment agreement. During the Term, Executive shall not directly or indirectly work for or provide services to or own an equity interest in any person, firm or entity engaged in the casino gaming, card club or horse racing business. In this regard, Executive acknowledges that the gaming industry is national in scope and that accordingly this covenant shall apply throughout the United States.

ARTICLE 3

COMPENSATION

3.1 Salary. In consideration for Executive's services hereunder, Company shall pay Executive an annual salary at the rate of $600,000 per year during each of the years of the Term; payable in accordance with Company's regular payroll schedule from time to time (less any deductions required for Social Security, state, federal and local withholding taxes, and any other authorized or mandated withholdings).

3.2 Bonus. Executive shall be entitled to earn a bonus with respect to each year of the Term during which Executive is employed under this Agreement of not less than $100,000 and up to $600,000 based upon the following criteria: a) the first $100,000 shall be paid so long as Executive remains employed by Company for the year in question; b) the next $200,000 shall be paid if Company meets its EBITDA budget (as established by the Board in consultation with Executive) for the year in question and does not exceed its capital budget for such year; and c) the remaining $300,000 at the discretion of the Board of Directors. For the purposes of determining whether Company has met its EBITDA budget, income and expenses relating to acquisitions and new projects made during the year shall be disregarded unless such acquisitions or projects were included in the budget for the year and the budget shall be equitably adjusted for divestitures made during the year not contemplated by the budget. No bonus under clause b) will be earned or payable if Company's results are less than those established as target results under its budget. Any such bonus earned by Executive shall be paid annually within ninety (90) days after the conclusion of Company's fiscal year. The amount of and criteria for earning bonuses may be adjusted by mutual agreement of Executive and Company.

3.3 Stock Options. As an additional element of compensation to Executive, in consideration of the services to be rendered hereunder, Company shall grant to Executive options to purchase 400,000 shares of Company's common stock, 300,000 of which shall have an exercise price equal to the fair market value of such stock on the date hereof and the remaining 100,000 options shall have an exercise price of $18.00 (eighteen dollars). The terms and conditions of such options shall be governed by a Stock Option Agreement between Company and Executive, in the form attached hereto as Exhibit A. Three Hundred Thousand (300,000) of such options (including 100,000 exercisable at $18) have been

granted subject to approval by Company's stockholders at its next annual meeting of stockholders. Company covenants and agrees to recommend such approval.

ARTICLE 4

EXECUTIVE BENEFITS

4.1 Vacation. In accordance with the general policies of Company applicable generally to other senior executives of Company pursuant to Company's personnel policies from time to time, Executive shall be entitled to four weeks vacation each calendar year, without reduction in compensation.

4.2 Company Employee Benefits. Executive shall receive all group insurance and pension plan benefits and any other benefits on the same basis as they are available generally to other senior executives of Company under Company personnel policies in effect from time to time.

4.3 Benefits. Executive shall receive all other such fringe benefits as Company may offer generally to other senior executives of Company under Company personnel policies in effect from time to time, such as health and disability insurance coverage and paid sick leave.

4.4 Indemnification. Executive shall have the benefit of indemnification as provided under applicable law and the bylaws of Company, which indemnification shall continue after the termination of this Agreement for such period as may be necessary to continue to indemnify Executive for his acts during the term hereof. Company shall cause Executive to be covered by the current policies of directors and officers liability insurance covering directors and officers of Company, copies of which have been provided to Executive, in accordance with their terms, to the maximum extent of the coverage available for any director or officer of Company. Company shall use commercially reasonable efforts to cause the current policies of directors and officers liability insurance covering directors and officers of Company to be maintained throughout the term of Executive's employment with Company and for such period thereafter as may be necessary to continue to cover acts of Executive during the term of his employment (provided that Company may substitute therefor, or allow to be substituted therefor, policies of at least the same coverage and amounts containing terms and conditions which are, in the aggregate, no less advantageous to the insured in any material respect).

ARTICLE 5

REIMBURSEMENT FOR EXPENSES

Executive shall be reimbursed by Company for all ordinary and necessary expenses incurred by Executive in the performance of his duties or otherwise in furtherance of the business of Company in accordance with the policies of Company in effect from time to time. Executive shall keep accurate and complete

records of all such expenses, including but not limited to, proof of payment and purpose. Executive shall account fully for all such expenses to Company.

ARTICLE 6

TERMINATION

6.1 Termination for Cause. Without limiting the generality of Section 6.2, Company shall have the right to terminate Executive's employment, without further obligation or liability to Executive, upon the occurrence of any one or more of the following events, which events shall be deemed termination for cause.

6.1.1 Failure to Perform Duties. If Executive neglects to perform the duties of his employment under this Agreement in a professional and businesslike manner after having received written notice specifying such failure to perform and a reasonable opportunity, not to exceed ten days, to perform or if such performance cannot be completed within such time period, commenced within such period and diligently pursued to completion as soon as practicable thereafter.

6.1.2 Willful Breach. If Executive willfully commits a material breach of this Agreement or a material willful breach of his fiduciary duty to Company.

6.1.3 Wrongful Acts. If Executive is convicted of a felony or any other serious crime, commits a serious wrongful act or engages in other misconduct involving acts of moral turpitude that would make the continuance of his employment by Company materially detrimental to Company, which determination shall be made in the reasonable exercise of Company's judgment.

6.1.4 Disability. If Executive is physically or mentally disabled from the performance of a major portion of his duties for a continuous period of 120 days or greater, which determination shall be made in the reasonable exercise of Company's judgment, provided, however, if Executive's disability is the result of a serious health condition as defined by the federal Family and Medical Leave Act (or its California equivalent) ("FMLA"), Executive's employment shall not be terminated due to such disability at any time during or after any period of FMLA-qualified leave except as permitted by FMLA. If there should be a dispute between Company and Executive as to Executive's physical or mental disability for purposes of this Agreement, the question shall be settled by the opinion of an impartial reputable physician or psychiatrist agreed upon by the parties or their representatives, or if the parties cannot agree within ten days after a request for designation of such party, then a physician or psychiatrist designed by the Los Angeles County Medical Association. The certification of such physician or psychiatrist as to the questioned dispute shall be final and binding upon the parties hereto.

6.2 Termination Without Cause. Notwithstanding anything to the contrary herein, Company shall have the right to terminate Executive's employment under

this Agreement at any time without cause by giving notice of such termination to Executive.

6.3 Termination by Executive for Good Reason. Executive may terminate his employment under this Agreement on thirty (30) days prior notice to Company for good reason. For purposes of this Agreement, "good reason" shall mean and be limited to (a) a

material breach of this Agreement by Company (including without limitation any material reduction in the authority or duties of Executive or any relocation of his or its principal place of business outside the greater Los Angeles metropolitan area) and the failure of Company to remedy such breach within thirty (30) days after written notice (or as soon thereafter as practicable so long as it commences effectuation of such remedy within such time period and diligently pursues such remedy to completion as soon as practicable); or (b) a "change of control" with respect to the ownership of Company. For purposes of this Agreement, a change of control shall mean (a) a sale of substantially all of the property or more than eighty percent (80%) of the then outstanding stock of Company to another corporation; or (b) the dissolution of liquidation of Company or the reorganization, merger or consolidation of Company with one or more corporations as a result of which Company is not the surviving corporation.

6.4 Termination by Executive Upon Failure to be Promoted. Executive may terminate his employment under this Agreement on thirty (30) days prior notice to Company upon failure of Company to designate Executive as Chief Executive Officer or elect Executive as a member of its Board of Directors on or before December 31, 1999; provided however, if Company offers to so designate and elect, and Executive declines, Executive shall not have the right to elect to terminate pursuant to this Section. Executive must elect to exercise such termination right on or before March 31, 2000, at which time such right to terminate shall be deemed waived if not previously exercised.

6.5 Effectiveness on Notice. Any termination under this Section 6 shall be effective upon receipt of notice by Executive or Company, as the case may be, of such termination or upon such other later date as may be provided herein or specified by Company or Executive in the notice (the "Termination Date").

6.6 Effect of Termination.

6.6.1 Payment of Salary and Expenses Upon Termination. If the Term of this Agreement is terminated, all benefits provided to Executive by Company hereunder shall thereupon cease and Company shall pay or cause to be paid to Executive all accrued but unpaid salary and vacation benefits. In addition, promptly upon submission by Executive of his unpaid expenses incurred prior to the Termination Date and owing to Executive pursuant to Article 5, reimbursement for such expenses shall be made.

6.6.2 Termination for Disability. In the event of a termination under

Section 6.1.4 (for disability), Executive may be eligible for benefits under the California State Disability Insurance program for his first six months of disability. In addition Executive shall be eligible for the benefits provided for under any long term disability insurance policy which Company may have as in effect from time to time. Eligibility and benefits with regard to either insurance program shall be governed by the provisions of the insurance program or policy and shall not be the responsibility of Company.

6.6.3 Termination Without Cause or Termination by Executive for Good Reason. If Company terminates Executive without cause or Executive terminates for good reason under clause (a) of Section 6.3 only, the following shall apply:

(a) So long as Executive does not compete with Company or its subsidiaries in the gaming business prior to the end of the Term, Executive shall be entitled to receive an amount equal to $700,000 per year through the end of the Term, payable in accordance with Company's regular salary payment schedule from time to time, plus any amounts payable under Section 6.6.1 above, plus a continuation of health and disability insurance coverage for a period of six (6) months after termination, at Company's expense. Should Executive compete with Company or its subsidiaries prior to the end of the Term, Executive shall not be entitled to receive any additional payments from Company with respect to periods after the commencement of any such competitive activity under this Section 6.6.3 and all such obligations shall be extinguished;

(b) In addition to those already vested, all unvested stock options that would have vested on future Anniversary Dates of the Agreement shall be deemed immediately and fully vested and exercisable by Executive; and

(c) The "Covenant Not to Compete" set forth in Sections 7.4 below shall not apply in any respect to Executive (except as the same may affect his entitlement to payments under Section 6.6.3(a) hereof) and the term of the "No Hire Away Policy" in Section 7.6 shall be limited to six months from the date of termination.

In the event of a termination by Executive by reason of Section 6.3(b), the provisions of clauses (b) and (c) above shall apply but Executive shall not be entitled to any severance payment.

6.6.4 Termination by Executive Upon Failure to be Promoted. If Executive terminates this Agreement as a result of his failure to be promoted, then the following shall apply:

(a) Employee shall be entitled to receive a severance payment equal to $700,000, payable in one lump sum within ninety (90) days after termination, plus any amounts payable in Section 6.6.1 above, plus a

continuation of health and disability insurance coverage for a period of (six) months after termination, at Company's expense;.

(b) In addition to those already vested, that portion of the stock options that would have vested on the next Anniversary Date of the Agreement shall be deemed immediately vested and

exercisable by Executive (i.e., bringing the total amount of options which are vested to 75% of the total); and

(c) The "Covenant Not to Compete" and "No Hire Away Policy" set forth in Sections 7.4 and 7.5 below shall not apply in any respect to Executive.

6.7 Suspension. In lieu of terminating Executive's employment hereunder for cause under Section 6.1, Company shall have the right, at its sole election, to suspend the operation of this Agreement during the continuance of events or circumstances under Section 6.1 for an aggregate of not more than 30 days during the Term (the "Default Period") by giving Executive written notice of Company's election to do so at any time during the Default Period. Company shall have the right to extend the Term beyond its normal expiration date by the period(s) of any suspension(s). Company's exercise of its right to suspend the operation of this Agreement shall not preclude Company from subsequently terminating Executive's employment hereunder. Executive shall not render services to any other person, firm or corporation in the casino business during any period of suspension. Executive shall be entitled to continued compensation pursuant to the provisions hereof during the Default Period.

6.8 DEFRA Limitation. The payments that Executive shall be entitled to receive hereunder and upon the exercise of his stock options shall in all events be limited by the provisions of Section 280G of the Internal Revenue Code ("Code") and the regulations thereunder (or their then equivalents) and no payment shall be made that would have the result of limiting the deductibility of such payments by Company or that would result in the imposition of an excise tax under Section 4999 of the Code.

6.9 Exercisability of Options. As provided in the Option Agreement, all options terminate no later than ninety (90) days after the termination, regardless of the cause of such termination.

ARTICLE 7

CONFIDENTIALITY

7.1 Nondisclosure of Confidential Material. In the performance of his duties, Executive may have access to confidential records, including, but not limited to, development, marketing, organizational, financial, managerial, administrative and sales information, data, specifications and processes

presently owned or at any time hereafter developed or used by Company or its agents or consultants that is not otherwise part of the public domain (collectively, the "Confidential Material"). All such Confidential Material is considered secret and is disclosed to Executive in confidence. Executive acknowledges that the Confidential Material constitutes proprietary information of Company which draws independent economic value, actual or potential, from not being generally known to the public or to other persons who could obtain economic value from its disclosure or use, and that Company has taken efforts reasonable under the circumstances, of which this Section 7.1 is an example, to maintain its secrecy. Except in the performance of his duties to

Company or as required by a court order, Executive shall not, directly or indirectly for any reason whatsoever, disclose, divulge, communicate, use or otherwise disclose any such Confidential Material, unless such Confidential Material ceases to be confidential because it has become part of the public domain (not due to a breach by Executive of his obligations hereunder). Executive shall also take all reasonable actions appropriate to maintain the secrecy of all Confidential Information. All records, lists, memoranda, correspondence, reports, manuals, files, drawings, documents, equipment, and other tangible items (including computer software), wherever located, incorporating the Confidential Material, which Executive shall prepare, use or encounter, shall be and remain Company's sole and exclusive property and shall be included in the Confidential Material. Upon termination of this Agreement, or whenever requested by Company, Executive shall promptly deliver to Company any and all of the Confidential Material, not previously delivered to Company, that is in the possession or under the control of Executive.

7.2 Assignment of Intellectual Property Rights. Any ideas, processes, know-how, copyrightable works, maskworks, trade or service marks, trade secrets, inventions, developments, discoveries, improvements and other matters that may be protected by intellectual property rights, that relate to Company's business and are the results of Executive's efforts during the Term (collectively, the "Executive Work Product"), whether conceived or developed alone or with others, and whether or not conceived during the regular working hours of Company, shall be deemed works made for hire and are the property of Company. In the event that for whatever reason such Executive Work Product shall not be deemed a work made for hire, Executive agrees that such Executive Work Product shall become the sole and exclusive property of Company, and Executive hereby assigns to Company his entire right, title and interest in and to each and every patent, copyright, trade or service mark (including any attendant goodwill), trade secret or other intellectual property right embodied in Executive Work Product. Company shall also have the right, in its sole discretion to keep any and all of Executive Work Product as Company's Confidential Material. The foregoing work made for hire and assignment provisions are and shall be in consideration of this agreement of employment by Company, and no further consideration is or shall be provided to Executive by Company with respect to these provisions. Executive agrees to execute any assignment documents Company may require confirming Company's ownership of any of Executive Work Product. Executive also waives any

and all moral rights with respect to any such works, including without limitation any and all rights of identification of authorship and/or rights of approval, restriction or limitation on use or subsequent modifications. Executive promptly will disclose to Company any Executive Work Product.

