

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

\_\_\_\_\_  
In the Matter of

AMERICAN WAGERING, INC.

(Registration)\_\_\_\_\_

THIRTY-THIRD REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on September 9, 2004, and before the Nevada Gaming Commission ("Commission") on September 24, 2004, in Las Vegas, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the following applications, as amended and supplemented, have been filed:
  - a. The application of American Wagering, Inc., for an amendment to its Order of Registration; and
  - b. The applications of Leroy's Horse and Sports Place dba Leroy's Horse and Sports Place for a nonrestricted gaming license (race book and sports pool only) at Alamo Travel Center, Bonanza Inn and Casino, Casino Montelago, Club Fortune, Comstock Casino, Silver Springs Nugget, Sturgeon's Log Cabin, Westward Ho Casino and Winners Hotel and Casino.
2. THAT the Thirty-Second Revised Order of Registration of American Wagering, Inc., dated April 22, 2004 is hereby amended and restated, in its entirety, by this Thirty-Third Revised Order of Registration.

3. THAT American Wagering, Inc., is registered as a publicly traded corporation, and is found suitable as the sole shareholder of Leroy's Horse and Sports Place and AWI Manufacturing, Inc.

4. THAT AWI Manufacturing, Inc., is licensed as a manufacturer and distributor, subject to such conditions or limitations as may be imposed by the Commission.

5. THAT American Wagering, Inc., and its subsidiaries shall have no further direct or indirect expansion of the relationship with Hipodromo de Aqua Caliente, S.A. de C.V., or its affiliates; provided however, American Wagering, Inc., and its wholly owned subsidiary, Computerized Bookmaking Systems, Inc., are approved for a one-time waiver of this condition to effectuate the terms of the Settlement Agreement and Mutual Release, dated March 31, 1999, and the Software License Agreement, dated March 31, 1999, as amended on October 15, 2000, entered between them and Hipodromo de Aqua Caliente, S.A. de C.V.

6. THAT Leroy's Horse and Sports Place, dba Leroy's Horse and Sports Place, is licensed at the following locations to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, as specified in parentheses, subject to the conditions or limitations set forth below, and any other conditions or limitations as may be imposed by the Commission:

- Alamo Travel Center, 1950 East Greg Street, Sparks;  
(race book and sports pool)
- Avi Hotel & Casino, 10000 Aha Macav Parkway, Laughlin;  
(pari-mutuel sports wagering / race book and sports pool)
- Barcelona Hotel & Casino, 5021 East Craig Road, Las Vegas;  
(pari-mutuel sports wagering / race book and sports pool)
- Bonanza Inn and Casino, 855 W. Williams Avenue, Fallon;  
(race book and sports pool)
- Bordertown, 19575 N 395 Highway, Reno;  
(race book and sports pool)
- Carson Nugget, 507 North Carson Street, Carson City;  
(pari-mutuel sports wagering / race book and sports pool)
- Casino Montelago, 8 Strada Di Villaggio, Henderson;  
(race book and sports pool)
- Club Fortune, 725 South Racetrack Road, Henderson;  
(race book and sports pool)
- Comstock Casino, 3680 Goni Road, Carson City;  
(race book and sports pool)
- Diamonds Casino, 1010 East 6<sup>th</sup> Street, Reno;

