

STATE OF NEW JERSEY
CASINO CONTROL COMMISSION
PRN 0110802

AMENDED PETITIONS OF ADAMAR :
OF NEW JERSEY, INC. FOR RENEWAL :
OF ITS CASINO AND CASINO HOTEL :
ALCOHOLIC BEVERAGE LICENSES, :
AND OTHER MATTERS :

ORDER AS TO
APPOINTMENT OF
FURTHER PROFESSIONALS
AND CONSULTANTS
REGARDING ADAMAR
CONSERVATORSHIP

The New Jersey Casino Control Commission (Commission) having denied on December 12, 2007, the applications of Adamar of New Jersey, Inc. (Adamar) for renewal of its casino and casino hotel alcoholic beverage licenses and of Tropicana Casinos and Resorts, Inc. (TCR; formerly known as Wimar Tahoe Corporation) for plenary qualification as a holding company of Adamar upon the culmination of TCR's period of interim casino authorization (ICA); and the Commission having declared the ICA trust, with former New Jersey Supreme Court Associate Justice Gary S. Stein (Stein) serving as trustee, operative; and the Commission, in furtherance of the policies of the Casino Control Act (the Act) having proceeded in a summary manner to institute a conservatorship, but without immediately naming a conservator, with respect to Adamar as a former casino licensee for the

purpose of ensuring continuity and stability in casino operations pending a disposition of the property of the former casino licensee; and the Commission on December 19, 2007, having appointed Stein conservator for and on behalf of former casino licensee Adamar while continuing to serve as ICA trustee with authority pursuant to *N.J.S.A. 5:12-130.2d* to retain the property and continue the business of the former casino licensee (see, Order No. 07-12-19; hereinafter, the conservator appointment order); and Stein, in accordance with the conservator appointment order, having filed PRN 0110802 with the Commission on January 11, 2008 (the petition), seeking, *inter alia*, permission (a) to hire three consultants (Gary J. Simpson (Simpson), G. Michael Brown (Brown) and Pamela J. Popielarski (Popielarski); each individually a "consultant," and collectively, "the consultants") to advise him and the former casino licensee on matters concerning the management and finances of the former licensee and (b) to retain Bear Stearns & Co. Inc. (Bear Stearns) as his financial advisor and Debevoise & Plimpton, L.L.P. (Debevoise) as his legal advisor in connection with the sale of the property, securities, or both of the former casino licensee; and notwithstanding the conservatorship and trusteeship, the obligations and responsibilities incumbent upon a casino licensee continue to pertain to the former casino licensee in accordance with *N.J.S.A. 5:12-95.15* and *130.7* and *N.J.A.C. 19:43-13.7*; and it appearing that Bear Stearns is licensed in accordance with

N.J.S.A. 5:12-92c; and it further appearing that the former casino licensee filed a vendor registration form as to Simpson, who commenced his services on January 2, 2008, anticipating that he would perform financial related services that were not related to gaming, but it further appearing from the petition that he and the other two consultants will provide gaming related services of a regular and continuing nature that necessitate their licensure hereafter pursuant to *N.J.S.A.* 5:12-92a as a gaming related casino service industry (CSI); and it further appearing that each consultant has filed the requisite business entity disclosure (BED) forms for purposes of satisfying the requirements of *N.J.A.C.* 19:51-1.3A(a)1; and the Commission having deemed the petition to be a request on behalf of the former casino licensee for permission for it to conduct business with each consultant prior to his or her licensure in accordance with *N.J.A.C.* 19:51-1.2B (each a "transactional waiver request" and, collectively, "the transactional waiver requests"); and the Commission having considered the petition at its public meeting on January 16, 2008; and the Division of Gaming Enforcement (Division) having orally responded to the petition at the public meeting and consented to the Commission granting the transactional waiver requests and a waiver of the 30-day period specified in *N.J.A.C.* 19:51-1.2B(a)1ii; and good cause having been shown;

IT IS ON THIS 16th day of January 2008,

ORDERED by the Commission that the relief requested in the petition be and is hereby GRANTED, and *nunc pro tunc* to January 2, 2008, in the case of Simpson, with such compensation as to the consultants, Bear Stearns and Debevoise being hereby set at the respective rates as specified in the petition, including, as to Debevoise and Bear Stearns, reimbursement for their respective reasonable expenses;

IT IS FURTHER ORDERED that each of the consultants shall file with the Commission completed applications for a gaming related CSI license in accordance with *N.J.S.A. 5:12-92a* and *N.J.A.C. 19:51-1.3A(a)*; *provided, however,* that, for purposes of completing such applications, the fee otherwise required by *N.J.A.C. 19:51-1.3A(a)* and *N.J.A.C. 19:41-9.8* shall be waived, but any such license issued to a consultant shall permit such consultant to perform services only with respect to the former casino licensee, Stein, or both, and then only for the duration of such consultancy, unless such consultant tenders the fee required by *N.J.A.C. 19:51-1.3A(a)* and *N.J.A.C. 19:41-9.8* and does not seek or obtain recourse therefor or reimbursement thereof from the former casino licensee;

IT IS FURTHER ORDERED that the Commission hereby (i) finds that Simpson, Brown and Popielarski have each filed a completed application for purposes of *N.J.A.C. 19:51-1.3A(a)* and (ii) grants, in accordance with *N.J.A.C. 19:51-1.2B*, the former casino licensee's transactional waiver

requests for permission for it and Stein to engage Simpson, Brown and Popielarski, prior to each of their plenary licensure as a gaming related CSI, in such business transactions as are contemplated by the petition, which transactions, absent the applicable prior plenary licensure of Simpson, Brown and Popielarski, shall cease by close of business on April 10, 2008, unless extended prior thereto by the Commission *en banc*; *provided, however,* that Simpson shall file a completed Key Standard Qualifier Renewal Form by January 31, 2008; *and provided, further,* that the Chair, or her designee, is delegated the authority to grant, with the consent of the Division, relief from such January 31, 2008, filing deadline upon Stein's written request for an extension of the time to file that is supported by good cause and submitted before such deadline expires;

IT IS FURTHER ORDERED that each consultant, prior to the Commission issuing a gaming related CSI license thereto, shall satisfy the requirements of *N.J.S.A. 5:12-92e*;

IT IS FURTHER ORDERED that the non-gaming related CSI licensure of Bear Stearns is sufficient for it to perform the services contemplated by Stein as set forth in the petition, subject to Charles Edelman, whom Stein identifies as the Global Head of Bear Stearns' mergers and acquisitions practice and as one of the heads of the team that will oversee the project, filing a qualifier disclosure form in accordance with *N.J.A.C. 19:51-1.3A(b)3*

by February 29, 2008; *provided, however*, that the Chair, or her designee, is delegated the authority to grant, with the consent of the Division, relief from such filing deadline upon Stein's written request for an extension of the time to file that is supported by good cause and submitted before such deadline expires;

IT IS FURTHER ORDERED that, Debevoise, in accordance with prior determinations of the Commission regarding exemptions pursuant to N.J.S.A. 5:12-92c, is exempt from the obligation to file an application for non-gaming related CSI licensure; and

IT IS FURTHER ORDERED that none of the relief granted herein shall be construed as permitting the consultants, individually or collectively, to supplant the authority and managerial prerogatives vested in the chief executive officer and chief gaming executive of the former casino licensee, who shall remain subject exclusively to the oversight and direction of Stein and ultimately the Commission.

NEW JERSEY CASINO CONTROL COMMISSION

By: _____



Linda M. Kassekert
Chair