7.3 No Unfair Competition After Termination of Agreement. Executive hereby acknowledges that the sale or unauthorized use or disclosure of any of Company's Confidential Material obtained by Executive by any means whatsoever, at any time before, during or after the Term shall constitute unfair competition. Executive shall not engage in any unfair competition with Company either during the Term or at any time thereafter.

7.4 Covenant Not to Compete. In the event this Agreement is terminated by Company for cause under Section 6.1 above, or by Executive, for a reason other than one

specified in either Section 6.3 or 6.4 above, then for a period of one year after the effective date of such termination, Executive shall not, directly or indirectly, work for or provide services to or own an equity interest in any person, firm or entity engaged in the casino gaming, card club or horseracing business which competes against Company in any "market" in which Company owns or operates a casino, card club or horseracing facility. For purposes of this Agreement, "market" shall be defined as the area within a 100 mile radius of any casino, card club or horseracing facility owned or operated by Company.

7.5 No Hire Away Policy. In the event this Agreement is terminated prior to the normal expiration of the Term, either by Company for cause under 6.1 above, or by Executive, for a reason other than one specified in either Section 6.3 or 6.4 above, then for a period of one year after the effective date of such termination, Executive shall not, directly or indirectly, hire any person known to Executive to be an employee of Company or any of its subsidiaries (or any person known to Executive to have been such an employee within six months prior to such occurrence). In the case of a termination under Sections 6.2 and 6.3, the period of the No Hire Away Policy shall be six months from the date of such termination.

7.6 No Solicitation. During the Term and for a period of one year thereafter, or for a period of one year after earlier termination of this Agreement prior to expiration of the Term, and regardless of the reason for such termination (whether by Company or Executive), Executive shall not directly or indirectly solicit any employee of Company or any of its subsidiaries (or any person who was such an employee within six months prior to such occurrence) or encourage any such employee to leave the employment of Company or any of its subsidiaries.

7.7 Non-Solicitation of Customers. During the Term and for a period of two years thereafter, or for a period of two years after the earlier termination of this Agreement prior to the expiration of the Term, and regardless of the reason

for such termination (whether by Company or Executive), Executive shall not directly or indirectly use customer lists or confidential information to solicit any customers of Company or its subsidiaries or any of their respective casinos or card clubs, or knowingly encourage any such customers to leave Company's casinos or card clubs or knowingly encourage any such customers to use the facilities or services of any competitor of Company or its subsidiaries.

7.8 Irreparable Injury. The promised service of Executive under this Agreement and the other promises of this Article 7 are of special, unique, unusual, extraordinary, or intellectual character, which gives them peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law.

7.9 Remedies for Breach. Executive agrees that money damages will not be a sufficient remedy for any breach of the obligations under this Article 7 and Article 2 hereof and that Company shall be entitled to injunctive relief (which shall include, but not be limited to, restraining Executive from directly or indirectly working for or having an ownership interest in any person engaged in the casino, gaming or horseracing businesses in any market in which Company or its affiliates owns or operates any such business, using or disclosing the Confidential Material) and to specific performance as remedies for any such

breach. Executive agrees that Company shall be entitled to such relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of proving actual damages and without the necessity of posting a bond or making any undertaking in connection therewith. Any such requirement of a bond or undertaking is hereby waived by Executive and Executive acknowledges that in the absence of such a waiver, a bond or undertaking might otherwise be required by the court. Such remedies shall not be deemed to be the exclusive remedies for any breach of the obligations in this Article 7, but shall be in addition to all other remedies available at law or in equity.

ARTICLE 8

ARBITRATION

In the event there is any dispute between Executive and Company which the parties are unable to resolve themselves, including any dispute with regard to the application, interpretation or validity of this Agreement or any dispute with regard to any aspect of Executive's employment or the termination of Executive's employment, both Executive and Company agree by entering into this Agreement that the exclusive remedy for determining any such dispute, regardless of its nature, will be by arbitration in accordance with the then applicable rules of the American Arbitration Association; provided, however, the breach of the obligation to provide services under this Agreement or of the obligations of Article 7 may be enforced by an action for injunctive relief and damages in a court of competent jurisdiction. In the event of any conflict between this

Agreement and the rules of the American Arbitration Association, the provisions of this Agreement shall be determinative. In the event the parties are unable to agree upon an arbitrator, the parties shall select a single arbitrator from a list designated by the Los Angeles Office of the American Arbitration Association of seven arbitrators all of whom shall be retired judges of the Superior of appellate courts resident in Los Angeles who are members of the "Independent List" of retired judges. If the parties are unable to select an arbitrator from the list provided by the American Arbitration Association, then the parties shall each strike names alternatively from the list, with the first to strike being determined by lot. After each party has used three strikes, the remaining name on the list shall be the arbitrator. This agreement to resolve any disputes by binding arbitration shall extend to claims against any shareholder or partner of Company, any brother-sister company, parent, subsidiary or affiliate of Company, any officer, director, employee, or agent of Company, or of any of the above, and shall apply as well to claims arising out of state and federal statutes and local ordinances as well as to claims arising under the common law. Unless mutually agreed by the parties otherwise, any arbitration shall take place in Los Angeles County, California. In the event the parties are unable to agree upon a location for the arbitration, the location within Los Angeles County shall be determined by the arbitrator. The prevailing party in such arbitration proceeding, as determined by the arbitrator, and in any enforcement or other court proceedings, shall be entitled to the extent permitted by law, to reimbursement from the other party for all of the prevailing party's costs (including but not limited to the arbitrator's compensation), expenses and attorneys' fees.

ARTICLE 9

MISCELLANEOUS

9.1 Amendments. The provisions of this Agreement may not be waived, altered, amended or repealed in whole or in part except by the signed written consent of the parties sought to be bound by such waiver, alteration, amendment or repeal.

9.2 Entire Agreement. This Agreement and the nonqualified Option Amendment of even date herewith constitutes the total and complete agreement of the parties and supersedes all prior and contemporaneous understandings and agreements heretofore made, and there are no other representations, understandings or agreements.

9.3 Counterparts. This Agreement may be executed in one of more counterparts, each of which shall be deemed and original, but all of which shall together constitute one and the same instrument.

9.4 Severability. Each term, covenant, condition or provision of this Agreement shall be viewed as separate and distinct, and in the event that any such term, covenant, condition or provision shall be deemed by an arbitrator or

a court of competent jurisdiction to be invalid or unenforceable, the court or arbitrator finding such invalidity or unenforceability shall modify or reform this Agreement to give as much effect as possible to the terms and provisions of this Agreement. Any term or provision which cannot be so modified or reformed shall be deleted and the remaining terms and provisions shall continue in full force and effect.

9.5 Waiver or Delay. The failure or delay on the part of Company, or Executive to exercise any right or remedy, power or privilege hereunder shall not operate as a waiver thereof. A waiver, to be effective, must be in writing and signed by the party making the waiver. A written waiver of default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

9.6 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the parties to it and their respective heirs, legal representatives, successors and assigns, except as otherwise provided herein.

9.7 No Assignment or Transfer by Executive. Neither this Agreement nor any of the rights, benefits, obligations or duties hereunder may be assigned or transferred by Executive. Any purported assignment or transfer by Executive shall be void.

9.8 Necessary Acts. Each party to this Agreement shall perform any further acts and execute and deliver any additional agreements, assignments or documents that may be reasonably necessary to carry out the provisions or to effectuate the purpose of this Agreement.

9.9 Governing Law. This Agreement and all subsequent agreements between the parties shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of California.

9.10 Notices. All notices, requests, demands and other communications to be given under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service, if personally served on the party to whom notice is to be given, or 48 hours after mailing, if mailed to the party to whom notice is to be given by certified or registered mail, return receipt requested, postage prepaid, and properly addressed to the party at his address set forth as follows or any other address that any party may designate by written notice to the other parties:

To Executive: Paul Alanis
675 Burleigh Dr.
Pasadena, California 91105

with copy to: Cox, Castle & Nicholsen
2049 Century Park East, 28th Floor
Los Angeles, CA 90067-3284

Attn: Matt Wyman

To Company: Hollywood Park, Inc.
1050 South Prairie Avenue
Inglewood, California 90301
Attn: G. Michael Finnigan

with copy to: Irell & Manella LLP
1800 Avenue of the Stars, Suite 900
Los Angeles, California 90067-4276
Attn: Alvin G. Segel

9.11 Headings and Captions. The headings and captions used herein are solely for the purpose of reference only and are not to be considered as construing or interpreting the provisions of this Agreement.

9.12 Construction. All terms and definitions contained herein shall be construed in such a manner that shall give effect to the fullest extent possible to the express or implied intent of the parties hereby.

9.13 Counsel. Executive has been advised by Company that he should consider seeking the advice of counsel in connection with the execution of this Agreement and Executive has had an opportunity to do so. Executive has read and understands this Agreement, and has sought the advice of counsel to the extent he has determined appropriate.

9.14 Withholding of Compensation. Executive hereby agrees that Company may deduct and withhold from the compensation or other amounts payable to Executive

hereunder or otherwise in connection with Executive's employment any amounts required to be deducted and withheld by Company under the provisions of any applicable Federal, state and local statute, law, regulation, ordinance or order.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first written above.

EXECUTIVE

/s/ Paul Alanis

Paul Alanis

Social Security No: ---

COMPANY

Hollywood Park, Inc., a Delaware corporation

By: /s/ R.D. Hubbard

Its: Chairman and CEO

Exhibit 10.38

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made on September 10, 1998, by and between HOLLYWOOD PARK, INC. a Delaware corporation ("Company"), and MIKE ALLEN, an individual ("Executive"), with respect to the following facts and circumstances:

RECITALS

Executive is currently employed by Horseshoe Gaming, LLC ("Horseshoe"). Company desires to retain Executive as Senior Vice President and Chief Operating Officer of the Gaming Division of Company after Executive completes his obligations under his existing employment agreement and after such agreement has terminated. Executive desires to be retained by Company in that capacity, on the terms and conditions and for the consideration set forth below.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements set forth herein, the parties hereto agree as follows:

ARTICLE 1.

EMPLOYMENT AND TERM

1.1. Employment. Company agrees to engage Executive in the capacity as Senior Vice President and Chief Operating Officer of the Gaming Division of Company on the Effective Date (as hereinafter defined) and Executive hereby accepts such engagement by Company upon the terms and conditions specified below.

1.2. Term. The term of this Agreement (the "Term") shall commence on June 1, 1999 (or such earlier date on which Executive shall be released from his commitments to his current employer (such date being referred to as the "Effective Date") and shall continue in force until three years after the Effective Date, unless earlier terminated under Article 6 below. Each 12-month period commencing as of the Effective Date is sometimes called a year of the "Term," and the date which is 365 days from and after the Effective Date shall be referred to as the "Anniversary Date"). At least ninety (90) days prior to the expiration of the Term (as the same may be extended from time to time), Executive and Company shall advise each other whether they wish to renew the term of this Agreement and the proposed basis for such renewal. If Paul Alanis ("Alanis") is not offered promotion to Chief Executive Officer of Company by December 31, 1999 and as a result terminates his employment with Company by March 31, 2000, then Executive may

terminate his employment with Company at any time within ninety (90) days

following Alanis' termination.

ARTICLE 2.

DUTIES OF EXECUTIVE

2.1. Duties. Executive shall perform all the duties and obligations of Senior Vice President and Chief Operating Officer of the Gaming Division subject to the control and supervision of the Chief Executive and Chief Operating Officers of Company and such other executive duties consistent with the foregoing as may be assigned to him from time to time by the Chief Executive or Chief Operating Officer of Company. Executive shall report to the Chief Operating Officer or the Chief Executive Officer of Company. In his capacity as Chief Operating Officer of the Gaming Division, Executive shall have the Marketing, Human Resources and MIS Department heads of such Division, as well as other similar operating departments that may be created in the future, and all Property General Managers reporting directly to Executive (it being understood that they may have dotted line reporting obligations to the other corporate officers as well). Executive shall perform the services contemplated herein faithfully, diligently, to the best of his ability and in the best interests of Company. Executive shall devote all his business time and efforts to the rendition of such services. Executive shall, at all times perform such services in compliance with, and to the extent of his authority, shall to the best of his ability cause Company to be in compliance with, any and all laws, rules and regulations applicable to Company of which Executive is aware. Executive may rely on Company's inside counsel and outside lawyers in connection with such matters. Executive shall, at all times during the Term, in all material respects adhere to and obey any and all written internal rules and regulations governing the conduct of Company's employees, as established or modified from time to time; provided, however, in the event of any conflict between the provisions of this Agreement and any such rules or regulations, the provisions of this Agreement shall control.

2.2. Location of Services. Executive's principal place of employment shall be at Company's headquarters in the greater Los Angeles, California area. Executive understands he will be required to travel to Company's various operations as part of his employment and that he will spend up to six months on site in connection with new gaming facilities opened or acquired by Company during the Term. While living on site at new development projects, Executive shall be provided with appropriate housing and a Company vehicle, at the Company's expense.

2.3. Exclusive Service. Except as otherwise expressly provided herein, Executive shall devote his business time, attention, energies, skills, learning and best efforts to the business of Company. Executive may participate in social, civic, charitable, religious, business, educational or professional associations, so long as such participation does not materially interfere with the duties and obligations of Executive hereunder. This Section 2.3, however, shall not be construed to prevent Executive from making passive

outside investments so long as such investments do not require material time of Executive or otherwise interfere with the performance of Executive's duties and obligations hereunder. Executive shall not make any investment in an enterprise that competes with Company without the prior written approval of Company after full disclosure of the facts and circumstances; provided, however, that so long as Executive does not utilize material, non-public information this sentence shall not preclude Executive from owning up to one percent (1%) of the securities of a publicly traded entity. Company acknowledges that Executive presently owns an interest in Horseshoe Gaming, LLC, which Executive, at the termination of his employment with Horseshoe Gaming, LLC., will sell back to such company pursuant to the terms of his existing employment agreement. During the Term, Executive shall not directly or indirectly work for or provide services to or own an equity interest in any person, firm or entity engaged in the casino gaming, card club or horse racing business. In this regard, Executive acknowledges that the gaming industry is national in scope and that accordingly this covenant shall apply throughout the United States.

ARTICLE 3.

COMPENSATION

3.1. Salary. In consideration for Executive's services hereunder, Company shall pay Executive an annual salary at the rate of $400,000 per year during each of the years of the Term; payable in accordance with Company's regular payroll schedule from time to time (less any deductions required for Social Security, state, federal and local withholding taxes, and any other authorized or mandated withholdings).

3.2. Bonus. Executive shall be entitled to earn a bonus with respect to each year of the Term during which Executive is employed under this Agreement of up to $200,000, $100,000 of which shall be based upon Company meeting its EBITDA budget (as established by the Board) for the year in question and not exceeding its capital budget for such year and the balance at the discretion of the Board of Directors. For the purposes of determining whether Company has met its EBITDA budget, income and expenses relating to acquisitions and new projects made during the year shall be disregarded unless such acquisitions or projects were included in the budget for the year and the budget shall be equitably adjusted for divestitures made during the year not contemplated by the budget. No bonus based on meeting its EBITDA budget will be earned or payable if Company's results are less than those established as target results under its budget. Any such bonus earned by Executive shall be paid annually within ninety (90) days after the conclusion of Company's fiscal year. The amount of and criteria for earning bonuses may be adjusted by mutual agreement of Executive and Company.

