

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
BALLY MANUFACTURING CORPORATION
(Registration)

ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board at Carson City, Nevada, on February 14, 1979, and before the Nevada Gaming Commission at Carson City, Nevada, on February 22, 1979, upon the application of Bally Manufacturing Corporation to remove the probationary status of its registration with the Commission under the Order of Registration dated March 21, 1975, as amended; 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 for compliance with the Order of Registration dated March 21, 1975, and subsequent amendments thereto;

It is therefore the Finding of the Board and Commission that the registration of the Applicant should no longer be considered or treated as probationary and that the annual renewal provisions of the Order of Registration should be deleted therefrom.

Upon the foregoing and upon the recommendation of the State Gaming Control Board;

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

1. That the application of Bally Manufacturing Corporation, as amended and supplemented, for removal of the probationary status of its registration with the Commission as a publicly traded corporation be, and the same hereby is, accepted.

2. That this Commission's Order of Registration of Bally Manufacturing Corporation dated March 21, 1975, and the amended Orders of Registration, pertaining to Bally Manufacturing Corporation, entered by this Commission on May 22, 1975, August 21, 1975, June 24, 1976, and October 20, 1977, respectively, be, and they hereby are, rescinded.

3. In substitution therefor, that Bally Manufacturing Corporation is hereby registered as a publicly traded corporation and is found suitable to be the sole stockholder of Bally Distributing Company a corporate gaming licensee.

4. That the following officers and directors of Bally Manufacturing Corporation are found suitable in the capacities as indicated:

William T. O'Donnell	President, Chairman of the Board and Controlling Stockholder
Alfred H. Wilms	Director
Willis H. Brockhoff	Treasurer and Assistant Secretary
Glenn K. Seidenfeld, Jr.	Secretary and Corporate Counsel

5. That the registration of Bally Manufacturing Corporation as a publicly traded corporation be, and hereby is, expressly

conditioned upon the full, faithful and due performance and observance of each of the following conditions:

A. That Bally Manufacturing Corporation shall maintain and fund a bank account with a bank and upon terms and conditions satisfactory to the Board. Without limiting the generality of the foregoing the Board shall have the right, without notice, to draw upon the funds of said account for the payment of the costs and expenses incurred by the Board and staff in a surveillance, monitoring and investigative review of all aspects of Bally Manufacturing Corporation's corporate and business affairs, associations, affiliations, in compliance with all applicable foreign, federal, state and local laws.

B. That Bally Manufacturing Corporation and its directors and principal officers shall maintain in full force and effect a system of internal controls in form and substance satisfactory to the Board. The internal controls shall be accomplished in accordance with the procedures set forth in Exhibit "A," which is attached to this Order and incorporated by reference herein. Bally Manufacturing Corporation shall hereafter make such amendments to its system of internal controls as may be required by the Board and may not make any other amendments to its system of internal controls without prior approval of the Board.

C. That there shall at no time be any direct or indirect business transactions of any nature whatsoever between Bally Manufacturing Corporation and Gerardo Catena, or Abe Green, or any corporation or other business entity controlled by either of them, or in which they, or either of them own beneficially a

5% or greater interest of any class of voting securities.

D. That there shall at no time be any direct or indirect business transactions of any nature whatsoever between Bally Manufacturing Corporation and Alexander Wilms, save and except only that said Alexander Wilms may continue as a stockholder of Bally Manufacturing Corporation.

E. That Bally Manufacturing Corporation shall furnish the State Gaming Control Board with copies of the minutes of all meetings of the Board of Directors of Bally Manufacturing Corporation and the executive committee thereof within 30 days after the date of the meeting for which the minutes are taken.

F. That Bally Manufacturing Corporation and its controlled subsidiaries shall not employ Sam W. Klein in any capacity.

G. That Bally Manufacturing Corporation and any of its affiliated companies shall not do 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 Bally Manufacturing Corporation, its officers or directors, to have been convicted of or granted immunity from a prosecution for, any crime relating to gambling, moral turpitude, or corruption of public officials.

6. That Bally Distributing Company, a wholly owned subsidiary of Bally Manufacturing Corporation, be, and it hereby is, licensed as a nonrestricted slot operator and as a distributor and manufacturer of gaming devices and that the following officers and directors are licensed in the capacities indicated:

William T. O'Donnell

Vice President and Director

George J. Vucanovich

Executive Vice President,
Secretary, Treasurer and
Director

James L. Cullen

Comptroller

7. That pursuant to NRS 463.625(2), Bally Manufacturing Corporation be, and it hereby is, exempted from compliance with NRS 463.585(1), (2), (6) and (7), and NRS 463.595 through NRS 463.615, inclusive and shall instead comply with NRS 463.635 to 463.645, inclusive.

8. That Bally Manufacturing Corporation be, and it hereby is, exempt from Reg. 15 except for the provisions of Reg. 15.585.3-1, Reg. 15.585.3-2 and Reg. 15.585.4-1, and shall instead comply with Reg. 16.

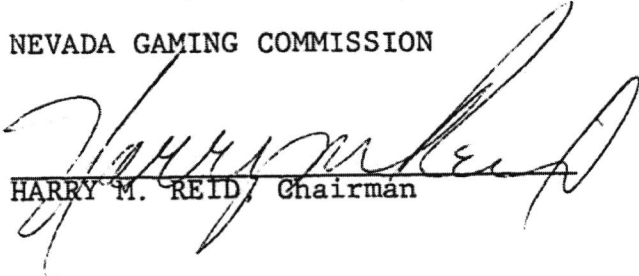
9. That except as permitted by NRS 463.690(2), neither Bally Manufacturing Corporation nor any other person controlling, controlled by, or under common control with Bally Manufacturing Corporation, shall have any involvement with gaming or pari-mutuel wagering outside the State of Nevada without first obtaining the approval of the Nevada Gaming Commission.

10. That pursuant to NGC Reg. 16.340, the Board and Commission are investigating and evaluating whether it is appropriate to place a legend on the voting securities of Publicly Traded Corporations registered under Nevada Gaming Statutes and Regulations and that when the Board and Commission establish a policy with respect thereto, then Bally Manufacturing Corporation shall comply with that policy without further order of the Board or Commission.

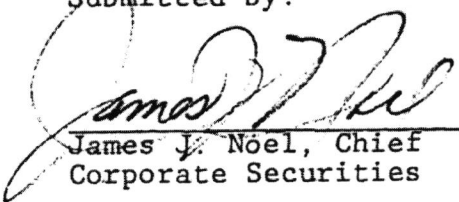
11. The Commission expressly finds that the exemptions hereinabove granted to Bally Manufacturing Corporation are consistent with the State policy as set forth in NRS 463.130 and NRS 463.489(1).

Entered at Carson City this 22nd day of February, 1979.

NEVADA GAMING COMMISSION

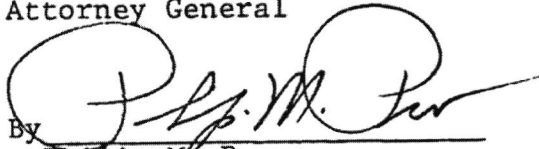

HARRY M. REID, Chairman

Submitted by:


James J. Noel, Chief
Corporate Securities

APPROVED:

RICHARD BRYAN
Attorney General

By 
Philip M. Pro
Deputy Attorney General
Gaming Division