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SECURITIES COMMISSIONER

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State Securities Board

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October 20, 1995

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CHAIRMAN

DAN R. WALLER
MEMBER

NICHOLAS C. TAYLOR
MEMBER

Ms. Beth Lynn Ely
Legal Assistant
Latham & Watkins
885 Third Avenue
Suite 1000
New York, New York 10022-4802

RE: Grand Casinos, Inc.
First Mortgage Notes due 2003

Dear Ms. Ely:

This is in response to your letter dated October 9, 1995, and received by this Agency on October 12, 1995.

Your letter and supplemental materials indicate that Grand Casinos, Inc., a Minnesota corporation (the "Issuer") will issue First Mortgage Notes due 2003 (the "Notes"). The notes will be guaranteed unconditionally (the "Subsidiary Guarantees"), jointly and severally, by the following wholly-owned subsidiaries of the Issuer: Grand Casinos Resorts, Inc., Grand Casinos of Mississippi, Inc. - Gulfport, Grand Casinos of Mississippi, Inc. - Biloxi, Grand Casinos Biloxi Theater, Inc., GCI Biloxi South Hotel Corporation, GCI Biloxi Hotel Acquisition Corporation, GCI Gulfport South Hotel Corporation, GCI Gulfport Hotel Acquisition Corporation, Mille Lacs Gaming Corporation, Grand Casinos of Louisiana, Inc. - Tunica - Biloxi, Grand Casinos of Louisiana, Inc. - Coushatta, GCA Acquisition Subsidiary, Inc. and GGC Acquisition Subsidiary, Inc. The Subsidiary Guarantees may not be offered and sold separately from the Notes and no additional consideration is required to receive the Subsidiary Guarantee.

You have represented that the Issuer's common stock is listed on the New York Stock Exchange. You have opined, and based on the foregoing understanding, the staff of the State Securities Board agrees, that the Notes will be eligible for the exemption provided by Section 6.F of the Texas Securities Act.

You have also requested that the staff of the State Securities Board recommend no action to require registration of the Subsidiary Guarantees as separate securities. Based on the materials you have submitted, the staff of the State Securities Board will recommend no action to require registration of the Subsidiary Guarantees.

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Please note that this Agency has not made an independent investigation of the facts, but has relied solely on the information you have provided. If this information is incorrect or changes substantially, the staff would reconsider the matter and the opinion stated above would be void.

Further, this Agency does not grant nor confer an exemption. Its availability depends entirely on full compliance with the language of the exemption. If a dispute arises about availability of an exemption, the burden of proof falls on the party claiming the exemption.

Finally, opinions expressed by this Agency are not binding on civil litigants in future proceedings.

I trust this letter answers your inquiry. Please feel free to write us if you need further information.

Very truly yours,

DENISE VOIGT CRAWFORD
Securities Commissioner

Rada Lynn Potts
General Counsel