3.3. Stock Options. As an additional element of compensation to Executive, in consideration of the services to be rendered hereunder, Company shall grant to Executive options to purchase 200,000 shares of Company's common stock, 150,000 of which shall

have an exercise price equal to the fair market value of such stock on the date hereof and the remaining 50,000 options shall have an exercise price of $18.00 (eighteen dollars). The terms and conditions of such options shall be governed by a Stock Option Agreement between Company and Executive, in the form attached hereto as Exhibit A. The grant of 150,000 of such options (including the 50,000 exercisable at $18) have been granted subject to approval by Company's stockholders at its next annual meeting of stockholders. Company covenants and agrees to recommend such approval.

ARTICLE 4.

EXECUTIVE BENEFITS

4.1. Vacation. In accordance with the general policies of Company applicable generally to other senior executives of Company pursuant to Company's personnel policies from time to time, Executive shall be entitled to four weeks vacation each calendar year, without reduction in compensation.

4.2. Company Employee Benefits. Executive shall receive all group insurance and pension plan benefits and any other benefits on the same basis as they are available generally to other senior executives of Company under Company personnel policies in effect from time to time.

4.3. Benefits. Executive shall receive all other such fringe benefits as Company may offer generally to other senior executives of Company under Company personnel policies in effect from time to time, such as health and disability insurance coverage and paid sick leave.

4.4. Indemnification. Executive shall have the benefit of indemnification as provided under applicable law and the bylaws of Company, which indemnification shall continue after the termination of this Agreement for such period as may be necessary to continue to indemnify Executive for his acts during the term hereof. Company shall cause Executive to be covered by the current policies of directors and officers liability insurance covering directors and officers of Company, copies of which have been provided to Executive, in accordance with their terms, to the maximum extent of the coverage available for any director or officer of Company. Company shall use commercially reasonable efforts to cause the current policies of directors and officers liability insurance covering directors and officers of Company to be maintained throughout the term of Executive's employment with Company and for such period thereafter as may be necessary to continue to cover acts of Executive during the term of his employment (provided that Company may substitute therefor, or allow to be substituted therefor, policies of at least the same coverage and amounts containing terms and conditions which are, in the aggregate, no less advantageous to the insured in any material respect).

ARTICLE 5.

REIMBURSEMENT FOR EXPENSES

Executive shall be reimbursed by Company for all ordinary and necessary expenses incurred by Executive in the performance of his duties or otherwise in furtherance of the business of Company in accordance with the policies of Company in effect from time to time. Executive shall keep accurate and complete records of all such expenses, including but not limited to, proof of payment and purpose. Executive shall account fully for all such expenses to Company.

ARTICLE 6.

TERMINATION

6.1. Termination for Cause. Without limiting the generality of Section 6.2, Company shall have the right to terminate Executive's employment, without further obligation or liability to Executive, upon the occurrence of any one or more of the following events, which events shall be deemed termination for cause.

6.1.1. Failure to Perform Duties. If Executive neglects to perform the duties of his employment under this Agreement in a professional and businesslike manner after having received written notice specifying such failure to perform and a reasonable opportunity, not to exceed ten days, to perform or if such performance cannot be completed within such time period, commenced within such period and diligently pursued to completion as soon as practicable thereafter.

6.1.2. Willful Breach. If Executive willfully commits a material breach of this Agreement or a material willful breach of his fiduciary duty to Company.

6.1.3. Wrongful Acts. If Executive is convicted of a felony or any other serious crime, commits a serious wrongful act or engages in other misconduct involving acts of moral turpitude that would make the continuance of his employment by Company materially detrimental to Company, which determination shall be made in the reasonable exercise of Company's judgment.

6.1.4. Disability. If Executive is physically or mentally disabled from the performance of a major portion of his duties for a continuous period of 120 days or greater, which determination shall be made in the reasonable exercise of Company's judgment, provided, however, if Executive's disability is the result of a serious health condition as defined by the federal Family and Medical Leave Act (or its California equivalent) ("FMLA"), Executive's employment shall not be terminated due to such disability at any time during or after any period of FMLA-qualified leave except as permitted by FMLA. If there should be a dispute between Company and Executive as to Executive's physical or mental disability for purposes of this Agreement, the question shall be settled by the opinion of an impartial reputable physician or psychiatrist agreed

upon by the parties or their representatives, or if the parties cannot agree within ten days after a request for designation of such party, then a physician or psychiatrist designed by the Los Angeles County Medical Association. The certification of such physician or psychiatrist as to the questioned dispute shall be final and binding upon the parties hereto.

6.2. Termination Without Cause. Notwithstanding anything to the contrary herein, Company shall have the right to terminate Executive's employment under this Agreement at any time without cause by giving notice of such termination to Executive.

6.3. Termination by Executive for Good Reason. Executive may terminate his employment under this Agreement on thirty (30) days prior notice to Company for good reason. For purposes of this Agreement, "good reason" shall mean and be limited to a material breach of this Agreement by Company (including without limitation any material reduction in the authority or duties of Executive or any relocation of his or its principal place of business outside the greater Los Angeles metropolitan area) and the failure of Company to remedy such breach within thirty (30) days after written notice (or as soon thereafter as practicable so long as it commences effectuation of such remedy within such time period and diligently pursues such remedy to completion as soon as practicable).

6.4. Termination by Executive Upon Failure of Paul Alanis to be Promoted. Executive may terminate his employment under this Agreement on thirty (30) days prior notice to Company upon failure of Company to offer to designate Paul Alanis as Chief Executive Officer on or before December 31, 1999, resulting in his termination of employment with Company. Executive must elect to exercise such termination right within ninety (90) days after Alanis terminates his employment due to his failure to be offered promotion, at which time such right to terminate shall be deemed waived if not previously exercised.

6.5. Effectiveness on Notice. Any termination under this Section 6 shall be effective upon receipt of notice by Executive or Company, as the case may be, of such termination or upon such other later date as may be provided herein or specified by Company or Executive in the notice (the "Termination Date").

6.6. Effect of Termination.

6.6.1. Payment of Salary and Expenses Upon Termination. If the Term of this Agreement is terminated, all benefits provided to Executive by Company hereunder shall thereupon cease and Company shall pay or cause to be paid to Executive all accrued but unpaid salary and vacation benefits. In addition, promptly upon submission by Executive of his unpaid expenses incurred prior to the Termination Date and owing to Executive pursuant to Article 5, reimbursement for such expenses shall be made.

6.6.2. Termination for Disability. In the event of a termination under Section 6.1.4 (for disability), Executive may be eligible for

benefits under the California State Disability Insurance program for his first six months of disability. In addition,

Executive shall be eligible for the benefits provided for under any long term disability insurance policy which Company may have as in effect from time to time. Eligibility and benefits with regard to either insurance program shall be governed by the provisions of the insurance program or policy and shall not be the responsibility of Company.

6.6.3. Termination Without Cause or Termination by Executive for Good Reason. If Company terminates Executive without cause or Executive terminates for good reason under Section 6.3 only, the following shall apply:

(a) So long as Executive does not compete with Company or its subsidiaries in the gaming business prior to the end of the Term, Executive shall be entitled to receive an amount equal to $400,000 per year through the end of the Term, payable in accordance with Company's regular salary payment schedule from time to time, plus any amounts payable under Section 6.6.1 above, plus a continuation of health and disability insurance coverage for a period of six (6) months after termination, at Company's expense. Should Executive compete with Company or its subsidiaries prior to the end of the Term, Executive shall not be entitled to receive any additional payments from Company with respect to periods after commencement of such competitive activity under this Section 6.6.3 and all such obligations shall be extinguished;

(b) In addition to those already vested, all unvested stock options that would have vested on future Anniversary Dates of the Agreement shall be deemed immediately and fully vested and exercisable by Executive; and

(c) The "Covenant Not to Compete" set forth in Sections 7.4 below shall not apply in any respect to Executive (except as the same may affect his entitlement to payments under Section 6.6.3(a) hereof) and the term of the "No Hire Away Policy" in Section 7.6 shall be limited to six months from the date of termination.

6.6.4. Termination by Executive Upon Failure of Alanis to be Promoted. If Executive terminates this Agreement as a result of Alanis' failure to be promoted, then Executive shall be entitled to receive the payments under Section 6.6.1 hereof.

6.7. Suspension. In lieu of terminating Executive's employment hereunder for cause under Section 6.1, Company shall have the right, at its sole election, to suspend the operation of this Agreement during the continuance of

events or circumstances under Section 6.1 for an aggregate of not more than 30 days during the Term (the "Default Period") by giving Executive written notice of Company's election to do so at any time

during the Default Period. Company shall have the right to extend the Term beyond its normal expiration date by the period(s) of any suspension(s). Company's exercise of its right to suspend the operation of this Agreement shall not preclude Company from subsequently terminating Executive's employment hereunder. Executive shall not render services to any other person, firm or corporation in the casino business during any period of suspension. Executive shall be entitled to continued compensation pursuant to the provisions hereof during the Default Period.

6.8. DEFRA Limitation. The payments that Executive shall be entitled to receive hereunder and upon the exercise of his stock options shall in all events be limited by the provisions of Section 280G of the Internal Revenue Code ("Code") and the regulations thereunder (or their then equivalents) and no payment shall be made that would have the result of limiting the deductibility of such payments by Company or that would result in the imposition of an excise tax under Section 4999 of the Code.

6.9. Exercisability of Options. As provided in the Option Agreement, all options terminate no later than ninety (90) days after the termination, regardless of the cause of such termination.

ARTICLE 7.

CONFIDENTIALITY

7.1. Nondisclosure of Confidential Material. In the performance of his duties, Executive may have access to confidential records, including, but not limited to, development, marketing, organizational, financial, managerial, administrative and sales information, data, specifications and processes presently owned or at any time hereafter developed or used by Company or its agents or consultants that is not otherwise part of the public domain (collectively, the "Confidential Material"). All such Confidential Material is considered secret and is disclosed to Executive in confidence. Executive acknowledges that the Confidential Material constitutes proprietary information of Company which draws independent economic value, actual or potential, from not being generally known to the public or to other persons who could obtain economic value from its disclosure or use, and that Company has taken efforts reasonable under the circumstances, of which this Section 7.1 is an example, to maintain its secrecy. Except in the performance of his duties to Company or as required by a court order, Executive shall not, directly or indirectly for any reason whatsoever, disclose, divulge, communicate, use or otherwise disclose any such Confidential Material, unless such Confidential Material ceases to be confidential because it has become part of the public domain (not due to a breach by Executive of his obligations hereunder). Executive shall also take all

reasonable actions appropriate to maintain the secrecy of all Confidential Information. All records, lists, memoranda, correspondence, reports, manuals, files, drawings, documents, equipment, and other tangible items (including computer software), wherever located, incorporating the Confidential Material, which Executive shall prepare, use or encounter, shall be and remain Company's sole and exclusive property and shall be included in the

Confidential Material. Upon termination of this Agreement, or whenever requested by Company, Executive shall promptly deliver to Company any and all of the Confidential Material, not previously delivered to Company, that is in the possession or under the control of Executive.

7.2. Assignment of Intellectual Property Rights. Any ideas, processes, know-how, copyrightable works, maskworks, trade or service marks, trade secrets, inventions, developments, discoveries, improvements and other matters that may be protected by intellectual property rights, that relate to Company's business and are the results of Executive's efforts during the Term (collectively, the "Executive Work Product"), whether conceived or developed alone or with others, and whether or not conceived during the regular working hours of Company, shall be deemed works made for hire and are the property of Company. In the event that for whatever reason such Executive Work Product shall not be deemed a work made for hire, Executive agrees that such Executive Work Product shall become the sole and exclusive property of Company, and Executive hereby assigns to Company his entire right, title and interest in and to each and every patent, copyright, trade or service mark (including any attendant goodwill), trade secret or other intellectual property right embodied in the Executive Work Product. Company shall also have the right, in its sole discretion to keep any and all of the Executive Work Product as Company's Confidential Material. The foregoing work made for hire and assignment provisions are and shall be in consideration of this agreement of employment by Company, and no further consideration is or shall be provided to Executive by Company with respect to these provisions. Executive agrees to execute any assignment documents Company may require confirming Company's ownership of any of the Executive Work Product. Executive also waives any and all moral rights with respect to any such works, including without limitation any and all rights of identification of authorship and/or rights of approval, restriction or limitation on use or subsequent modifications. Executive promptly will disclose to Company any Executive Work Product.

7.3. No Unfair Competition After Termination of Agreement. Executive hereby acknowledges that the sale or unauthorized use or disclosure of any of Company's Confidential Material obtained by Executive by any means whatsoever, at any time before, during or after the Term shall constitute unfair competition. Executive shall not engage in any unfair competition with Company either during the Term or at any time thereafter.

7.4. Covenant Not to Compete. In the event this Agreement is terminated by Company for cause under Section 6.1 above, or by Executive, for a

reason other than one specified in either Section 6.3 or 6.4 above, then for a period of one year after the effective date of such termination, Executive shall not, directly or indirectly, work for or provide services to or own an equity interest in any person, firm or entity engaged in the casino gaming, card club or horseracing business which competes against Company in any "market" in which Company owns or operates a casino, card club or horseracing facility.

For purposes of this Agreement, "market" shall be defined as the area within a 100 mile radius of any casino, card club or horseracing facility owned or operated by Company.

7.5. No Hire Away Policy. In the event this Agreement is terminated prior to the normal expiration of the Term, either by Company for cause under 6.1 above, or by Executive, for a reason other than one specified in either Section 6.3 or 6.4 above, then for a period of one year after the effective date of such termination, Executive shall not, directly or indirectly, hire any person known to Executive to be an employee of Company or any of its subsidiaries (or any person known to Executive to have been such an employee within six months prior to such occurrence). In the case of a termination under Sections 6.2 and 6.3, the period of the No Hire Away Policy shall be six months from the date of such termination.

7.6. No Solicitation. During the Term and for a period of one year thereafter, or for a period of one year after earlier termination of this Agreement prior to expiration of the Term, and regardless of the reason for such termination (whether by Company or Executive), Executive shall not directly or indirectly solicit any employee of Company or any of its subsidiaries (or any person who was such an employee within six months prior to such occurrence) or encourage any such employee to leave the employment of Company or any of its subsidiaries.

7.7. Non-Solicitation of Customers. During the Term and for a period of two years thereafter, or for a period of two years after the earlier termination of this Agreement prior to the expiration of the Term, and regardless of the reason for such termination (whether by Company or Executive), Executive shall not directly or indirectly use customer lists or confidential information to solicit any customers of Company or its subsidiaries or any of their respective casinos or card clubs, or knowingly encourage any such customers to leave Company's casinos or card clubs or knowingly encourage any such customers to use the facilities or services of any competitor of Company or its subsidiaries.

