



NORTH POINT **CASINO**

OWNERS GAMING LICENSE APPLICANT
WAUKEGAN, ILLINOIS
LAKESIDE CASINO LLC

Illinois statutory disclosures for Lakeside Casino LLC (230 ILCS 10/5.1):

(1) The name, business address and business telephone number of any applicant or licensee.

Lakeside Casino LLC (d/b/a North Point Casino)
c/o Vedder Price P.C.
222 North LaSalle Street, Suite 2600
Chicago, Illinois 60601
(312) 609-7500

(2) An identification of any applicant or licensee including, if an applicant or licensee is not an individual, the names and addresses of all stockholders and directors, if the entity is a corporation; the names and addresses of all members, if the entity is a limited liability company; the names and addresses of all partners, both general and limited, if the entity is a partnership; and the names and addresses of all beneficiaries, if the entity is a trust. If an applicant or licensee has a pending registration statement filed with the Securities and Exchange Commission, only the names of those persons or entities holding interest of 5% or more must be provided.

Lakeside Casino LLC (a Delaware limited liability company).

The members of Lakeside Casino LLC are as follows:

Clairvest Fund VI Lakeside Holdings, LLC
c/o Clairvest Group Inc.
22 St. Clair Avenue East, Suite 1700
Toronto, Ontario, M4T 2S3

High Square LLC
c/o Vedder Price P.C.
222 N. LaSalle St.
Suite 2600
Chicago, Illinois 60601

Lake County Gaming, LLC
6700 Via Austi Parkway, Suite A
Las Vegas, NV 89119

NPC Equity Partners, LLC
1332 Hedgerow Dr.
Grayslake, IL 60030

(3) An identification of any business, including, if applicable, the state of incorporation or registration, in which an applicant or licensee or an applicant's or licensee's spouse or children has an equity interest of more than 1%. If an applicant or licensee is a corporation, partnership or other business entity, the applicant or licensee shall identify any other corporation,

partnership or business entity in which it has an equity interest of 1% or more, including, if applicable, the state of incorporation or registration. This information need not be provided by a corporation, partnership or other business entity that has a pending registration statement filed with the Securities and Exchange Commission.

Lakeside Casino LLC has no ownership or equity interest in other businesses.

(4) Whether an applicant or licensee has been indicted, convicted, pleaded guilty or nolo contendere, or forfeited bail concerning any criminal offense under the laws of any jurisdiction, either felony or misdemeanor (except for traffic violations), including the date, the name and location of the court, arresting agency and prosecuting agency, the case number, the offense, the disposition and the location and length of incarceration.

No.

(5) Whether an applicant or licensee has had any license or certificate issued by a licensing authority in Illinois or any other jurisdiction denied, restricted, suspended, revoked or not renewed and a statement describing the facts and circumstances concerning the denial, restriction, suspension, revocation or non-renewal, including the licensing authority, the date each such action was taken, and the reason for each such action.

No.

(6) Whether an applicant or licensee has ever filed or had filed against it a proceeding in bankruptcy or has ever been involved in any formal process to adjust, defer, suspend or otherwise work out the payment of any debt including the date of filing, the name and location of the court, the case and number of the disposition.

No.

(7) Whether an applicant or licensee has filed, or been served with a complaint or other notice filed with any public body, regarding the delinquency in the payment of, or a dispute over the filings concerning the payment of, any tax required under federal, State or local law, including the amount, type of tax, the taxing agency and time periods involved.

No.

(8) A statement listing the names and titles of all public officials or officers of any unit of government, and relatives of said public officials or officers who, directly or indirectly, own any financial interest in, have any beneficial interest in, are the creditors of or hold any debt instrument issued by, or hold or have any interest in any contractual or service relationship with, an applicant or licensee.

There are no individuals currently holding public positions or officers of any unit of government, or any of their relatives, who hold any interest in equity or debt of Lakeside Casino LLC nor who have any kind of contractual or service relationship with Lakeside Casino LLC.

(9) Whether an applicant or licensee has made, directly or indirectly, any political contribution, or any loans, donations or other payments, to any candidate or office holder, within 5 years from the date of filing the application, including the amount and the method of payment.

None.

(10) The name and business telephone number of the counsel representing an applicant or licensee in matters before the Board.

Vedder Price P.C.
222 North LaSalle Street, Suite 2600
Chicago, Illinois 60601
(312) 609-7500
ATTN: William Bettman, Esq.

and

Akerman, LLP
71 S. Wacker Drive, 47th Floor
Chicago, Illinois 60606
(312) 870-8025
ATTN: Sergio Acosta

(11) A description of any proposed or approved gambling operation, including the type of boat, home dock, or casino or gaming location, expected economic benefit to the community, anticipated or actual number of employees, any statement from an applicant or licensee regarding compliance with federal and State affirmative action guidelines, projected or actual admissions and projected or actual adjusted gross gaming receipts.

