

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

In the Matter of  
HILTON HOTELS CORPORATION  
(Registration)

SECOND REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board on June 7, 1989, at Carson City, Nevada, and before the Nevada Gaming Commission on June 22, 1989, 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. Reno Hilton Corporation, dba Flamingo Hilton Reno, formerly dba Reno Hilton, for addition of a race book; and

b. Hilton Hotels Corporation for an Amendment to its Revised Order of Registration.

2. THAT the Revised Order of Registration of Hilton Hotels Corporation, dated September 18, 1986, and the First, Second, Third, Fourth, and Fifth

Amendments thereto dated November 20, 1986, February 21, 1987, July 16, 1987, November 19, 1987, and August 18, 1988, respectively, are hereby consolidated into and updated by this Second Revised Order of Registration.

3. THAT Hilton Hotels Corporation is found suitable to be the sole shareholder of Hilton Nevada Corporation.

4. THAT Hilton Nevada Corporation is registered as an intermediary holding company and found suitable to be the sole shareholder of Las Vegas Hilton Corporation, Flamingo Hilton Corporation and Reno Hilton Corporation.

5. THAT Las Vegas Hilton Corporation, dba Las Vegas Hilton, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at 3000 Paradise Road, Las Vegas, and is licensed as a manufacturer and distributor.

6. THAT Flamingo Hilton Corporation, dba Flamingo Hilton, is licensed to conduct nonrestricted gaming operations, including a sports pool, at 3555 Las Vegas Boulevard South, Las Vegas, and is licensed as a manufacturer and distributor.

7. THAT Reno Hilton Corporation, dba Flamingo Hilton Reno, formerly dba Reno Hilton, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at 255 North Sierra Street, Reno, and is licensed as a manufacturer and distributor, subject to the following:

That the license issued to Reno Hilton Corporation to conduct gaming at the Flamingo Hilton Reno is expressly conditioned upon the existence and maintenance of a pedestrian walkway linking the Flamingo Hilton Reno at 241 North Virginia Street and 255 North Sierra Street, and further, that said pedestrian walkway be open and accessible to the public during all times that gaming is

conducted upon the premises of the Flamingo Hilton Reno.

8. THAT Hilton Hotels Corporation is granted approval to continue its gaming operations in the State of Nevada through its affiliated companies, Hilton Nevada Corporation, Las Vegas Hilton Corporation, Flamingo Hilton Corporation and Reno Hilton Corporation, subject to the provisions of paragraph 9 below, while participating in gaming activities at the Gold Coast Conrad Hilton Hotel and Jupiters Casino in Queensland, Australia.

9. THAT Hilton Hotels Corporation shall maintain a Compliance Committee whose composition is satisfactory to the Board. Said Compliance Committee shall administer the Internal Reporting System, and shall have other duties as more fully described in Exhibit A, which is attached to this Second Revised Order and incorporated by reference herein. Hilton Hotels Corporation shall hereafter make such amendments to the Compliance Committee and Internal Reporting System specifications and duties as may be required by the Board and may not make any other amendments without prior approval of the Board.

10. THAT the Commission hereby delegates to the Chairman of the State Gaming Control Board the authority to require and administratively approve amendments to both the Compliance Committee and Internal Reporting System.

11. THAT Hilton Hotels Corporation is granted preliminary approval to pursue foreign gaming operations in Istanbul, Turkey, while continuing its gaming operations in the State of Nevada through its affiliated companies, Hilton Nevada Corporation, Las Vegas Hilton Corporation, Flamingo Hilton Corporation, and Reno Hilton Corporation. The approval granted herein does not authorize or constitute Commission approval to participate in gaming in Istanbul, Turkey, and the Commission hereby specifically reserves its determination as to such final

approval.

12. THAT the preliminary approval set forth in paragraph 11 above is subject to the following conditions:

a. That Hilton Hotels Corporation shall immediately advise the Board of any material events relating to its proposed foreign gaming operations in Istanbul, Turkey, and shall meet with the Board or its designated representatives on a semi-annual basis to advise the Board of the status of such proposed foreign gaming operations.

b. That Hilton Hotels Corporation shall comply with any reporting requirements as may be imposed by the Board prior to final action being taken on this matter.

c. That prior to commencement of gaming operations in Istanbul, Turkey, the applicant must obtain foreign gaming approval from the commission as required by NRS 463.690, et seq.

d. That Hilton Hotels Corporation shall deposit with the Board a revolving fund of \$50,000 for the purpose of funding investigative reviews, conducted in the sole discretion of the Board, to confirm compliance with paragraphs 11 and 12 and to monitor progress of foreign gaming engaged in by Hilton Hotels Corporation and its subsidiaries.

13. THAT Hilton Hotels Corporation shall fund and maintain with the State Gaming Control Board a revolving fund in the amount of \$25,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Second Revised Order of registration. 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 review of all activities of Hilton Nevada Corporation, Las Vegas Hilton Corporation, Flamingo Hilton Corporation, and Reno Hilton Corporation, and their affiliated companies, which relate to any of the terms of this Second Revised Order of Registration, except for those set forth in paragraphs 11 and 12 above.

13. THAT pursuant to NRS 463.625(2), Hilton Hotels Corporation is hereby exempted from compliance with NRS 463.585(1), (2), (5), (6), and (7), and NRS 463.595 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through NRS 463.645, inclusive.

15. THAT Hilton Hotels Corporation is hereby exempted from Regulation 15, except for the provisions of Regulations 15.585.3-1, 15.585.3-2, and 15.585.4-1, and shall instead comply with Regulation 16.

16. THAT except as provided by paragraph 8 above, neither Hilton Hotels Corporation nor any person controlling, controlled by, or under common control with Hilton Hotels Corporation shall have any involvement with gaming or

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pari-mutuel wagering outside the State of Nevada without first obtaining the approval of the Nevada Gaming Commission.

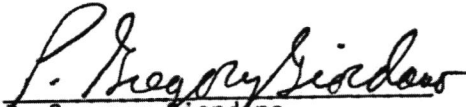
17. THAT THE COMMISSION expressly finds that the exemptions hereinabove granted are consistent with the State policy set forth in NRS 463.0129 and 463.489(2).

ENTERED at Las Vegas, Nevada this 22nd day of June, 1989.

FOR THE COMMISSION:

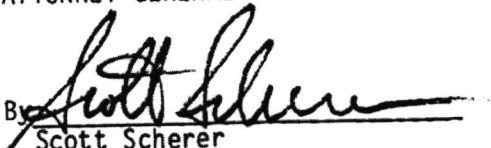
  
John F. O'Reilly, Chairman

Submitted by:

  
P. Gregory Giordano  
Deputy Chief, Investigations  
Corporate Securities

APPROVED AS TO FORM:

BRIAN McKAY  
ATTORNEY GENERAL

By   
Scott Scherer  
Deputy Attorney General  
Gaming Division