(pari-mutuel sports wagering / race book and sports pool)  
 El Capitan Resort Casino, 540 F Street, Hawthorne;  
 (race book and sports pool)  
 Ellis Island Casino, 4178 Koval Lane, Las Vegas;  
 (pari-mutuel sports wagering / sports pool)  
 Eureka Casino Hotel, 275 Mesa Boulevard, Mesquite;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Fitzgeralds Casino/Hotel, 301 East Fremont Street, Las Vegas;  
 (pari-mutuel sports wagering / sports pool)  
 Fitzgeralds Casino/Hotel Race & Sportsbook, 255 North Virginia, Reno;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Four Queens Hotel & Casino, 202 East Fremont Street, Las Vegas;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Gold Ranch, I-80 West, Exit 2, Verdi;  
 (race book and sports pool)  
 Golden Gate, 1 East Fremont Street, Las Vegas;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Hacienda Hotel & Casino, Highway 93, Boulder City;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Hotel Nevada & Gambling Hall, 501 Aultman St, Ely;  
 (race book and sports pool)  
 Hotel San Remo Casino and Resort, 115 East Tropicana, Las Vegas;  
 (pari-mutuel sports wagering / sports pool)  
 Key Largo Casino, 377 E. Flamingo Road, Las Vegas;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Klondike Casino, 5191 Las Vegas Bl S, Las Vegas;  
 (race book and sports pool)  
 Klondike Sunset Casino, 444 W Sunset Rd, Henderson;  
 (race book and sports pool)  
 Lady Luck Casino Hotel, 206 North 3rd Street, Las Vegas;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Lake Mead Lounge, 844 E Lake Mead Dr, Henderson;  
 (race book and sports pool)  
 Mahoney's Silver Nugget, 2140 Las Vegas Boulevard North, Las Vegas;  
 (pari-mutuel sports wagering / sports pool)  
 Nevada Landing, Interstate 15, Jean;  
 (pari-mutuel sports wagering / sports pool)  
 Nevada Palace Hotel and Casino, 5255 Boulder Highway, Las Vegas;  
 (pari-mutuel sports wagering / sports pool)  
 Pahrump Nugget Hotel & Gambling Hall Sports Pool, 681 South 160 Highway,  
 Pahrump;  
 (sports pool)  
 Pony Express Casino, The, 1 Poker Street, Jackpot, Nevada;  
 (race book and sports pool)  
 Charlie Holder's Casino Bar Restaurant, 920 Boulder Highway, Henderson;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Railroad Pass Casino, Highway 93, Boulder City;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Ramada Express Hotel and Casino, 2121 South Casino Drive, Laughlin;  
 (pari-mutuel sports wagering / race book and sports pool)  
 Red Garter Hotel/Casino, 1225 West Wendover Boulevard, Wendover;

(sports pool)

Red Lion Inn and Casino, 2065 Idaho Street, Elko;  
 (pari-mutuel sports wagering / race book and sports pool)

Red Lion Inn and Casino, 741 West Winnemucca Boulevard, Winnemucca;  
 (pari-mutuel sports wagering / race book and sports pool)

River Palms Resort/Casino, 2700 South Casino Drive, Laughlin;  
 (pari-mutuel sports wagering / sports pool)

Riviera Hotel & Casino, 2901 Las Vegas Boulevard South, Las Vegas;  
 (off-track pari-mutuel race and sports wagering / race book and sports pool)

Saddle West Hotel & Casino, 1220 South Highway 160, Pahrump;  
 (pari-mutuel sports wagering / race book and sports pool)

Sahara Hotel and Casino, 2535 Las Vegas Boulevard South, Las Vegas;  
 (off-track pari-mutuel race wagering / race book and sports pool)

Sand's Regency and Mr. C's, 345 North Arlington, Reno;  
 (pari-mutuel sports wagering / sports pool)

Scoreboard Sports Pool, 259 Spring Creek Parkway, Spring Creek;  
 (sports pool)

Sharkey's Casino, 1440 North U.S. Highway 395, Gardnerville;  
 (race book and sports pool)

Silver Club Hotel Casino, 1040 Victorian Avenue, Sparks;  
 (race book and sports pool)

Silver Springs Nugget, 1280 Highway 95 A, Silver Springs;  
 (race book and sports pool)

Silverton Hotel Casino & RV Park, 3333 Blue Diamond Road, Las Vegas;  
 (off-track pari-mutuel race wagering / race book and sports pool)

Skyline Restaurant & Casino, 1741 North Boulder Highway, Henderson;  
 (pari-mutuel sports wagering / race book and sports pool)

Stagecoach Hotel and Casino, Hwy 395, Beatty;  
 (race book and sports pool)

State Line Nugget Hotel & Gambling Hall, 101 Wendover Blvd., West Wendover;  
 (race book and sports pool)

Slotworld, 3859 E. Highway 50, Carson City;  
 (race book and sports pool)

Stockmen's Hotel/Casino, 340 Commercial Street, Elko;  
 (sports pool)

Sturgeon's Log Cabin, 1420 Cornell Avenue, Lovelock;  
 (race book and sports pool)