7.8. Irreparable Injury. The promised service of Executive under this Agreement and the other promises of this Article 7 are of special, unique, unusual, extraordinary, or intellectual character, which gives them peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law.

7.9. Remedies for Breach. Executive agrees that money damages will not be a sufficient remedy for any breach of the obligations under this Article 7 and Article 2 hereof and that Company shall be entitled to injunctive relief (which shall include, but not be limited to, restraining Executive from directly or indirectly working for or having an ownership interest in any person engaged in the casino, gaming or horseracing businesses in any market in which Company or its affiliates owns or operates any such business, using or disclosing the Confidential Material) and to specific performance as remedies for any such breach. Executive agrees that Company shall be entitled to such relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of proving actual damages and without the necessity of posting a bond or

making any undertaking in connection therewith. Any such requirement of a bond or undertaking is hereby waived by Executive and Executive acknowledges that in the absence of such a waiver, a bond or undertaking might otherwise be required by the court. Such remedies shall not be deemed to be the exclusive remedies for any breach of the obligations in this Article 7, but shall be in addition to all other remedies available at law or in equity.

ARTICLE 8.

ARBITRATION

In the event there is any dispute between Executive and Company which the parties are unable to resolve themselves, including any dispute with regard to the application, interpretation or validity of this Agreement or any dispute with regard to any aspect of Executive's employment or the termination of Executive's employment, both Executive and Company agree by entering into this Agreement that the exclusive remedy for determining any such dispute, regardless of its nature, will be by arbitration in accordance with the then applicable rules of the American Arbitration Association; provided, however, the breach of the obligation to provide services under this Agreement or of the obligations of Article 7 may be enforced by an action for injunctive relief and damages in a court of competent jurisdiction. In the event of any conflict between this Agreement and the rules of the American Arbitration Association, the provisions of this Agreement shall be determinative. In the event the parties are unable to agree upon an arbitrator, the parties shall select a single arbitrator from a list designated by the Los Angeles Office of the American Arbitration Association of seven arbitrators all of whom shall be retired judges of the Superior of appellate courts resident in Los Angeles who are members of the "Independent List" of retired judges. If the parties are unable to select an arbitrator from the list provided by the American Arbitration Association, then the parties shall each strike names alternatively from the list, with the first to strike being determined by lot. After each party has used three strikes, the remaining name on the list shall be the arbitrator. This agreement to resolve any disputes by binding arbitration shall extend to claims against any shareholder or partner of Company, any brother-sister company, parent,

subsidiary or affiliate of Company, any officer, director, employee, or agent of Company, or of any of the above, and shall apply as well to claims arising out of state and federal statutes and local ordinances as well as to claims arising under the common law. Unless mutually agreed by the parties otherwise, any arbitration shall take place in Los Angeles County, California. In the event the parties are unable to agree upon a location for the arbitration, the location within Los Angeles County shall be determined by the arbitrator. The prevailing party in such arbitration proceeding, as determined by the arbitrator, and in any enforcement or other court proceedings, shall be entitled to the extent permitted by law, to reimbursement from the other party for all of the prevailing party's costs (including but not limited to the arbitrator's compensation), expenses and attorneys' fees.

ARTICLE 9.

MISCELLANEOUS

9.1. Amendments. The provisions of this Agreement may not be waived, altered, amended or repealed in whole or in part except by the signed written consent of the parties sought to be bound by such waiver, alteration, amendment or repeal.

9.2. Entire Agreement. This Agreement and the nonqualified stock option agreement of even date herewith constitutes the total and complete agreement of the parties and supersedes all prior and contemporaneous understandings and agreements heretofore made, and there are no other representations, understandings or agreements.

9.3. Counterparts. This Agreement may be executed in one of more counterparts, each of which shall be deemed and original, but all of which shall together constitute one and the same instrument.

9.4. Severability. Each term, covenant, condition or provision of this Agreement shall be viewed as separate and distinct, and in the event that any such term, covenant, condition or provision shall be deemed by an arbitrator or a court of competent jurisdiction to be invalid or unenforceable, the court or arbitrator finding such invalidity or unenforceability shall modify or reform this Agreement to give as much effect as possible to the terms and provisions of this Agreement. Any term or provision which cannot be so modified or reformed shall be deleted and the remaining terms and provisions shall continue in full force and effect.

9.5. Waiver or Delay. The failure or delay on the part of Company, or Executive to exercise any right or remedy, power or privilege hereunder shall not operate as a waiver thereof. A waiver, to be effective, must be in writing and signed by the party making the waiver. A written waiver of default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

9.6. Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the parties to it and their respective heirs, legal representatives, successors and assigns, except as otherwise provided herein.

9.7. No Assignment or Transfer by Executive. Neither this Agreement nor any of the rights, benefits, obligations or duties hereunder may be assigned or transferred by Executive. Any purported assignment or transfer by Executive shall be void.

9.8. Necessary Acts. Each party to this Agreement shall perform any further acts and execute and deliver any additional agreements, assignments or documents that may be reasonably necessary to carry out the provisions or to effectuate the purpose of this Agreement.

9.9. Governing Law. This Agreement and all subsequent agreements between the parties shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of California.

9.10. Notices. All notices, requests, demands and other communications to be given under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service, if personally served on the party to whom notice is to be given, or 48 hours after mailing, if mailed to the party to whom notice is to be given by certified or registered mail, return receipt requested, postage prepaid, and properly addressed to the party at his address set forth as follows or any other address that any party may designate by written notice to the other parties:

To Executive:	Mike Allen 8408 Turtle Creek Circle Las Vegas, NV 89113
with copy to	Cox, Castle & Nicholson 2049 Century Park East, 28th Floor Los Angeles, CA 90067-3284 Attn: Matt Wyman
To Company:	Hollywood Park, Inc. 1050 South Prairie Avenue Inglewood, CA 90301 Attn: G. Michael Finnigan
with copy to:	Irell & Manella LLP 1800 Avenue of the Stars, Suite 900 Los Angeles, CA 90067-4276

Attn: Al Segel

9.11. Headings and Captions. The headings and captions used herein are solely for the purpose of reference only and are not to be considered as construing or interpreting the provisions of this Agreement.

9.12. Construction. All terms and definitions contained herein shall be construed in such a manner that shall give effect to the fullest extent possible to the express or implied intent of the parties hereby.

9.13. Counsel. Executive has been advised by Company that he should consider seeking the advice of counsel in connection with the execution of this Agreement and Executive has had an opportunity to do so. Executive has read and understands this Agreement, and has sought the advice of counsel to the extent he has determined appropriate.

9.14. Withholding of Compensation. Executive hereby agrees that Company may deduct and withhold from the compensation or other amounts payable to Executive hereunder or otherwise in connection with Executive's employment any amounts required to be deducted and withheld by Company under the provisions of any applicable Federal, state and local statute, law, regulation, ordinance or order.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first written above.

EXECUTIVE

/s/ Mike Allen

Mike Allen

Social Security Number

COMPANY
HOLLYWOOD PARK, INC.,
a Delaware Corporation

By: /s/ R.D. Hubbard

Its: Chairman and CEO

EXHIBIT 10.39

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made as of January 1, 1999, by and between HOLLYWOOD PARK OPERATING COMPANY, a Delaware corporation ("Company"), and DONALD M. ROBBINS, an individual ("Executive"), with respect to the following facts and circumstances:

RECITALS

The Company wishes to employ Executive as president of its Horse Racing Division and Executive wishes to be so employed.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements set forth herein, the parties hereto agree as follows:

ARTICLE 1

EMPLOYMENT AND TERM

1.1 Employment. Company agrees to engage Executive in the capacity as President of the Horse Racing Division of the Company on the Effective Date (as hereinafter defined) and Executive hereby accepts such engagement by Company upon the terms and conditions specified below.

1.2 Term. The term of this Agreement (the "Term") shall commence on January 1, 1999 (such date being referred to as the "Effective Date") and shall continue in force until three years from and after the Effective Date, unless earlier terminated under Article 6 below. Each 12-month period commencing as of the Effective Date is sometimes called a year of the "Term," and the date which is 365 days from and after the Effective Date shall be referred to as the "Anniversary Date".

ARTICLE 2

DUTIES OF EXECUTIVE

2.1 Duties. Executive shall perform all the duties and obligations of President of the Horse Racing Division of the Company, including primary responsibility for Company's horse racing and related operations subject to the control and supervision of the Board of Directors of the Company (the "Board") and such other executive duties consistent with the foregoing as may be assigned to him from time to time by the Board of Directors. Executive shall report to the Chief Executive Officer ("CEO") of the Company, or, if specified by the CEO,

to the Chief Operating Officer. Executive shall perform the services contemplated

herein faithfully, diligently, to the best of his ability and in the best interests of Company. Executive shall devote substantially all his business time and efforts to the rendition of such services. Executive shall at all times perform such services in compliance with, and to the extent of his authority, shall to the best of his ability cause the Company to be in compliance with, any and all laws, rules and regulations applicable to it of which Executive is aware. Executive may rely on the Company's inside counsel and outside lawyers in connection with such matters. Executive shall, at all times during the Term, in all material respects adhere to and obey any and all written internal rules and regulations governing the conduct of Company's employees, as established or modified from time to time; provided, however, in the event of any conflict between the provisions of this Agreement and any such rules or regulations, the provisions of this Agreement shall control.

2.2 Location of Services. Executive's principal place of employment shall be at Company's headquarters in the greater Los Angeles, California area.

2.3 Exclusive Service. Except as otherwise expressly provided herein, Executive shall devote substantially all his business time, attention, energies, skills, learning and best efforts to the business of Company. Executive may participate in social, civic, charitable, religious, business, educational or professional associations, so long as such participation does not materially interfere with the duties and obligations of Executive hereunder. This Section 2.3, however, shall not be construed to prevent Executive from making passive outside investments so long as such investments do not require material time of Executive or otherwise interfere with the performance of Executive's duties and obligations hereunder. Executive shall not make any investment in an enterprise that competes with Company without the prior written approval of Company after full disclosure of the facts and circumstances; provided, however, that so long as Executive does not utilize material, non-public information this sentence shall not preclude Executive from owning up to one percent (1%) of the securities of a publicly traded entity.

ARTICLE 3

COMPENSATION

3.1 Salary. In consideration for Executive's services hereunder, Company shall pay to Executive an annual salary at the rate of Two Hundred Ninety-Five Thousand Dollars ($295,000) per year during each of the years of the Term; payable in accordance with Company's regular payroll schedule from time to time (less any deductions required for Social Security, state, federal and local withholding taxes, and any other authorized or mandated withholdings).

3.2 Bonus. Executive shall be eligible to be considered for a bonus with respect to each year of the Term during which Executive is employed under this Agreement. The amount, if any, of each such bonus shall be determined in the

discretion of the Board or a committee thereof.

ARTICLE 4

EXECUTIVE BENEFITS

4.1 Vacation. In accordance with the general policies of Company applicable generally to other senior executives of Company pursuant to Company's personnel policies from time to time, Executive shall be entitled to four weeks vacation each calendar year, without reduction in compensation.

4.2 Company Employee Benefits. Executive shall receive all group insurance and pension plan benefits and any other benefits on the same basis as they are available generally to other senior executives of Company under Company personnel policies in effect from time to time.

4.3 Benefits. Executive shall receive all other such fringe benefits as Company may offer generally to other senior executives of Company under Company personnel policies in effect from time to time, such as health and disability insurance coverage and paid sick leave, but not less than those currently received. In addition, the Company will continue to pay the premiums on Executive's term life insurance policy and his club dues and expenses, consistent with past practice.

4.4 Indemnification. Executive shall have the benefit of indemnification as provided under applicable law and the bylaws of Company, which indemnification shall continue after the termination of this Agreement for such period as may be necessary to continue to indemnify Executive for his acts during the term hereof. Company shall cause Executive to be covered by the current policies of directors and officers liability insurance covering directors and officers of Company, copies of which have been provided to Executive, in accordance with their terms, to the maximum extent of the coverage available for any director or officer of Company. Company shall use commercially reasonable efforts to cause the current policies of directors and officers liability insurance covering directors and officers of Company to be maintained throughout the term of Executive's employment with Company and for such period thereafter as may be necessary to continue to cover acts of Executive during the term of his employment (provided that Company may substitute therefor, or allow to be substituted therefor, policies of at least the same coverage and amounts containing terms and conditions which are, in the aggregate, no less advantageous to the insured in any material respect).

ARTICLE 5

REIMBURSEMENT FOR EXPENSES

Executive shall be reimbursed by Company for all ordinary and necessary expenses incurred by Executive in the performance of his duties or otherwise in

furtherance of the business of Company in accordance with the policies of Company in effect from time to time. Executive shall keep accurate and complete records of all such expenses, including but not limited to, proof of payment and purpose. Executive shall account fully for all such expenses to Company.

ARTICLE 6

TERMINATION

6.1 Termination for Cause. Without limiting the generality of Section 6.2, Company shall have the right to terminate Executive's employment, without further obligation or liability to Executive, upon the occurrence of any one or more of the following events, which events shall be deemed termination for cause.

6.1.1 Failure to Perform Duties. If Executive neglects to perform the duties of his employment under this Agreement in a professional and businesslike manner after having received written notice specifying such failure to perform and a reasonable opportunity, not to exceed ten days, to perform or if such performance cannot be completed within such time period, commenced within such period and diligently pursued to completion as soon as practicable thereafter.

6.1.2 Willful Breach. If Executive willfully commits a material breach of this Agreement or a material willful breach of his fiduciary duty to Company.

6.1.3 Wrongful Acts. If Executive is convicted of a felony or any other serious crime, commits a serious wrongful act or engages in other misconduct involving acts of moral turpitude that would make the continuance of his employment by Company materially detrimental to Company, which determination shall be made in the reasonable exercise of Company's judgment.

6.1.4 Disability. If Executive is physically or mentally disabled from the performance of a major portion of his duties for a continuous period of 120 days or greater, which determination shall be made in the reasonable exercise of Company's judgment, provided, however, if Executive's disability is the result of a serious health condition as defined by the federal Family and Medical Leave Act (or its California equivalent) ("FMLA"), Executive's employment shall not be terminated due to such disability at any time during or after any period of FMLA-qualified leave except as permitted by FMLA. If there should be a dispute between Company and Executive as to Executive's physical or mental disability for purposes of this Agreement, the question shall be settled by the opinion of an impartial reputable physician or psychiatrist agreed upon by the parties or their representatives, or if the parties cannot agree within ten days after a request for designation of such party, then a physician or psychiatrist designed by the Los Angeles County Medical Association. The certification of such physician or psychiatrist as to the questioned dispute

shall be final and binding upon the parties hereto.

6.2 Termination Without Cause. Notwithstanding anything to the contrary herein, Company shall have the right to terminate Executive's employment under this Agreement at any time without cause by giving notice of such termination to Executive.

