BEFORE THE NEVADA GAMING COMMISSION AND THE STATE GAMING CONTROL BOARD

In the Matter of

THE APPLICATION OF BAY MEADOWS OPERATING COMPANY, LLC FOR APPROVAL TO SHARE IN THE REVENUE FROM THE CONDUCT OF OFF-TRACK PARI-MUTUEL WAGERING

ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on February 4, 1998, and before the Nevada Gaming Commission ("Commission") on February 26, 1998, at Carson City, 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 application of Bay Meadows Operating Company, LLC for approval to share in the revenue from the conduct of off-track pari-mutuel race wagering, as amended and supplemented, is hereby accepted as filed.
- 2. THAT Bay Meadows Operating Company, LLC is granted approval to share in the revenue from the conduct of off-track pari-mutuel race wagering, said approval conditioned as follows:

- a. That Bay Meadows Operating Company, LLC, its affiliated companies Patriot American Hospitality, Inc. and Wyndham International, Inc. shall comply with the provisions of NRS 463.639(1) and NGC Regulation 16.330, and shall also comply with any requests for additional reporting requirements made by the Gaming Control Board.
- b. That the following information shall be reported to the Board, in writing, within 30 days after the end of the quarter concerning the occurrence or absence of the following:
- (1) Any changes in Bay Meadows Operating Company, LLC, Patriot American Hospitality, Inc. and Wyndham International, Inc. officers, directors, or key personnel directly or indirectly engaged in the active administration or supervision of the gaming operations conducted at Bay Meadows Racetrack and related facilities who earn \$50,000 or more annually.
- (2) All gaming related complaints, investigations into alleged misconduct, orders to show cause, and disciplinary actions instituted by, presided over, or in connection with the California Horse Racing Board, the Securities and Exchange Commission or any gaming regulatory agency, involving Bay Meadows Operating Company, LLC, Patriot American Hospitality, Inc. and Wyndham International, Inc., or its officers, directors, owners, agents or employees thereof.
- (3) All arrests made of Bay Meadows Operating Company, LLC, Patriot American Hospitality, Inc. and Wyndham International, Inc. and their affiliates' officers, directors, owners, agents or employees and its patrons involving gaming misconduct or felony charges in the State of California. The

report shall include: the name, position, charge, arresting agency and a brief description of the event.

- (4) Any known gaming cheating or theft wherein an arrest is not made.
- (5) A copy of the application for licensure to conduct horse racing, and any exhibits or attachments thereto, as provided to the California Horse Racing Board.
- C. That Bay Meadows Operating Company, LLC, Patriot American Hospitality, Inc. and Wyndham International, Inc. shall fund and maintain with the State Gaming Control Board a revolving fund in the total amount of \$5,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order. 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 reviews of activities of Bay Meadows Operating Company, LLC, Patriot American Hospitality, Inc. and Wyndham International, Inc., and their controlled affiliates.

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3. THAT this Order, and the approvals, terms and conditions contained herein, shall terminate at midnight on the day of the April 1999 regularly scheduled Commission meeting.

ENTERED at Carson City, Nevada, this 26th day of February, 1998.

FOR THE COMMISSION:

Bill Curran, Chairman

Submitted by:

Dennis K. Neilander, Chief Corporate Securities Division

APPROVED AS TO FORM:

FRANKIE SUE DEL PAPA ATTORNEY GENERAL

Deputy Attorney General