

DRAFT # 2

File No. SD-027

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

In the Matter of

HOLIDAY CORPORATION  
AND  
HOLIDAY INNS, INC.

(Registration)

AMENDMENT NO. 3 TO REVISED ORDER OF REGISTRATION

THIS MATTER came on specially for hearing before the State Gaming Control Board on January 23, 1990, and regularly for hearing before the Nevada Gaming Commission on January 25, 1990, 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 following applications, as amended and supplemented, are hereby accepted as filed:
  - a. Holiday Corporation for an amendment to its Revised Order of Registration;
  - b. Holiday Inns, Inc. for approval of a corporate restructuring; for a finding of suitability to be the sole shareholder of The Promus Companies Incorporated; and for an amendment to its Revised Order of Registration;

c. The Promus Companies Incorporated for registration as an intermediary company; for a finding of suitability to be the sole shareholder of Embassy Suites, Inc.; for approval to participate in foreign gaming (New Jersey) pursuant to NRS 463.690; and for preliminary approval to participate in foreign gaming (Australia) pursuant to NRS 463.690;

d. Embassy Suites, Inc. for registration as an intermediary company; for a finding of suitability to be the sole shareholder of Harrah's; for approval to participate in foreign gaming (New Jersey) pursuant to NRS 463.690; and for preliminary approval to participate in foreign gaming (Australia) pursuant to NRS 463.690;

e. Harrah's for findings of suitability to be the sole shareholder of Harrah's Club and Nob Hill Casino, Inc.; for approval to participate in foreign gaming (New Jersey) pursuant to NRS 463.690; and for preliminary approval to participate in foreign gaming (Australia) pursuant to NRS 463.690; and

f. Harrah's Club for registration as an intermediary company and for a finding of suitability to be the sole shareholder of Holiday Casino, Inc.

2. THAT paragraph 4 of the Revised Order of Registration of Holiday Corporation and Holiday Inns, Inc. entered on July 28, 1988, as amended by paragraph 2 of the Amendment No. 1 to Revised Order of Registration entered on December 21, 1989, is hereby rescinded and superseded in its entirety, and the following language is hereby substituted in lieu thereof:

"4. THAT Holiday Inns, Inc. is registered as a publicly traded corporation and found suitable to be the sole shareholder of The Promus Companies Incorporated."

3. THAT paragraph 5 of the Revised Order of Registration of Holiday

Corporation and Holiday Inns, Inc. entered on July 28, 1988, as amended by paragraph 3 of the Amendment No. 1 to Revised Order of Registration entered on December 21, 1989, is hereby rescinded and superseded in its entirety, and the following language is substituted in lieu thereof:

"5. THAT Harrah's is registered as an intermediary company and found suitable to be the sole shareholder of Harrah's Club, Harrah's Laughlin, Inc. and Nob Hill Casino, Inc."

4. THAT paragraph 6 of the Revised Order of Registration of Holiday Corporation and Holiday Inns, Inc. entered on July 28, 1988, as amended by paragraph 2 of the Amendment No. 2 to Revised Order of Registration entered on January 25, 1990, is hereby rescinded and superseded in its entirety, and the following language is substituted in lieu thereof:

"6. THAT Harrah's Club is licensed as a manufacturer and distributor; is registered as an intermediary company; is found suitable to be the sole shareholder of Holiday Casino, Inc.; that Harrah's Club, dba Harrah's Reno Hotel Casino, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at 219 North Center Street, Reno; and that Harrah's Club, dba Harrah's Club Lake Tahoe Resort Casino and Bill's Lake Tahoe Casino, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at Highway 50, Stateline."