6.3 Effectiveness on Notice. Any termination under this Section 6 shall be effective upon receipt of notice by Executive or Company, as the case may be, of such

termination or upon such other later date as may be provided herein or specified by Company or Executive in the notice (the "Termination Date").

6.4 Effect of Termination.

6.4.1 Payment of Salary and Expenses Upon Termination. If this Agreement is terminated, all benefits provided to Executive by Company hereunder shall thereupon cease and Company shall pay or cause to be paid to Executive all accrued but unpaid salary and vacation benefits. In addition, promptly upon submission by Executive of his unpaid expenses incurred prior to the Termination Date and owing to Executive pursuant to Article 5, reimbursement for such expenses shall be made.

6.4.2 Termination for Disability. In the event of a termination under Section 6.1.4 (for disability), Executive may be eligible for benefits under the California State Disability Insurance program for his first six months of disability. In addition Executive shall be eligible for the benefits provided for under any long term disability insurance policy which Company may have as in effect from time to time. Eligibility and benefits with regard to either insurance program shall be governed by the provisions of the insurance program or policy and shall not be the responsibility of Company.

6.4.3 Termination Without Cause. If Company terminates Executive without cause, the following shall apply:

(a)(i) If such termination occurs prior to January 1, 2000, Executive shall be entitled to receive in a lump sum an amount equal to two times his annual compensation (equal to his salary at the time of Termination and bonus (determined based on his bonus, if any, for the last completed year)) payable on the date of termination, plus any amounts payable under Section 6.4.1 above,

(ii) If such Termination occurs after January 1, 2000, Executive shall be entitled to receive in a lump sum an amount equal to his annual compensation for the balance

of the Term (equal to his salary at the time of Termination and bonus (determined based on his bonus, if any, for the last completed year and prorated for partial year's severance)) payable on the date of Termination, but in no event less than one year's compensation (salary and bonus), plus any amounts payable under Section 6.4.1 above.

(b) continuation of health and disability insurance and the other benefits provided in Section 4.3 hereof for a period of six (6) months after Termination at Company's expense; and

(c) In addition to those already vested, all unvested stock options that would have vested on future Anniversary Dates of the Agreement shall be deemed immediately and fully vested and exercisable by Executive.

6.5 Termination after Term. If Executive's employment with the Company is terminated without cause at any time after the end of the Term, whether or not this contract is extended or otherwise terminates in accordance with its terms, Executive shall be entitled to receive in a lump sum an amount equal to one year's compensation (salary and bonus) plus the amounts contemplated by clauses (b) and (c) of Section 6.4.

6.6 Suspension. In lieu of terminating Executive's employment hereunder for cause under Section 6.1, Company shall have the right, at its sole election, to suspend the operation of this Agreement during the continuance of events or circumstances under Section 6.1 for an aggregate of not more than 30 days during the Term (the "Default Period") by giving Executive written notice of Company's election to do so at any time during the Default Period. Company shall have the right to extend the Term beyond its normal expiration date by the period(s) of any suspension(s). Company's exercise of its right to suspend the operation of this Agreement shall not preclude Company from subsequently terminating Executive's employment hereunder. Executive shall not render services to any other person, firm or corporation in the casino business during any period of suspension. Executive shall be entitled to continued compensation pursuant to the provisions hereof during the Default Period.

6.7 Exercisability of Options. As provided in the Option Agreement, all options terminate no later than ninety (90) days after the termination, regardless of the cause of such termination.

ARTICLE 7

CONFIDENTIALITY

7.1 Nondisclosure of Confidential Material. In the performance of his

duties, Executive may have access to confidential records, including, but not limited to, development, marketing, organizational, financial, managerial, administrative and sales information, data, specifications and processes presently owned or at any time hereafter developed or used by Company or its agents or consultants that is not otherwise part of the public domain (collectively, the "Confidential Material"). All such Confidential Material is considered secret and is disclosed to Executive in confidence. Executive acknowledges that the Confidential Material constitutes proprietary information of Company which draws independent economic value, actual or potential, from not being generally known to the public or to other persons who could obtain economic value from its disclosure or use, and that Company has taken efforts reasonable under the circumstances, of which this Section 7.1 is an example, to maintain its secrecy. Except in the performance of his duties to Company or as required by a court order, Executive shall not, directly or indirectly for any

reason whatsoever, disclose, divulge, communicate, use or otherwise disclose any such Confidential Material, unless such Confidential Material ceases to be confidential because it has become part of the public domain (not due to a breach by Executive of his obligations hereunder). Executive shall also take all reasonable actions appropriate to maintain the secrecy of all Confidential Information. All records, lists, memoranda, correspondence, reports, manuals, files, drawings, documents, equipment, and other tangible items (including computer software), wherever located, incorporating the Confidential Material, which Executive shall prepare, use or encounter, shall be and remain Company's sole and exclusive property and shall be included in the Confidential Material. Upon termination of this Agreement, or whenever requested by Company, Executive shall promptly deliver to Company any and all of the Confidential Material, not previously delivered to Company, that is in the possession or under the control of Executive.

7.2 Assignment of Intellectual Property Rights. Any ideas, processes, know-how, copyrightable works, maskworks, trade or service marks, trade secrets, inventions, developments, discoveries, improvements and other matters that may be protected by intellectual property rights, that relate to Company's business and are the results of Executive's efforts during the Term (collectively, the "Executive Work Product"), whether conceived or developed alone or with others, and whether or not conceived during the regular working hours of Company, shall be deemed works made for hire and are the property of Company. In the event that for whatever reason such Executive Work Product shall not be deemed a work made for hire, Executive agrees that such Executive Work Product shall become the sole and exclusive property of Company, and Executive hereby assigns to Company his entire right, title and interest in and to each and every patent, copyright, trade or service mark (including any attendant goodwill), trade secret or other intellectual property right embodied in Executive Work Product. Company shall also have the right, in its sole discretion to keep any and all of Executive Work Product as Company's Confidential Material. The foregoing work made for hire and assignment provisions are and shall be in consideration of this agreement of employment by Company, and no further consideration is or shall be

provided to Executive by Company with respect to these provisions. Executive agrees to execute any assignment documents Company may require confirming Company's ownership of any of Executive Work Product. Executive also waives any and all moral rights with respect to any such works, including without limitation any and all rights of identification of authorship and/or rights of approval, restriction or limitation on use or subsequent modifications. Executive promptly will disclose to Company any Executive Work Product.

7.3 No Unfair Competition After Termination of Agreement. Executive hereby acknowledges that the sale or unauthorized use or disclosure of any of Company's Confidential Material obtained by Executive by any means whatsoever, at any time before, during or after the Term shall constitute unfair competition. Executive shall not engage in any unfair competition with Company either during the Term or at any time thereafter.

7.4 Irreparable Injury. The promised service of Executive under this Agreement and the other promises of this Article 7 are of special, unique, unusual,

extraordinary, or intellectual character, which gives them peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law.

7.5 Remedies for Breach. Executive agrees that money damages will not be a sufficient remedy for any breach of the obligations under this Article 7 and Article 2 hereof and that Company shall be entitled to injunctive relief (which shall include, but not be limited to, restraining Executive from directly or indirectly using or disclosing the Confidential Material) and to specific performance as remedies for any such breach. Executive agrees that Company shall be entitled to such relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of proving actual damages and without the necessity of posting a bond or making any undertaking in connection therewith. Any such requirement of a bond or undertaking is hereby waived by Executive and Executive acknowledges that in the absence of such a waiver, a bond or undertaking might otherwise be required by the court. Such remedies shall not be deemed to be the exclusive remedies for any breach of the obligations in this Article 7, but shall be in addition to all other remedies available at law or in equity.

ARTICLE 8

ARBITRATION

In the event there is any dispute between Executive and Company which the parties are unable to resolve themselves, including any dispute with regard to the application, interpretation or validity of this Agreement or any dispute with regard to any aspect of Executive's employment or the termination of Executive's employment, both Executive and Company agree by entering into this

Agreement that the exclusive remedy for determining any such dispute, regardless of its nature, will be by arbitration in accordance with the then applicable rules of the American Arbitration Association; provided, however, the breach of the obligation to provide services under this Agreement or of the obligations of Article 7 may be enforced by an action for injunctive relief and damages in a court of competent jurisdiction. In the event of any conflict between this Agreement and the rules of the American Arbitration Association, the provisions of this Agreement shall be determinative. In the event the parties are unable to agree upon an arbitrator, the parties shall select a single arbitrator from a list designated by the Los Angeles Office of the American Arbitration Association of seven arbitrators all of whom shall be retired judges of the Superior of appellate courts resident in Los Angeles who are members of the "Independent List" of retired judges. If the parties are unable to select an arbitrator from the list provided by the American Arbitration Association, then the parties shall each strike names alternatively from the list, with the first to strike being determined by lot. After each party has used three strikes, the remaining name on the list shall be the arbitrator. This agreement to resolve any disputes by binding arbitration shall extend to claims against any shareholder or partner of Company, any brother-sister company, parent, subsidiary or affiliate of Company, any officer, director, employee, or agent of Company, or of any of the above, and shall apply as well to claims arising out of state and federal statutes and local ordinances as well as to claims arising under the common law. Unless mutually agreed by the parties otherwise, any arbitration shall take place in Los Angeles County, California. In the event the parties are

unable to agree upon a location for the arbitration, the location within Los Angeles County shall be determined by the arbitrator. The prevailing party in such arbitration proceeding, as determined by the arbitrator, and in any enforcement or other court proceedings, shall be entitled to the extent permitted by law, to reimbursement from the other party for all of the prevailing party's costs (including but not limited to the arbitrator's compensation), expenses and attorneys' fees.

ARTICLE 9

MISCELLANEOUS

9.1 Amendments. The provisions of this Agreement may not be waived, altered, amended or repealed in whole or in part except by the signed written consent of the parties sought to be bound by such waiver, alteration, amendment or repeal.

9.2 Entire Agreement. This Agreement constitutes the total and complete agreement of the parties and supersedes all prior and contemporaneous understandings and agreements heretofore made, and there are no other representations, understandings or agreements.

9.3 Counterparts. This Agreement may be executed in one of more counterparts, each of which shall be deemed and original, but all of which shall together constitute one and the same instrument.

9.4 Severability. Each term, covenant, condition or provision of this Agreement shall be viewed as separate and distinct, and in the event that any such term, covenant, condition or provision shall be deemed by an arbitrator or a court of competent jurisdiction to be invalid or unenforceable, the court or arbitrator finding such invalidity or unenforceability shall modify or reform this Agreement to give as much effect as possible to the terms and provisions of this Agreement. Any term or provision which cannot be so modified or reformed shall be deleted and the remaining terms and provisions shall continue in full force and effect.

9.5 Waiver or Delay. The failure or delay on the part of Company, or Executive to exercise any right or remedy, power or privilege hereunder shall not operate as a waiver thereof. A waiver, to be effective, must be in writing and signed by the party making the waiver. A written waiver of default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

9.6 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the parties to it and their respective heirs, legal representatives, successors and assigns, except as otherwise provided herein.

9.7 No Assignment or Transfer by Executive. Neither this Agreement nor any of the rights, benefits, obligations or duties hereunder may be assigned or transferred by Executive. Any purported assignment or transfer by Executive shall be void. The Company

may assign this Agreement to any entity which, at the time of such assignment, is an affiliate of the Company.

9.8 Necessary Acts. Each party to this Agreement shall perform any further acts and execute and deliver any additional agreements, assignments or documents that may be reasonably necessary to carry out the provisions or to effectuate the purpose of this Agreement.

9.9 Governing Law. This Agreement and all subsequent agreements between the parties shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of California.

9.10 Notices. All notices, requests, demands and other communications to be given under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service, if personally served on the party to whom notice is to be given, or 48 hours after mailing, if mailed to the party to whom notice is to be given by certified or registered mail, return receipt requested, postage prepaid, and properly addressed to the party at his address

set forth as follows or any other address that any party may designate by written notice to the other parties:

To Executive: Donald M. Robbins
828 Via Lido Sound
Newport Beach, California 92663

To Company: Hollywood Park Operating Company
1050 South Prairie Avenue
Inglewood, California 90301
Attn: R. D. Hubbard

9.11 Headings and Captions. The headings and captions used herein are solely for the purpose of reference only and are not to be considered as construing or interpreting the provisions of this Agreement.

9.12 Construction. All terms and definitions contained herein shall be construed in such a manner that shall give effect to the fullest extent possible to the express or implied intent of the parties hereby.

9.13 Counsel. Executive has been advised by Company that he should consider seeking the advice of counsel in connection with the execution of this Agreement and Executive has had an opportunity to do so. Executive has read and understands this Agreement, and has sought the advice of counsel to the extent he has determined appropriate.

9.14 Withholding of Compensation. Executive hereby agrees that Company may deduct and withhold from the compensation or other amounts payable to Executive hereunder or otherwise in connection with Executive's employment any amounts required to

be deducted and withheld by Company under the provisions of any applicable Federal, state and local statute, law, regulation, ordinance or order.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first written above.

EXECUTIVE

/s/ Donald M. Robbins

Donald M. Robbins

Social Security No:_____

COMPANY

Hollywood Park Operating Company, a Delaware Corporation

By: /s/ R.D. Hubbard

Its: Chairman and CEO

EXHIBIT 10.40

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT ("Agreement") is made as of February 25, 1998 among Hilton Gaming (Switzerland County) Corporation, a Nevada corporation ("Seller"), Boomtown Hoosier, Inc., a Nevada corporation ("Purchaser") and Hollywood Park, Inc., a Delaware corporation ("Hollywood Park").

R E C I T A L S

A. Indiana Ventures, LLC is a limited liability company organized under the laws of the State of Nevada (the "Company"), with the authority to issue 1000 Units consisting of 970 Voting Units and 30 Non-Voting Units (as Units, Voting Units and Non-Voting Units are defined in the Operating Agreement, as amended, of the Company.) Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Operating Agreement.

B. Seller and Purchaser each own 485 Voting Units in the Company.

C. Seller and Purchaser have reached an agreement for the sale by Seller and the purchase by Purchaser of Seller's Voting Units in the Company.

D. Hollywood Park is the ultimate parent entity of Purchaser and in consideration of the agreements of Seller set forth herein has agreed to join in certain of the provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants and representations hereinafter contained, and subject to the conditions hereinafter set forth, it is agreed as follows:

1. Sale. Upon the terms and conditions set forth herein, Seller shall sell to Purchaser, and Purchaser shall purchase from Seller, 485 Voting Units (the "Sold Units") in the Company, constituting all of Seller's Voting Units in the Company.

2. Purchase Price. The sales price of the Sold Units (the "Purchase Price") will be $750,000.00. The Purchase Price shall be evidenced by a promissory note in the form of Exhibit A attached hereto and incorporated herein by reference (the "Promissory Note").

---

3. Representations.

(a) Seller's Representations. Seller represents and warrants to Purchaser that:

(i) Seller is the owner of all of the Sold Units, free and clear of all liens and encumbrances.

(ii) Seller has full power to transfer the Sold Units to Purchaser without obtaining the consent or approval of any person or governmental authority.

(iii) This Agreement is the valid and binding obligation of Seller enforceable against Seller in accordance with its terms.

