

Revision #2
file

File No. SD-015

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
BALLY MANUFACTURING CORPORATION
(Registration)

AMENDMENT NO. 3 TO
ORDER OF REGISTRATION

THIS MATTER came on for hearing before the State Gaming Control Board on April 10, 1986, and before the Nevada Gaming Commission on April 17, 1986, at 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, are hereby accepted as filed:

(a) Bally Manufacturing Corporation for approval to acquire MGM Grand Hotels, Inc., a finding of suitability as sole shareholder of Bally's Intermediate Sub, Inc., for approval of a stock option agreement and for an amendment to Bally Manufacturing Corporation's foreign gaming approval with regard to Atlantic City, New Jersey.

(b) Bally's Intermediate Sub, Inc. for registration as an intermediary holding company and a finding of suitability as sole shareholder of Bally's Intermediate Sub Nos. 1-6.

(c) The following Companies for registration as intermediary holding companies and findings of suitability to hold the indicated percentages of Bally's Sub, Inc.:

Bally's Intermediate Sub No. 1, Inc. (2%)

Bally's Intermediate Sub No. 2, Inc. (6%)

Bally's Intermediate Sub No. 3, Inc. (11%)

Bally's Intermediate Sub No. 4, Inc. (18%)

Bally's Intermediate Sub No. 5, Inc. (26%)

Bally's Intermediate Sub No. 6, Inc. (37%)

(d) Bally's Sub, Inc. for registration as an intermediary holding company and a finding of suitability as sole shareholder of Bally's Grand, Inc. and

(e) Bally's Grand, Inc. to merge with and into MGM Grand Hotels, Inc.

2. THAT Bally Manufacturing Corporation is hereby granted approval to acquire MGM Grand Hotels, Inc.

3. THAT Bally Manufacturing Corporation is found suitable as sole shareholder of Bally's Intermediate Sub, Inc.

4. THAT Bally's Intermediate Sub, Inc. is registered as an intermediary holding company and found suitable as sole shareholder of:

Bally Intermediate Sub No. 1, Inc.

Bally Intermediate Sub No. 2, Inc.

Bally Intermediate Sub No. 3, Inc.

Bally Intermediate Sub No. 4, Inc.

Bally Intermediate Sub No. 5, Inc.

Bally Intermediate Sub No. 6, Inc.