

HARRY REID
NEVADA

United States Senate

WASHINGTON, DC 20510-2803

October 5, 1992

Illinois Gaming Board
9511 West Harrison
Des Plaines, Illinois 60016

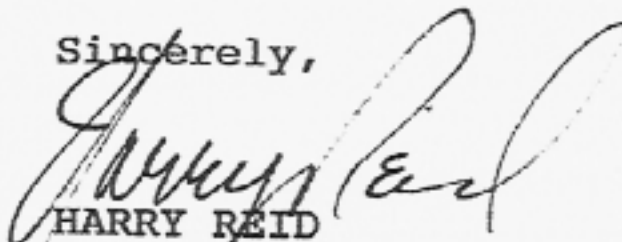
As Chairman of the Nevada Gaming Commission from 1977-1981, and as part of my duties, I presided over a hearing on July 21, 1977 involving the transfer of interest in Casino Operations, Inc., a company that operated the Hacienda Hotel in Las Vegas. As I recall, at the time, F & G Investment Company held a 95.99% interest in Casino Operations. The sellers of the property were Argent Corporation (57.13% interest) and Eugene French (28.56% interest). The buyer was Paul Lowden, who was seeking approval for an 85.69% interest.

The Gaming Control Board, by a two-to-one vote, had recommended a denial of the application, expressing concern that third parties could possibly have some undisclosed interest in the Hacienda. After a thorough presentation, in which extensive evidence was reviewed, it was the unanimous decision of the five member Nevada Gaming Commission that the application should be approved. I stated at the time that the Gaming Control Board and its investigative arm "didn't do a very good job in this instance." The Commission was of the unanimous opinion that there was no basis for the concerns expressed by the majority of the Gaming Control Board.

In the years that have followed, I have come to know Paul Lowden personally. I have also become acquainted with his wife, Sue. I have found them to be great assets to the State, and I have found them to be honest in all their dealings with me. I highly recommend Paul Lowden and his company.

I would be pleased to respond further, if necessary.

Sincerely,



HARRY REID
United States Senator

HMR/wm