(b) Purchaser's Representations. Purchaser and Hollywood Park represent and warrant to Seller that:

(i) Purchaser has full power to purchase the Sold Units from Seller without obtaining the consent or approval of any person or governmental authority.

(ii) This Agreement is the valid and binding obligation of Seller and Hollywood Park, enforceable against Purchaser and Hollywood Park in accordance with its terms.

4. As-Is Sale. The parties acknowledge that Purchaser and Seller have been jointly responsible for management and operation of the Company and its business and as such Purchaser is fully informed as to the assets, rights, obligations and liabilities of the Company. Purchaser represents and warrants to Seller that Purchaser has independent knowledge regarding the Company and the Sold Units and Purchaser has entered into this Agreement based upon such personal knowledge, and not based upon any representation or warranty of Seller, except as specifically set forth in Section 3 above. Purchaser agrees that the Sold Units shall be transferred to Purchaser AS-IS and WITH ALL FAULTS, without warranty, express, implied or statutory, including any warranty of merchantability or fitness for a particular purpose excepting only those warranties specifically set forth in Section 3 above.

5. Costs: Indemnification.

(a) Costs. Pursuant to the terms of the Operating Agreement, the Members

agreed to make Initial Capital Contributions and, under certain circumstances, additional Capital Contributions, from time to time. Pursuant to the terms of a letter agreement (the "Letter Agreement") dated May 16, 1996 among Purchaser, Seller and Full House L.L.C. ("Full House"), Purchase and Seller agreed to fund the Initial Capital Contributions and certain Additional Capital Contributions of Full House. Purchaser acknowledges that Seller has fully paid all of its Initial Capital Contributions and any additional Capital Contributions, together with its share of any Capital Contributions on behalf of Full House under the Letter Agreement, through February 25, 1998. Seller hereby assigns to Purchaser all of Seller's obligations under the Letter Agreement and Purchaser hereby assumes all of Seller's obligations and agrees that Purchaser shall be fully liable for funding any Capital Contributions thereunder. From and after the date hereof, Seller shall have no further obligation for any Capital Contributions pursuant to the Operating Agreement, the Letter Agreement or otherwise and Purchaser hereby assumes all liability with respect thereto.

(b) Indemnity. Purchaser and Hollywood Park agree to indemnify Seller, Seller's affiliates, its and their officers, directors, agents, employees, shareholders, and each of their successors and assigns (collectively, the "Indemnified Persons"), and to save and hold the Indemnified Persons harmless from and against any liability, obligation, loss, damage, penalty, cost and expense, suit, claim, action or demand, asserted against, or incurred by, the Indemnified Persons (including, without limitation, reasonable attorneys' fees and expenses) as a result of, under, arising from, or in connection with (a) a breach of this Agreement by Purchaser or Hollywood Park or (b) the Project, the Company, the Sold Units, the Letter Agreement or otherwise from and after the date of this Agreement.

6. Closing. The closing of the purchase and sale of the Sold Units (the "Closing") shall occur concurrently with, and be effective as of the date of, this Agreement. Concurrently with the execution of this Agreement, Seller shall execute and deliver to Purchaser an assignment transferring the Sold Units to Purchaser and Purchaser shall execute and deliver to Seller the Promissory Note. Promptly after the Closing Seller shall deliver to Purchaser all books, records, agreements, drawings, plans, aerial photographs and other documents and papers relating to the Project and belonging to the Company.

7. Miscellaneous.

(a) Notices. Any and all notices and demands by any party hereto to any

other party required or desired to be given hereunder shall be in writing and shall be validly given or made only if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested or if made by Federal Express or other similar delivery service keeping records of deliveries and attempted deliveries or if sent by telecopy. Service by United States Mail or by Federal Express or other similar delivery service shall be conclusively deemed made on the first business day delivery is attempted or upon receipt, whichever is sooner. Service by telecopy shall be deemed made upon confirmed transmission. Any notice or demand to Seller shall be addressed c/o Bally's Park Place, Park Place and The Boardwalk, Atlantic City, New Jersey, Attention: Wallace R. Barr. Any notice or demand to Purchaser shall be addressed c/o Boomtown, Inc., P.O. Box 399, Verdi, Nevada, 89839, Attention: Robert List. Any notice or demand to Hollywood Park shall be addressed c/o Boomtown, Inc., P.O. Box 399, Verdi, Nevada 89839, Attention: Robert List. The parties may change their address for the purpose of receiving notices or demands as herein provided by a written notice given in the manner aforesaid to the others, which notice of change of address shall not become effective, however, until the actual receipt thereof by the others.

(b) Binding Effect. This Agreement shall inure to the benefit of and be
---
binding upon the parties hereto and their respective successors and assigns.

(c) Partial Invalidity. If any term, provision, covenant or condition of
---
this Agreement, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void or unenforceable by the laws applicable thereto, all provisions, covenants, and conditions of this Agreement, and all applications thereof, not held invalid, void or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

(d) Entire Agreement. This Agreement contains the entire agreement between
---
the parties and cannot be changed or terminated orally.

(e) Attorneys' Fees. In the event any action or proceeding is commenced by
---
any party against any other in connection herewith, including but not limited to any proceeding in bankruptcy, the prevailing party shall be entitled to recover from the other party all costs and expenses, including, without limitation, reasonable attorneys' fees and costs, incurred in such action or proceeding, including, but not limited to any proceeding in bankruptcy, in addition to any other relief awarded by the court.

(f) Time of Essence. Time is of the essence of this Agreement and all of
---
the terms, provisions, covenants and conditions hereof.

(g) Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same Agreement. The parties agree and intend that executed copies of this Agreement, transmitted from the parties to each other by facsimile machine, shall constitute original executed counterparts of this Agreement and such facsimile signatures shall have the same effect as original signatures.

(h) Severability. If any of the provisions of this Agreement shall be held by any court of competent jurisdiction to be unlawful, void or unenforceable for any reason as to any person or circumstances, such provision or provisions shall be deemed severable from and shall in no way affect the enforceability and validity of the remaining provisions of this Agreement.

(i) Further Assurances. In addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by either Seller or Purchaser, Seller and Purchaser shall perform, execute and/or deliver or cause to be performed, executed and/or delivered at or prior to the Closing, or if necessary, after the Closing, any and all further acts, deeds and assurances as may, from time to time, be reasonably required to satisfy the conditions of this Agreement or to consummate the transactions contemplated in this Agreement and to confirm the transfer of the Shares from Seller to Purchaser. These obligations shall survive the Closing.

(j) Governing Law. Nevada law shall govern the validity, construction, performance and effect of this Agreement.

(k) Interpretation. This Agreement is an agreement between financially sophisticated and knowledgeable parties and is entered into by the parties in reliance upon the economic and legal bargains contained herein and shall be interpreted and construed in a fair and impartial manner without regard to such factors as the party who prepared (or caused the preparation of) this instrument or the relative bargaining power of the parties.

IN WITNESS WHEREOF, the parties have entered into this Agreement effective the day and year above written.

"SELLER"	"PURCHASER"
Hilton Gaming (Switzerland County) Corporation	Boomtown Hoosier, Inc.

By: /s/ Wallace R. Barr
Name: Wallace R. Barr
Title: Executive Vice President

By: /s/ Robert F. List
Name: Robert F. List
Title: Secretary

"HOLLYWOOD PARK"

Hollywood Park, Inc.

By: /s/ G. Michael Finnigan
Name: G. Michael Finnigan
Title: CFO

The undersigned hereby consents to the transfer of the Sold Units to Purchaser and the assignment by Seller to Purchaser of all of Seller's obligations under the Letter Agreement, as defined above, and hereby releases Seller from any liability under the Letter Agreement.

FULL HOUSE L.L.C.

By:
Name:
Title:

Exhibit A

PROMISSORY NOTE

$750,000 Las Vegas, Nevada July 14, 1998

For valuable consideration, Boomtown Hoosier, Inc., a Nevada corporation ("Promisor"), does hereby promise to pay to the order of Hilton Gaming (Switzerland County) Corporation, a Nevada corporation ("Promisee"), the principal sum of Seven Hundred Fifty Thousand Dollars ($750,000.00), together with interest thereon, from date, at the rate of 8.5% per annum. The entire outstanding principal balance of this Note, together with accrued interest

thereon, shall become due five (5) business days after the date on which Pinnacle Gaming Development Corporation, Hollywood Park, Inc., Boomtown, Inc., Promisor, or any affiliate of any of them, is awarded a Certificate of Suitability for riverboat gaming operations on the Ohio River for either of Switzerland County or Crawford County, Indiana.

Both principal and interest are payable at the office of Promisee, in Las Vegas, Nevada, or at such place as the holder hereof may from time to time designate in writing. Promisor may prepay this Note in full or in part, at any time.

Promisor and all others who may become liable for the payment of all or any part of this obligation do hereby severally waive presentment for payment, protest and demand, notice of protest, demand and dishonor, and nonpayment of this Note and expressly agree that the maturity of this Note or any payment hereunder may be extended from time to time, at the option of the holder hereof, without in any way affecting the liability of each.

Promisor promises to pay all costs incurred in collection and/or enforcement of this Note or any part thereof or otherwise in connection herewith, including, but not limited to, reasonable attorneys' fees, and, in the event of court action, all costs and such additional sums and attorneys' fees as the court may adjudge reasonable.

If any term, provision, covenant or condition of this Note, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void, or unenforceable, all provisions, covenants and conditions of this Note and all applications thereof not held invalid, void or unenforceable, shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

The laws of the State of Nevada shall govern the validity, construction, performance and effect of this Note. Any action to enforce Promisor's obligations hereunder may be brought in any court of competent jurisdiction in the State of Nevada, and Promisor hereby consents to the jurisdiction of Nevada courts over it.

Boomtown Hoosier, Inc.

By:

Name:

Title:

EXHIBIT 23.2

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the inclusion in Hollywood Park, Inc.'s Amendment Number One to its Registration Statement on Form S-4 dated March 1999, of our reports dated February 27, 1998 on the financial statements of Hollywood Park, Inc. and Casino Magic Corp. We also consent to the incorporation by reference in Hollywood Park, Inc.'s Amendment Number One to its Registration Statement on Form S-4 dated March 1999, of our report dated February 27, 1998 included in Hollywood Park, Inc.'s form 10-K for the year ended December 31, 1997, and to all references to our Firm included in or made a part of the Registration Statement.

/s/ ARTHUR ANDERSEN LLP

Los Angeles, California
March 23, 1999

EXHIBIT 23.3

Consent of Ernst & Young LLP, Independent Auditors

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-4 No. 333-73235) and related Prospectus of Hollywood Park, Inc. for the registration of $350,000,000 Series B 9 1/4% Senior Subordinated Notes due 2007 and to the incorporation by reference therein of our report dated November 15, 1996 (except for the first paragraph of Note 13 and the first two paragraphs of Note 12 as to which the dates are November 18, 1996 and January 5, 1998, respectively), with respect to the consolidated financial statements of Boomtown, Inc. included in Amendment No. 4 to the Registration Statement (Form S-4 No. 333-34471) of Hollywood Park, Inc. filed with the Securities and Exchange Commission.

We also consent to the incorporation by reference into this Registration Statement (Form S-4 No. 333-73235) and related Prospectus of Hollywood Park, Inc. for the registration of $350,000,000 Series B 9 1/4% Senior Subordinated Notes due 2007, of our report dated November 15, 1996 (except for the first paragraph of Note 13 and the first two paragraphs of Note 12 as to which the dates are November 18, 1996 and January 5, 1998, respectively), with respect to the financial statement schedule of Boomtown, Inc. for the years ended September 30, 1994, 1995 and 1996 included in Amendment No. 4 to the Registration Statement (Form S-4 No. 333-34471) of Hollywood Park, Inc. filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Reno, Nevada
March 24, 1999

EXHIBIT 99.1

LETTER OF TRANSMITTAL

HOLLYWOOD PARK, INC.

Offer to Exchange 9 1/4% Series B Senior Subordinated Notes Due 2007
for Any and All Outstanding 9 1/4% Senior Subordinated Notes Due 2007

Pursuant to the Prospectus dated March 29, 1999

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON MAY 3, 1999, UNLESS THE OFFER IS EXTENDED BY THE COMPANY IN ITS SOLE DISCRETION.

The Exchange Agent for the Exchange Offer is:

The Bank of New York

<TABLE>
<S> <C>

By Mail:	By Overnight Delivery or Hand:
The Bank of New York 101 Barclay Street, Floor 7E New York, New York 10286 Attn: Martha James Reorganization Section	The Bank of New York 101 Barclay Street Corporate Trust Services Window Ground Level New York, New York 10286 Attn: Martha James Reorganization Section

</TABLE>

To Confirm by Telephone or for Information:

(212) 815-6335

Facsimile Transmissions:

(212) 815-6339

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMISSION OF THIS LETTER OF TRANSMITTAL VIA FACSIMILE TO A NUMBER OTHER THAN AS SET FORTH ABOVE DOES NOT CONSTITUTE A VALID DELIVERY.

THE INSTRUCTIONS CONTAINED HEREIN AND THE PROSPECTUS (AS DEFINED BELOW) SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

Capitalized terms used but not defined herein shall have the same meaning given them in the Prospectus.

This Letter of Transmittal is to be completed by holders of Old Notes (as defined below) either if Old Notes are to be forwarded herewith or if tenders of Old Notes are to be made by book-entry transfer to an account maintained by

The Bank of New York (the "Exchange Agent") at The Depository Trust Company ("DTC") pursuant to the procedures set forth in "The Exchange Offer--Procedures for Tendering Old Notes" in the Prospectus.

Holders of Old Notes whose certificates (the "Certificates") for such Old Notes are not immediately available or who cannot deliver their Certificates and all other required documents to the Exchange Agent on or prior to the Expiration Date (as defined in the Prospectus) or who cannot complete the procedures for book-entry transfer on a timely basis, must tender their Old Notes according to the guaranteed delivery procedures set forth in "The Exchange Offer--Procedures for Tendering Old Notes" in the Prospectus. See Instruction 1. Delivery of documents to DTC does not constitute delivery to the Exchange Agent.

NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

ALL TENDERING HOLDERS COMPLETE THIS BOX:

DESCRIPTION OF OLD NOTES TENDERED

If blank, please print name and address of registered holder.	Old Notes Tendered (Attach additional list if necessary)		
	Certificate Number(s)*	Principal Amount of Old Notes	Principal Amount of Old Notes Tendered (if less than all)**
	TOTAL AMOUNT TENDERED:		

* Need not be completed by book-entry holders.

** Old Notes may be tendered in whole or in part in denominations of $1,000 and integral multiples thereof. All Old Notes held shall be deemed tendered unless a lesser number is specified in this column.