Tahoe Biltmore Lodge, Highway 28, Crystal Bay;  
 (pari-mutuel sports wagering / race book and sports pool)

Ramada Inn and Speedway Casino, 3227 Civic Center Drive, North Las Vegas;  
 (pari-mutuel sports wagering / race book and sports pool)

Topaz Lodge and Casino, 1979 S 395 Highway, Gardnerville;  
 (race book and sports pool)

Tropicana Resort & Casino, 3801 Las Vegas Boulevard, South, Las Vegas;  
 (pari-mutuel sports wagering / race book and sports pool)

Truck Inn, 485 Truck Inn Way, Fernley, Nevada;  
 (race book and sports pool)

Westward Ho Casino, 2900 South Las Vegas Boulevard, Las Vegas;  
 (race book and sports pool) and

Winners Hotel and Casino, 185 West Winnemucca Boulevard, Winnemucca  
 (race book and sports pool)

a. The licensee must comply with Nevada Gaming Commission Regulation 6.090 as it relates to the submission of an adequate internal control system and compliance with the minimum internal control standards for a computerized race book and sports pool.

b. Any change in any agreement or the creation of any new agreement between Leroy's Horse and Sports Place and the licensed location must be reported to the Board within 30 days of such change.

c. Funds between Leroy's Horse and Sports Place and the licensed location must not be commingled.

d. Except as otherwise provided for by the Chairman of the Board or his designee, the ticket writers must be employees of Leroy's Horse and Sports Place.

e. The surveillance system must be installed, reviewed and administratively approved by the Board's Enforcement Division prior to issuance of a State Gaming License and thereafter be maintained at or above the standard which is approved.

f. Prior administrative approval by the Chairman of the Board or his designee is required for Leroy's Horse and Sports Place to convert a location from a kiosk operation to a manned satellite operation, or from a manned satellite operation to a kiosk operation. If any licensed location utilizes both a manned satellite operation and a kiosk operation, prior administrative approval of the Chairman of the Board or his designee is required prior to closing or reopening a manned satellite operation.

7. THAT Victor John Salerno, Jr. and Judith Louise Zimbelmann are each found suitable, pursuant to NRS 463.643 and NGC Regulation 16.400, as shareholders and controlling shareholders of American Wagering, Inc.

8. THAT American Wagering, Inc., shall establish and maintain a gaming compliance program for the purpose of, at a minimum, performing due diligence, determining the suitability of relationships with other entities and individuals, and to review and ensure compliance by American

Wagering, Inc., its subsidiaries and any affiliated entities, with the Nevada Gaming Control Act (the "Act"), as amended, the Commission's Regulations (the "Regulations"), as amended, and the laws and regulations of any other jurisdictions in which American Wagering, Inc., its subsidiaries and any affiliated entities operate. The gaming compliance program, any amendments thereto, and the members of the gaming compliance committee, one such member who shall be independent and knowledgeable of the Act and Regulations, shall be administratively reviewed and approved by the Chairman of the Board or his designee. Furthermore, upon request of the Chairman of the Board or his designee, American Wagering, Inc., shall amend the gaming compliance program, or any element thereof, and perform such duties as may be assigned by the Chairman of the Board or his designee related to a review of activities relevant to the continuing qualification of American Wagering, Inc., under the provisions of the Act and Regulations.

9. THAT American Wagering, Inc., shall fund and maintain with the Board a revolving fund in the amount of \$15,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order of Registration. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of said account for the payment of costs and expenses incurred by the Board and its staff in the surveillance, monitoring and investigative review of all activities of American Wagering, Inc., its direct and indirect subsidiaries, and their affiliated companies.

10. THAT, pursuant to NRS 463.625, American Wagering, Inc., is exempted from compliance with NRS 463.585 through NRS 463.615, inclusive and shall instead comply with NRS 463.635 through 463.645, inclusive.

11. THAT American Wagering, Inc., is exempted from NGC Regulation 15 and shall instead comply with NGC Regulation 16.

12. THAT the Commission hereby expressly finds that the exemptions and waivers granted hereinabove are consistent with the State policy set forth in NRS 463.0129, NRS 463.489 and NRS 464.020, as applicable.

ENTERED in Las Vegas, Nevada, this 24<sup>th</sup> day of September 2004.