Description of the Proposed Gambling Operation

Lakeside Casino LLC (“Lakeside”) is a limited liability company formed to pursue an owners license for a land-based casino gaming facility to be sited in Waukegan, Illinois. In connection with this, Lakeside has submitted an application to the Illinois Gaming Board for a proposed casino project that has been certified by the City of Waukegan.

The Lakeside proposal for the elegant North Point Casino consists of a \$452 million total master planned development featuring resort amenities with first-class style and standards that will draw visitors from throughout Chicagoland, southern Wisconsin and beyond. Authentic casino action and a thrilling

sportsbook experience will be coupled with a two-acre world-class outdoor entertainment venue, a variety of dining options and a five-level parking garage in the first phase alone. Lakeside has already master planned the site for phases two and three and has committed to developing subsequent phases based on objective criteria – Lakeside will not present unfulfilled promises like the State has experienced before.

Lakeside intends to fund the cost of all 2,000 gaming positions upfront, demonstrating a commitment toward this expansion.

The project team has an unmatched balance sheet and includes professional developers with impeccable reputations and seasoned gaming operators who have already laid a large part of the groundwork and are positioned to deliver on the promise.

The full scope of all project phases will include:

- 81,500 square-foot casino with the ability to reach the state maximum 2,000 gaming positions
- 5,300 square-foot sportsbook offering on-premise and mobile wagering
- Two-acre world-class outdoor amphitheater entertainment venue (capacity 5,000 – 7,000)
- 200-room hotel, including 20 suites, that will meet the coveted AAA Four Diamond standard
- Spa/salon, fitness center, coffee bar and a spectacular rooftop pool
- Retail and entertainment district
- 14,000 square-foot multipurpose venue designed with pre-function, ballroom and break-out meeting space to host conferences and events
- An intimate indoor setting for live music and entertainment acts (capacity 600 – 800)
- Variety of dining options, including:
 - A brand-new upscale steakhouse concept brought by Lake County local restaurant developer and operator Mark Khayat. Mark is a small business owner with a disability who has achieved extraordinary success
 - Lakeshore Café – a fast-casual, unique blend of local and national menu items offering breakfast, lunch and dinner at a price point to serve a high volume of value-oriented casino customers
 - Big Ed’s BBQ – another local favorite owned by Waukegan local minority business owner and Army veteran and BBQ master Ed Nero featuring made-from-scratch barbecue that has been featured in both local and national publications
 - And a food hall including Waukegan local names La Canoa, a local owned minority Latin cuisine restaurant with authentic seafood dishes, The Quonset Pizza owned and operated by Waukegan High School graduates Jeremiah Johnson and Tyler Shadden and a coffee shop
- Five-level parking garage and surface parking with a total of 1,900 spaces
- Designated smoking patio

Experienced Ownership and Financial Stability

More than 70% of Lakeside ownership is represented by two former owners of Rivers Casino in Des Plaines, Clairvest Group Inc. and Prashant Gupta, who together owned nearly half of Rivers Casino before selling their equity in 2019. Clairvest Group, a private equity firm with over \$2 billion in capital under management, is currently investing from its sixth private equity fund, Clairvest Equity Partners VI, a fund with \$850 million available to fund new investments. Clairvest Group has been involved in 33 different gaming assets in four different countries and has sufficient capital available to finance the entire North Point Casino project, both debt and equity.

Prashant Gupta is an Illinois-based private investor active in the gaming, real estate, energy and technology sectors. Prashant held the position as the lead minority investor in Rivers Casino from 2009 until March 2019, when he and Clairvest Group both successfully sold their holdings in the Des Plaines casino. Prashant's investment in North Point Casino is made through High Square LLC, an entity Prashant controls that represents minority and female ownership in Lakeside

With substantial liquid assets dedicated to Lakeside's project for Waukegan, Clairvest Group and Prashant have partnered with Warner Gaming and Michael Bond to form a team with strong regional gaming and hospitality credentials and a meaningful connection with local Waukegan stakeholders. All of the Lakeside principals are, or have been, licensed by the Illinois Gaming Board: Prashant Gupta for his 10-year investment in Rivers Casino, Clairvest Group for their former investment in Rivers Casino and current investment in terminal operator Accel Entertainment, Michael Bond for his former investment in the state's seventh largest terminal operator Tap Room Gaming, and Warner Gaming for a terminal operator license issued to its subsidiary in January 2020.

Minority ownership in Lakeside is 26.4% (exceeding the goal set by the Illinois Gambling Act) and female ownership in Lakeside is 23.75% (nearly five times the goal set by the Illinois Gambling Act).