(BOXES BELOW TO BE CHECKED BY ELIGIBLE INSTITUTIONS ONLY)

[_]CHECK HERE IF TENDERED OLD NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH DTC AND COMPLETE THE FOLLOWING:
Name of Tendering Institution _____
DTC Account Number _____
Transaction Code Number _____

[_]CHECK HERE AND ENCLOSE A PHOTOCOPY OF THE NOTICE OF GUARANTEED DELIVERY IF TENDERED OLD NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED

DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:
Name of Registered Holders(s) _____
Window Ticket Number (if any) _____
Date of Execution of Notice of Guaranteed Delivery _____
Name of Institution which Guaranteed Delivery _____
If Guaranteed Delivery is to be made By Book-Entry Transfer:
Name of Tendering Institution _____
DTC Account Number _____
Transaction Code Number _____

[_]CHECK HERE IF TENDERED BY BOOK-ENTRY TRANSFER AND NON-EXCHANGED OLD NOTES ARE TO BE RETURNED BY CREDITING THE DTC ACCOUNT NUMBER SET FORTH ABOVE.

[_]CHECK HERE IF YOU ARE A BROKER-DEALER WHO ACQUIRED THE OLD NOTES FOR ITS OWN ACCOUNT AS A RESULT OF MARKET MAKING OR OTHER TRADING ACTIVITIES (A "PARTICIPATING BROKER-DEALER") AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.
Name: _____
Address: _____
_____

Ladies and Gentlemen:

The undersigned hereby tenders to Hollywood Park, Inc., a Delaware corporation (the "Company"), the above described aggregate principal amount of 9 1/4% Series A Senior Subordinated Notes due 2007 (including the guarantees thereof, the "Old Notes") in exchange for a like aggregate principal amount of 9 1/4% Series B Senior Subordinated Notes due 2007 (including the Guarantees, the "Exchange Notes") which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), upon the terms and subject to the conditions set forth in the Prospectus dated March 29, 1999 (as the same may be amended or supplemented from time to time, the "Prospectus"), receipt of which is acknowledged, and in this Letter of Transmittal (which, together with the Prospectus, constitute the "Exchange Offer").

Subject to and effective upon the acceptance for exchange of all or any portion of the Old Notes tendered herewith in accordance with the terms and conditions of the Exchange Offer (including, if the Exchange Offer is extended or amended, the terms and conditions of any such extension or amendment), the undersigned hereby sells, assigns and transfers to or upon the order of the Company all right, title and interest in and to such Old Notes as are being tendered herewith. The undersigned hereby irrevocably constitutes and appoints the Exchange Agent as its agent and attorney-in-fact (with full knowledge that the Exchange Agent is also acting as agent of the Company in connection with the Exchange Offer) with respect to the tendered Old Notes, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), subject only to the right of withdrawal described in the Prospectus, to (i) deliver Certificates for Old Notes to the Company together with all accompanying evidences of transfer and authenticity to, or upon the order of, the Company, upon receipt by the Exchange Agent, as the undersigned's agent, of the Exchange Notes to be issued in exchange for such Old Notes, (ii) present Certificates for such Old Notes for transfer, and to transfer the Old Notes on the books of the Company, and (iii) receive for the account of the Company all benefits and otherwise exercise all rights of beneficial ownership of such Old Notes, all in accordance with the terms and conditions of the Exchange Offer.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, exchange, sell, assign and transfer the Old Notes tendered hereby and to acquire Exchange Notes issuable upon the exchange of such tendered Old Notes, and that, when the same are accepted for exchange, the Company will acquire good and unencumbered title to the tendered Old Notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim. The undersigned also warrants that it will, upon request, execute and deliver any additional documents deemed by the Company or the Exchange Agent to be necessary or desirable to complete the exchange, assignment and transfer of the Old Notes tendered hereby or transfer ownership of the Old Notes on the account books maintained by the book-entry transfer facility, and the undersigned will comply with its obligations under the Registration Rights Agreement. The undersigned has read and agrees to all of the terms of the Exchange Offer.

The undersigned further agrees that acceptance of any and all validly tendered Old Notes by the Company and the issuance of the Exchange Notes in exchange therefor shall constitute performance in full by the Company of its obligations under the Registration Rights Agreement and that the Company shall have no further obligations or liabilities thereunder except as provided in the last paragraph of Section 3 of the Registration Rights Agreement.

The name(s) and address(es) of the registered Holder(s) of the Old Notes tendered hereby should be printed above, if they are not already set forth above, as they appear on the Certificates representing such Old Notes. The Certificate number(s) and the Old Notes that the undersigned wishes to tender should be indicated in the appropriate boxes above.

If any tendered Old Notes are not exchanged pursuant to the Exchange Offer for any reason, or if Certificates are submitted for more Old Notes than are tendered or accepted for exchange, Certificates for such nonexchanged or nontendered Old Notes will be returned (or, in the case of Old Notes tendered by book-entry

transfer, such Old Notes will be credited to an account maintained at DTC), without expense to the tendering Holder, promptly following the expiration or termination of the Exchange Offer.

The undersigned understands that tenders of Old Notes pursuant to any one of the procedures described in "The Exchange Offer--Procedures for Tendering Old Notes" in the Prospectus and in the instructions hereto will, upon the Company's acceptance for exchange of such tendered Old Notes, constitute a binding agreement between the undersigned and the Company upon the terms and subject to the conditions of the Exchange Offer. The undersigned recognizes that, under certain circumstances set forth in the Prospectus, the Company may not be required to accept for exchange any of the Old Notes tendered hereby.

Unless otherwise instructed by the undersigned, the undersigned hereby directs that the Exchange Notes be issued in the name(s) of the undersigned or, in the case of a book-entry transfer of Old Notes, that such Exchange Notes be credited to the account indicated above maintained at DTC, if applicable, and substitute Certificates representing Old Notes not exchanged or not accepted for exchange will be issued to the undersigned or, in the case of a book-entry transfer of Old Notes, will be credited to the account indicated above maintained at DTC. Similarly, unless otherwise instructed by

the undersigned, please deliver Exchange Notes to the undersigned at the address shown below the undersigned's signature.

By tendering Old Notes and executing this Letter of Transmittal, the undersigned hereby represents and agrees that (i) the undersigned is not an "affiliate" of the Company or the Guarantors, (ii) any Exchange Notes to be received by the undersigned are being acquired in the ordinary course of its business, and (iii) the undersigned is not engaged in, does not intend to engage in, and has no arrangement or understanding with any person to participate in, a distribution (within the meaning of the Securities Act) of Exchange Notes to be received in the Exchange Offer. Any holder of Old Notes who is a broker-dealer who acquired the Old Notes directly from the Company or who is an affiliate of the Company or the Guarantors or who intends to use the Exchange Offer to participate in a distribution of the Exchange Notes acknowledges and agrees that (i) it cannot rely on the position of the staff of the Securities and Exchange Commission enunciated in its interpretive letter with respect to Exxon Capital Holdings Corporation (available April 13, 1989) or similar letters and (ii) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction.

By tendering Old Notes pursuant to the Exchange Offer and executing this Letter of Transmittal, a holder of Old Notes which is a broker-dealer represents and agrees, consistent with certain interpretive letters issued by the staff of the Division of Corporation Finance of the Securities and Exchange Commission to third parties, that (a) such Old Notes held by the broker-dealer are held only as a nominee, or (b) such Old Notes were acquired by such broker-dealer for its own account as a result of market-making activities or other trading activities (a "Participating Broker Dealer") and it will deliver the Prospectus (as amended or supplemented from time to time) meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes (provided that, by so acknowledging and by delivering a Prospectus, such broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act).

A Participating Broker-Dealer who intends to use the Prospectus in connection with the resale of the Exchange Notes received in exchange for Old Notes pursuant to the Exchange Offer must notify the Company, or cause the Company to be notified, on or prior to the Expiration Date, that it is a Participating Broker-Dealer. Such notice may be given in the space provided for that purpose on page 2 of this Letter of Transmittal or may be delivered to the Exchange Agent at the address set forth on page 1 of this Letter of Transmittal. Any such Participating Broker-Dealer, by tendering Old Notes and executing this Letter of Transmittal agrees (i) to notify the Company prior to using the Prospectus in connection with the sale or transfer of Exchange Notes, and acknowledges and agrees that, upon receipt of notice from the Company of the happening of any event which makes any statement in the Prospectus untrue in any material respect or which requires the making of any changes in the Prospectus in order to make the statements therein not misleading or which may impose upon the Company disclosure obligations that the

Company determines in good faith may not be in the best interests of the Company (which notice the Company agrees to deliver promptly to such Participating Broker-Dealer), such Participating Broker-Dealer will suspend use of the Prospectus until the Company has notified such Participating

Broker-Dealer that delivery of the Prospectus may resume and has furnished copies of any amendment or supplement to the Prospectus to such Participating Broker-Dealer, and (ii) to observe all other obligations imposed on it under the Registration Rights Agreement.

Each Exchange Note will bear interest from its issuance date. Interest will accrue on the Old Notes that are tendered in exchange for the Exchange Notes through the issue date of the Exchange Notes. Holders of the Old Notes that are accepted for exchange will not receive interest that is accrued but unpaid on the Old Notes at the time of exchange, but such interest will be payable, together with interest on the Exchange Notes, on the first Interest Payment Date after the Expiration Date. Interest on the Old Notes accepted for exchange will cease to accrue upon issuance of the Exchange Notes.

All authority herein conferred or agreed to be conferred in this Letter of Transmittal shall survive the death or incapacity of the undersigned and every obligation of the undersigned hereunder shall be binding upon the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned. Except as stated in the Prospectus, this tender is irrevocable.

HOLDER(S) SIGN HERE

(See Instructions 1 and 3)
(Please Complete Substitute Form W-9 Below)
(Note: Signature(s) must be guaranteed if required by Instruction 3)

Must be signed by registered Holder(s) exactly as name(s) appear(s) on Certificate(s) for the Old Notes hereby tendered or on a security position listing, or by any person(s) authorized to become the registered Holder(s) by endorsements and documents transmitted herewith (including such opinions of counsel, certifications and other information as may be required by the Company or the Trustee for the Old Notes to comply with the restrictions on transfer applicable to the Old Notes). If signature is by an attorney-in-fact, executor, administrator, trustee, guardian, officer of a corporation or another acting in a fiduciary capacity or representative capacity, please set forth the signer's full title. See Instruction 3.

_____

_____
(Signature(s) of Holder(s))

Date _____, 1999

Name(s) _____
(Please Print)

Capacity or Title _____

Address _____
(Include Zip Code)

Area Code and Telephone Number _____

_____
(Tax Identification or Social Security Number(s))

GUARANTEE OF SIGNATURE(S)
(See Instructions 1 and 3)

Authorized Signature _____

Name _____
(Please Print)

Date _____, 1999

Capacity or Title _____

Name of Firm _____

Address _____
(Include Zip Code)

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1. Delivery of this Letter of Transmittal and Certificates.

A holder of Old Notes may tender the same by (i) properly completing and signing this Letter of Transmittal or a facsimile hereof (all references in the Prospectus to the Letter of Transmittal shall be deemed to include a facsimile thereof) and delivering the same, together with the certificate or certificates representing the Old Notes being tendered and any required signature guarantees and any other document required by this Letter of Transmittal, to the Exchange Agent at its address set forth above on or prior to the Expiration Date (or complying with the procedure for book-entry transfer described below) or (ii) complying with the guaranteed delivery procedures described below.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, THE OLD NOTES AND ANY OTHER REQUIRED DOCUMENTS IS AT THE ELECTION AND RISK OF THE HOLDER, AND EXCEPT AS OTHERWISE PROVIDED BELOW, THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED OR CONFIRMED BY THE EXCHANGE AGENT. IF SUCH DELIVERY IS BY MAIL, IT IS SUGGESTED THAT REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERTY INSURED, BE USED. IN ALL CASES SUFFICIENT TIME SHOULD BE ALLOWED TO PERMIT TIMELY DELIVERY. NO OLD NOTES OR LETTERS OF TRANSMITTAL SHOULD BE SENT TO THE COMPANY.

If tendered Old Notes are registered in the name of the signer of the Letter of Transmittal and the Exchange Notes to be issued in exchange therefor are to be issued (and any untendered Old Notes are to be reissued) in the name of the registered holder (which term, for the purposes described herein, shall include any participant in DTC (also referred to as a "book-entry transfer facility") whose name appears on a security listing as the owner of Old Notes), the signature of such signer need not be guaranteed. In any other case, the tendered Old Notes must be endorsed or accompanied by written instruments of transfer in form satisfactory to the Company and duly executed

by the registered holder, and the signature on the endorsement or instrument of transfer must be guaranteed by a bank, broker, dealer, credit union, savings association, clearing agency or other institution (each an "Eligible Institution") that is a member of a recognized signature guarantee medallion program within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended. If the Exchange Notes and/or Old Notes not exchanged are to be delivered to an address other than that of the registered holder appearing on the note register for the Old Notes, the signature on the Letter of Transmittal must be guaranteed by an Eligible Institution.

The Exchange Agent will make a request within two business days after the date of receipt of the Prospectus to establish accounts with respect to the Old Notes at the book-entry transfer facility for the purpose of facilitating the Exchange Offer, and subject to the establishment thereof, any financial institution that is a participant in the book-entry transfer facility's system may make book-entry delivery of Old Notes by causing such book-entry transfer facility to transfer such Old Notes into the Exchange Agent's account with respect to the Old Notes in accordance with the book-entry transfer facility's procedures for such transfer. Although delivery of Old Notes may be effected through book-entry transfer into the Exchange Agent's account at the book-entry transfer facility, a Letter of Transmittal with any required signature guarantee and all other required documents must in each case be transmitted to and received or confirmed by the Exchange Agent on or prior to the Expiration Date, or, if the guaranteed delivery procedures described below are complied with, within the time period provided under such procedures.

If a holder desires to accept the Exchange Offer and time will not permit a Letter of Transmittal or Old Notes to reach the Exchange Agent before the Expiration Date or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected if the Exchange Agent has received on or prior to the Expiration Date, a letter, telegram or facsimile transmission (receipt confirmed by telephone and an original delivered by guaranteed overnight courier) from an Eligible Institution setting forth the name and address of the

tendering holder, the names in which the Old Notes are registered and, if possible, the certificate numbers of the Old Notes to be tendered, and stating that the tender is being made thereby and guaranteeing that within three business days after the Expiration Date, the Old Notes in proper form for transfer (or a confirmation of book-entry transfer of such Old Notes into the Exchange Agent's account at the book-entry transfer facility), will be delivered by such Eligible Institution together with a properly completed and duly executed Letter of Transmittal (and any other required documents). Unless Old Notes being tendered by the above-described method are deposited with the Exchange Agent within the time period set forth above (accompanied or preceded by a properly completed Letter of Transmittal and any other required documents), the Company may, at its option, reject the tender. Copies of the notice of guaranteed delivery ("Notice of Guaranteed Delivery") which may be used by Eligible Institutions for the purposes described in this paragraph are available from the Exchange Agent.

