

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

In the Matter of )  
BALLY MANUFACTURING CORPORATION )  
\_\_\_\_\_ )

ORDER PERMITTING CONTINUED  
PROBATIONARY REGISTRATION  
INTO THIRD YEAR

THIS MATTER came on regularly for hearing before the State Gaming Control Board at Carson City, Nevada, on October 12, 1977, and before the Nevada Gaming Commission at Carson City, Nevada, on October 20, 1977, upon the application of Bally Manufacturing Corporation to continue its registration with the Commission into the third consecutive year's period, as provided in the Order of Registration dated March 21, 1975; and

The Applicant having presented evidence and made argument, and

The Board and Commission having reviewed all evidence relevant to the application and having reviewed the Applicant's operations during the previous probationary period for compliance with the Order of Registration dated March 21, 1975, and subsequent amendments thereto;

It is therefore the Findings of the Board and Commission that the Applicant has substantially complied with the provisions of the Commission's Order of Registration dated March 21, 1975, except that the Applicant has:

- (a) Been involved through a subsidiary in gaming activities conducted outside the State of Nevada;
- (b) Continued to maintain business relationships with Louis Boasburg or with business entities controlling, controlled by, or under common control with, said Louis Boasburg;
- (c) Employed Mr. Jack Rooklyn as an officer and director of Bally Australia, Pty., at a time when Mr. Rooklyn may

have been involved in foreign gaming activities; and

(d) Failed to maintain in full force and effect a system of internal reporting as required by Exhibit A to the Order of Registration.

UPON THE FOREGOING and upon the recommendation of the State Gaming Control Board that the application of Bally Manufacturing Corporation for continued registration as a publicly traded corporation be approved, and upon the consent and agreement of the Applicant, to the following limitations and conditions,

IT IS HEREBY ORDERED by the Nevada Gaming Commission:

1. That the application of Bally Manufacturing Corporation for continued registration as a publicly traded company be, and the same hereby is, accepted;

2. That Bally Manufacturing Corporation shall be, and hereby is, continued to be registered as a publicly traded corporation pursuant to and subject to all the terms and conditions of the Order of Registration dated March 21, 1975, and all subsequent amendments thereto, including this Order, for the remainder of the third consecutive probationary period of registration;

3. That upon the termination of the third consecutive period of probationary registration as created by the Order of March 21, 1975, it is hereby declared that the registration of Bally Manufacturing Corporation as a publicly traded company be, and it hereby is, probationary for an additional three consecutive limited one year periods upon the same terms and conditions as established in the Order of March 21, 1975, as subsequently amended, and it is further provided that the Applicant's registration shall expire upon the respective termination dates of the additional limited one year periods unless otherwise extended by the Commission.

4. That the following additional conditions to continued registration are hereby imposed upon the Applicant:

(a) The Applicant shall cause Mr. Jack Rooklyn to apply for licensing and/or appropriate findings of suitability with the Commission on or before December 31, 1977, or cause him

to be removed as an officer, director, or an employee of the Applicant or of any of its subsidiaries;

(b) The Applicant and any of its affiliated companies shall within 30 days hereof cease doing business with, and shall not conduct any business with, any entity controlling, controlled by, or under common control with any person who is known by the Applicant, its officers or directors, to have been convicted of or granted immunity from prosecution for, any crime relating to gambling, moral turpitude, or corruption of public officials;

(c) The Applicant shall modify its system of internal reporting in a form and substance acceptable to the State Gaming Control Board no later than December 31, 1977. Until the acceptance of such modified system of internal controls, the Applicant shall comply with the system of internal controls attached as Exhibit A to the Order of Registration dated March 21, 1975;

(d) The Applicant shall require in its system of internal reporting that copies of all reports prepared for the Applicant's "Compliance Committee" be provided simultaneously to the State Gaming Control Board as said reports are provided to the "Compliance Committee" and similarly to provide to the Board copies of all responses by said "Compliance Committee" to all completed reports;


(e) The Applicant shall thereafter make such amendments to its system of internal reporting as may be required by the Board and may not make any other amendments to its system of internal reporting without prior approval of the Board.

Entered at Carson City, Nevada, this 20th day of October, 1977.

NEVADA GAMING COMMISSION

By   
Harry Reid, Chairman

Submitted by:

  
A.J. Hicks  
Deputy Attorney General  
Chief, Gaming Division