Proposed Location

Lakeside has proposed siting North Point Casino on the parcel described in the RFP released by the City of Waukegan, which is the parcel owned by the City and located on Lakehurst Drive (designated by the Lake County Assessor's Office as PIN 07-36-104-001).

Expected Economic Benefit to the Community

Gaming Economic Benefit:

An independent third-party consultant determined that the cumulative economic impact of North Point Casino over their five-year analysis period was estimated to add \$1.04 billion of net new economic activity. Based on this analysis, Lakeside estimates the community to benefit from \$528 million of personal income and \$153 million of taxes to the State of Illinois from gaming revenue alone.

Continuing a Tradition of Sponsorships and Contributions:

The partners of Lakeside all have an established tradition of sponsorships and contributions that will continue with North Point Casino. One notable and recent example is that on July 24, 2019, the Hard Rock Hotel & Casino Sioux City, which is operated by one of the Lakeside owners (Warner Gaming), was honored as the local major business of the year by United Way.

Commitment to Local Trades:

Established in 1959, the Lake County Building & Construction Trades Council (the “Council”) is a highly respected association of organized labor groups and a community partner known for giving back. Lakeside is committed to negotiating toward project labor agreements with relevant trades for the construction of North Point Casino.

The Lake County Building & Construction Trades Council has demonstrated its support and appreciation for the Lakeside Project Team by voting unanimously to provide a letter of support.

Expansion of the Sales Tax Base:

North Point Casino will feature a variety of non-gaming amenities, the revenues of which will be subject to sales taxes. Purchasing of inputs and supplies for North Point Casino will be another driver of increased sales and use tax collections.

Local Preference in Procurement:

It is an established commitment of Lakeside to source supplies and services locally whenever possible. The internal purchasing policy will always be to promote Lake County and Illinois bidders on bid lists, and to go with the in-state bid unless the item is sole-source; or if pricing, quality, or other material terms offered by out-of-state bidders are superior.

Anticipated Number of Employees

An independent third-party study estimates North Point Casino will create 2,588 jobs by the first phase alone (direct, indirect and induced). The same study determined that 1,052 construction jobs will be created. North Point Casino expects to fill over a thousand employment positions after full expansion.

Importantly, as Lakeside does not operate a competing casino, the owners are incentivized to open a temporary casino, which will create well-paying jobs for the community as quickly as possible and expedite revenue generation and economic activity.

Affirmative Action Plan

From every aspect of the project, including ownership, construction, workforce development and recruiting, North Point Casino's dedication to diversity is unmatched. Lakeside intends to comply with all federal and state affirmative action guidelines. The North Point Casino *Achieving Success Through Diversity Plan* defines the company's Diversity Mission Statement and dedication to attracting, recruiting, employing, training and maintaining a diverse workforce without regard to race, color, gender, national origin, marital status, family status, ancestry, age, citizenship status, sex, sexual orientation, religion, military and veteran status or disability.

In cooperation with the Black Chamber of Commerce of Lake County ("BCC"), North Point Casino is committed to utilizing the BCC Training Academy for recruiting and training. The BCC Training Academy is designed for disadvantaged as well as underserved females and minorities in Lake County from ages 18 to 32. The BCC Training Academy is focused on preparing young people for entering apprenticeship programs. This partnership helps fill critical jobs and provides an alternative career path for participants in the program.

Because Lakeside is committed to training and filling job positions from the pool of talented minority locals, the Black Chamber of Commerce of Lake County has provided a letter to the Waukegan City Council supporting the North Point Casino project.

North Point Casino is also devoted to ensuring a diverse workforce for construction of the casino. Lakeside has selected Integrity Developers Inc., a Waukegan based minority certified construction firm, to participate in the building of North Point Casino.

Lakeside's diverse selection of nongaming venues and operators includes a brand-new upscale steakhouse concept by a Lake County local restaurant developer who happens to be a person with a disability; a local BBQ favorite operated by a minority-owned BBQ master and Army veteran; and a local minority restaurant owner bringing his brand of Latin cuisine to North Point Casino.

Projected Admissions and Adjusted Gross Gaming Receipts

Beginning the third year, once the property is stabilized, Lakeside estimates the number of admissions to range between 1.6 million and 2.3 million. Beginning the third year, once the property is stabilized, Lakeside estimates total gaming revenue in the range of \$197 million to \$275 million, which includes projected sports betting revenue.

Since Lakeside does not operate a competing casino, the owners are incentivized to open a temporary casino and to accelerate the opening of a permanent facility. The North Point Casino temporary facility is expected to generate approximately \$80 million in total gaming revenue, which includes projected sports betting revenue. The temporary facility is expected to contribute an incremental \$17 million in tax revenues for the state and local host communities.

(12) A description of the product or service to be supplied by an applicant for a supplier's license.

Not applicable



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