A tender will be deemed to have been received as of the date when (i) the tendering holder's properly completed and duly signed Letter of Transmittal accompanied by the Old Notes (or a confirmation of book-entry transfer of such Old Notes into the Exchange Agent's account at the book-entry transfer facility) is received by the Exchange Agent, or (ii) a Notice of Guaranteed

Delivery or Letter, telegram or facsimile transmission to similar effect (as provided above) from an Eligible Institution is received by the Exchange Agent. Issuances of Exchange Notes in exchange for Old Notes tendered pursuant to a Notice of Guaranteed Delivery or letter, telegram or facsimile transmission to similar effect (as provided above) by an Eligible Institution will be made only against deposit of the Letter of Transmittal (and any other required documents) and the tendered Old Notes.

If the Letter of Transmittal is signed by a person or persons other than the registered holder or holders of Old Notes, such Old Notes must be endorsed or accompanied by appropriate powers of attorney, in either case signed exactly as the name or names of the registered holder or holders appear on the Old Notes.

No alternative, conditional, irregular or contingent tenders will be accepted. All tendering holders, by execution of this Letter of Transmittal (or facsimile thereof), shall waive any right to receive notice of the acceptance of the Old Notes for exchange.

2. Partial Tenders; Withdrawals.

If less than the entire principal amount of Old Notes evidenced by a submitted certificate is tendered, the tendering holder should fill in the principal amount tendered in the box entitled "Principal Amount of Old Notes Tendered." A newly issued certificate for the principal amount of Old Notes submitted but not tendered will be sent to such holder as soon as practicable after the Expiration Date. All Old Notes delivered to the Exchange Agent will be deemed to have been tendered unless otherwise clearly indicated.

For a withdrawal to be effective, a written notice of withdrawal sent by telegram, facsimile transmission (receipt confirmed by telephone) or letter must be received by the Exchange Agent at the address set forth herein prior to the Expiration Date. Any such notice of withdrawal must (i) specify the name of the person having tendered the Old Notes to be withdrawn (the "Depositor"), (ii) identify the Old Notes to be withdrawn (including the certificate number or numbers and principal amount of such Old Notes), (iii) specify the principal amount of Old Notes to be withdrawn, (iv) include a statement that such holder is withdrawing his election to have such Old Notes exchanged, (v) be signed by the holder in the same manner as the original signature on the Letter of Transmittal by which such Old Notes were tendered or as otherwise described above (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the Trustee under the Indenture register the transfer of such Old Notes into the name of the person withdrawing the tender and (vi) specify the name in which any such Old Notes are to be registered, if different from that of the Depositor. The Exchange Agent will return the properly withdrawn Old Notes promptly following receipt of notice of withdrawal. If Old Notes have been tendered pursuant to the procedure for book-entry transfer, any notice of withdrawal must specify the name and number of the account at the book-entry transfer facility to be credited with the withdrawn Old Notes or otherwise comply with the book-entry transfer facility procedure. All questions as to the validity of notices of withdrawals, including, time of receipt, will be determined by the Company and such determination will be final and binding on all parties.

Any Old Notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the Exchange Offer. Any Old Notes which have been

tendered for exchange but which are not exchanged for any reason will be returned to the holder thereof without cost to such holder (or, in the case of Old Notes tendered by book-entry transfer into the Exchange Agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described above, such Old Notes will be credited to an account with such book-entry transfer facility specified by the holder) as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Old Notes may be retendered by following one of the procedures described under the caption "Procedures for Tendering Old Notes" in the Prospectus at any time on or prior to the Expiration Date.

3. Signature on this Letter of Transmittal; Written Instruments and Endorsements; Guarantee of Signatures.

If this Letter of Transmittal is signed by the registered holder(s) of the Old Notes tendered hereby, the signature must correspond with the name(s) written on the face of the certificates without alteration, enlargement or any change whatsoever.

If any of the Old Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If a number of Old Notes registered in different names are tendered, it will be necessary to complete, sign and submit as many separate copies of this Letter of Transmittal as there are different registrations of Old Notes.

When this Letter of Transmittal is signed by the registered holder or holders (which term, for the purposes described herein, shall include the book-entry transfer facility whose name appears on a security listing as the owner of the Old Notes) of Old Notes listed and tendered hereby, no endorsements of certificates or separate written instruments of transfer or exchange are required.

If this Letter of Transmittal is signed by a person or persons other than the registered holder or holders of Old Notes, such Old Notes must be endorsed or accompanied by appropriate powers of attorney, in either case signed exactly as the name or names of the registered holder or holders appear(s) on the Old Notes.

If this Letter of Transmittal or any Old Notes or powers of attorney are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by the Company, proper evidence satisfactory to the Company of their authority so to act must be submitted.

Endorsements on certificates or signatures on separate written instruments of transfer or exchange required by this Instruction 3 must be guaranteed by an Eligible Institution.

Signatures on this Letter of Transmittal need not be guaranteed by an Eligible Institution, provided the Old Notes are tendered: (i) by a registered holder of such Old Notes, for the holder of such Old Notes; or (ii) for the account of an Eligible Institution.

4. Transfer Taxes.

The Company shall pay all transfer taxes, if any, applicable to the transfer and exchange of Old Notes pursuant to the Exchange Offer. If, however,

certificates representing Exchange Notes or Old Notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the Old Notes tendered, or if tendered Old Notes are registered in the name of any person other than the person signing the Letter of Transmittal, or if a transfer tax is imposed for any reason other than the exchange of Old Notes pursuant to the Exchange Offer, then the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering

holder. If satisfactory evidence of payment of such taxes or exception therefrom is not submitted herewith the amount of such transfer taxes will be billed directly to such tendering holder.

Except as provided in this Instruction 4, it will not be necessary for transfer tax stamps to be affixed to the Old Notes listed in this Letter of Transmittal.

5. Waiver of Conditions.

The Company reserves the right to waive in its reasonable judgment, in whole or in part, any of the conditions to the Exchange Offer set forth in the Prospectus.

6. Mutilated, Lost, Stolen or Destroyed Old Notes.

Any holder whose Old Notes have been mutilated, lost, stolen or destroyed, should contact the Exchange Agent at the address indicated above for further instructions.

7. Substitute Form W-9.

Each holder of Old Notes whose Old Notes are accepted for exchange (or other payee) is required to provide a correct taxpayer identification number ("TIN"), generally the holder's Social Security or federal employer identification number, and with certain other information, on Substitute Form W-9, which is provided under "Important Tax Information" below, and to certify that the holder (or other payee) is not subject to backup withholding. Failure to provide the information on the Substitute Form W-9 may subject the holder (or other payee) to a $50 penalty imposed by the Internal Revenue Service and 31% federal income tax backup withholding on payments made in connection with the Exchange Notes. The box in Part 3 of the Substitute Form W-9 may be checked if the holder (or other payee) has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the box in Part 3 is checked and a TIN is not provided by the time any payment is made in connection with the Exchange Notes, 31% of all such payments will be withheld until a TIN is provided.

8. Requests for Assistance or Additional Copies.

Questions relating to the procedure for tendering, as well as requests for additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Exchange Agent at the address and telephone number set forth above. In addition, all questions relating to the Exchange Offer, as well as requests for assistance or additional copies of the Prospectus and this Letter of Transmittal, may be directed to Hollywood Park, Inc., 1050 South Prairie

Avenue, Inglewood, California 90031, attention: Assistant Treasurer (telephone: (310) 419-1609).

IMPORTANT: THIS LETTER OF TRANSMITTAL OR A FACSIMILE HEREOF (TOGETHER WITH CERTIFICATES FOR OLD NOTES OR CONFIRMATION OF BOOK-ENTRY TRANSFER AND ALL OTHER REQUIRED DOCUMENTS) OR A NOTICE OF GUARANTEED DELIVERY MUST BE RECEIVED BY THE EXCHANGE AGENT ON OR PRIOR TO THE EXPIRATION DATE.

IMPORTANT TAX INFORMATION

Under U.S. federal income tax law, a holder of Old Notes whose Old Notes are accepted for exchange may be subject to backup withholding unless the holder provides The Bank of New York (as payor) (the "Paying Agent"), through the Exchange Agent, with either (i) such holder's correct taxpayer identification number ("TIN") on Substitute Form W-9 attached hereto, certifying that the TIN provided on Substitute Form W-9 is correct (or that such holder of Old Notes is awaiting a TIN) and that (A) the holder of Old Notes has not been notified by the Internal Revenue Service that he or she is subject to backup withholding as a result of a failure to report all interest or dividends or (B) the Internal Revenue Service has notified the holder of Old Notes that he or she is no longer subject to backup withholding; or (ii) an adequate basis for exemption from backup withholding. If such holder of Old Notes is an individual, the TIN is such holder's social security number. If the Paying Agent is not provided with the correct taxpayer identification number, the holder of Old Notes may be subject to certain penalties imposed by the Internal Revenue Service.

Certain holders of Old Notes (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. Exempt holders of Old Notes should indicate their exempt status on Substitute Form W-9. In order for a foreign individual to qualify as an exempt recipient, the holder must submit a Form W-8, signed under penalties of perjury, attesting to that individual's exempt status. A Form W-8 can be obtained from the Paying Agent. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for more instructions.

If backup withholding applies, the Paying Agent is required to withhold 31% of any such payments made to the holder of Old Notes or other payee. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

The box in Part 3 of the Substitute Form W-9 may be checked if the surrendering holder of Old Notes has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the box in Part 3 is checked, the holder of Old Notes or other payee must also complete the Certificate of Awaiting Taxpayer Identification Number below in order to avoid backup withholding. Notwithstanding that the box in Part 3 is checked and the Certificate of Awaiting Taxpayer Identification Number is completed, the Paying Agent will withhold 31% of all payments made prior to the time a properly certified TIN is provided to the Paying Agent.

The holder of Old Notes is required to give the Paying Agent the TIN (e.g., social security number or employer identification number) of the record owner

of the Old Notes. If the Old Notes are in more than one name or are not in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which number to report.

TO BE COMPLETED BY ALL
TENDERING SECURITYHOLDERS
(See Instructions)

PAYER'S NAME: The Bank of New York

SUBSTITUTE Form W-9 Department of the Treasury Internal Revenue Service	Part 1--PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW.	Social Security Number OR Employer Identification Number TIN
	Name (Please Print) _____ Address _____ City _____ State _____ Zip Code _____	Part 2--Awaiting TIN [_]
Payer's Request for Taxpayer Identification Number (TIN) and Certification	Part 3--Certification--UNDER THE PENALTIES OF PERJURY, I CERTIFY THAT: (1) the number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), (2) I am not subject to backup withholding either because (i) I am exempt from backup withholding, (ii) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified me that I am no longer subject to backup withholding, and (3) any other information provided on this form is true, correct. SIGNATURE _____ DATE _____ You must cross out item (2) above of this Part 3 if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax return and you have not been notified by the IRS that you are no longer subject to backup withholding.	

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY IN CERTAIN CIRCUMSTANCES

RESULT IN BACKUP WITHHOLDING OF 31% OF ANY AMOUNTS PAID TO YOU PURSUANT TO THE EXCHANGE OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 2 OF THE SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and that either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, 31% of all payments made to me on account of the Exchange Notes shall be retained until I provide a taxpayer identification number to the Exchange Agent and that, if I do not provide my taxpayer identification number within 60 days, such retained amounts shall be remitted to the Internal Revenue Service as backup withholding and 31% of all reportable payments made to me thereafter will be withheld and remitted to the Internal Revenue Service until I provide a taxpayer identification number.

SIGNATURE _____ DATE: _____

EXHIBIT 99.2

NOTICE OF GUARANTEED DELIVERY

FOR TENDER OF

9 1/4% Series A Senior Subordinated Notes due 2007

of

Hollywood Park, Inc.

This Notice of Guaranteed Delivery, or one substantially equivalent to this form, must be used to accept the Exchange Offer (as defined below) if (i) certificates for the Company's (as defined below) 9 1/4% Series A Senior Subordinated Notes due 2007 (the "Old Notes") are not immediately available, (ii) Old Notes, the Letter of Transmittal and all other required documents cannot be delivered to The Bank of New York (the "Exchange Agent"), on or prior to the Expiration Date (as defined in the Prospectus referred to below) or (iii) the procedures for delivery by book-entry transfer cannot be completed on a timely basis. This Notice of Guaranteed Delivery may be delivered by hand, overnight courier or mail, or transmitted by facsimile transmission (receipt confirmed by telephone and an original delivered by guaranteed overnight courier), to the Exchange Agent. See "The Exchange Offer--Procedures for Tendering Old Notes" in the Prospectus.

The Exchange Agent for the Exchange Offer is:

The Bank of New York

By Mail:

The Bank of New York
101 Barclay Street, Floor 7E
New York, New York 10286
Attention: Martha James
Reorganization Section

By Overnight Delivery or Hand:

The Bank of New York
101 Barclay Street
Corporate Trust Services Window
Ground Level
New York, New York 10286
Attention: Martha James
Reorganization Section

To Confirm by Telephone or for Information:

(212) 815-6335

Facsimile Transmissions

(212) 815-6339

Delivery of this Notice of Guaranteed Delivery to an address other than as set forth above or transmission of this Notice of Guaranteed Delivery via facsimile to a number other than as set forth above will not constitute a valid delivery.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an "Eligible Institution" under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tenders to Hollywood Park, Inc., a Delaware corporation (the "Company"), upon the terms and subject to the conditions set forth in the Prospectus dated March 29, 1999 (as the same may be amended or supplemented from time to time, the "Prospectus"), and the related Letter of Transmittal (which together constitute the "Exchange Offer"), receipt of which is hereby acknowledged, the aggregate principal amount of Old Notes set forth below pursuant to the guaranteed delivery procedures set forth in the Prospectus under the caption "The Exchange Offer--Procedures for Tendering Old Notes."

Aggregate Principal Amount Tendered: _____

Name(s) of Registered Holder(s): ____

Certificate No(s). (if available): _____

Address(es): _____

If Old Notes will be tendered by book-entry transfer, provide the following information:

Area Code and Telephone Number(s): __

Signature(s): _____

DTC Account Number: _____

Date: _____

THE FOLLOWING GUARANTEE MUST BE COMPLETED

GUARANTEE
(Not to be used for signature guarantee)

The undersigned, a member firm of a recognized signature guarantee medallion program within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, hereby guarantees to deliver to the Exchange Agent, at one of its addresses set forth above, either the Old Notes tendered hereby in proper form for transfer, or confirmation of the book-entry transfer of such Old Notes to the Exchange Agent's account at the book-entry transfer facility, pursuant to the procedures for book-entry transfer set forth in the Prospectus, in either case together with one or more properly completed and duly executed Letter(s) of Transmittal (or facsimile thereof), and any other required documents within three business days after the Expiration Date.

Name of Firm: _____

_____
(Authorized Signature)

Address: _____
(Zip Code)

Area Code and Telephone Number: _____

Title: _____

Name: _____
(Please Type or Print)

Date: _____

NOTE: DO NOT SEND OLD NOTES WITH THIS NOTICE OF GUARANTEED DELIVERY. ACTUAL SURRENDER OF OLD NOTES MUST BE MADE PURSUANT TO, AND BE ACCOMPANIED BY, A PROPERLY COMPLETED AND DULY EXECUTED LETTER OF TRANSMITTAL AND ANY OTHER REQUIRED DOCUMENTS.