5. THAT paragraph 11 of the Revised Order of Registration of Holiday Corporation and Holiday Inns, Inc. entered on July 28, 1988, is hereby rescinded and superseded in its entirety, and the following language is substituted in lieu thereof:

"11. THAT Holiday Corporation, Holiday Inns, Inc., The Promus

Companies Incorporated, Embassy Suites, Inc., and Harrah's are granted approval to continue their gaming operations in the State of Nevada through their affiliated companies, Harrah's Club, Harrah's Laughlin, Inc., Holiday Casino, Inc. and Nob Hill Casino, Inc., while participating in gaming activities at Harrah's Marina Hotel and Casino in Atlantic City, New Jersey."

6. THAT paragraph 18 of the Revised Order of Registration of Holiday Corporation and Holiday Inns, Inc. entered on July 28, 1988, as amended by paragraph 5 of the Amendment No. 1 to Revised Order of Registration entered on December 21, 1989, is hereby rescinded and superseded in its entirety, and the following language is substituted in lieu thereof:

"18. THAT Holiday Corporation 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 State Gaming Control Board for compliance with the terms of this Order of Registration, as amended. Without limiting the foregoing, the State Gaming Control 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 State Gaming Control Board or its staff in the surveillance, monitoring and investigative reviews of all activities, including public offerings, of Holiday Corporation, Holiday Inns, Inc., The Promus Companies Incorporated, Embassy Suites, Inc., Harrah's, Holiday Casino, Inc., Nob Hill Casino, Inc., Harrah's Club, and Harrah's Laughlin, Inc., and their affiliated companies."

7. THAT paragraph 2 of Amendment No. 3 to Order of Registration of Holiday Corporation and Holiday Inns, Inc. entered on July 17, 1986, is hereby rescinded and superseded in its entirety, and the following language is

substituted in lieu thereof:

"2. THAT Holiday Corporation, Holiday Inns, Inc., The Promus Companies Incorporated, Embassy Suites, Inc., and Harrah's are granted preliminary approval to pursue foreign gaming activities in New South Wales, Australia, while continuing their gaming operations in the State of Nevada through their affiliated companies, Harrah's Club, Harrah's Laughlin, Inc., Holiday Casino, Inc., and Nob Hill Casino, Inc. The approval granted herein does not authorize or constitute Commission approval to participate in gaming in New South Wales, Australia, and the Commission hereby specifically reserves its determination as to such final approval."

8. THAT the Revised Order of Registration of Holiday Corporation and Holiday Inns, Inc. entered on July 28, 1988, is hereby amended by adding thereto the following new paragraphs setting forth the following:

"20. THAT The Promus Companies Incorporated is registered as an intermediary company and is found suitable to be the sole shareholder of Embassy Suites, Inc."

"21. THAT Embassy Suites, Inc. is registered as an intermediary company and is found suitable to be the sole shareholder of Harrah's."

"22. THAT the corporate restructuring of Holiday Inns, Inc. is hereby approved."

9. THAT if the restructuring of Holiday Inns, Inc. is not consummated by March 30, 1990, unless administratively extended by the Chairman of the Gaming Control Board or his designee, this Amendment No. 3 to Revised Order of Registration shall be null and void in its entirety, and those approvals and exemptions previously granted to Holiday Corporation and Holiday Inns, Inc., and

their affiliates, shall remain in full force and effect.

10. THAT except as expressly modified by this Amendment No. 3 to Revised Order of Registration, or other Commission action, all other terms and conditions of Holiday Corporation's and Holiday Inns, Inc.'s Revised Order of Registration entered on July 28, 1988, and of Amendments Nos. 1 and 2 thereto entered on December 21, 1989, and January 25, 1990, respectively, and of Amendment No. 3 to Order of Registration entered on July 17, 1986, are hereby reaffirmed and made a part of this Amendment No. 3 to Revised Order of Registration.

ENTERED at Carson City, Nevada, this 25th day of January, 1990.

FOR THE COMMISSION:

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John F. O'Reilly, Chairman

Submitted by:

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P. Gregory Giordano  
Chief, Corporate Securities

APPROVED AS TO FORM:

BRIAN McKAY  
ATTORNEY GENERAL

By \_\_\_\_\_  
James Rankl  
Deputy Attorney General  
Gaming Division