

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

SCIENTIFIC GAMES CORPORATION

(Registration)\_\_\_\_\_

REVISED ORDER OF REGISTRATION

THIS MATTER came on specially for hearing before the State Gaming Control Board (“Board”) on November 20, 2014, at Las Vegas, Nevada, and regularly for hearing before the Nevada Gaming Commission (“Commission”) on November 20, 2014, 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, have been filed:

a. The applications of Scientific Games Corporation for (i) an acquisition of control of Bally Technologies, Inc., (ii) a finding of suitability as the sole shareholder of Bally Technologies, Inc., (iii) approval to pledge the equity securities of Bally Technologies, Inc. to Bank of America, N.A., as Collateral Agent, in conjunction with a credit agreement, (iv) approval to pledge the equity securities of Bally Technologies, Inc. and WMS Industries Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with Senior Secured Notes due 2021, and (v) an amendment to its Order of Registration,

b. The applications of WMS Industries Inc. for approval to pledge the equity securities of WMS Gaming Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with Senior Secured Notes due 2021,

c. The applications of Bally Technologies, Inc. for (i) approval to pledge the equity securities of Alliance Holding Company and Casino Electronics, Inc. to Bank of America, N.A., as Collateral Agent, in conjunction with a credit agreement and (ii) approval to pledge the equity securities of Alliance Holding Company and Casino Electronics, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with Senior Secured Notes due 2021,

d. The applications of Alliance Holding Company for (i) approval to pledge the equity securities of Bally Gaming International, Inc. to Bank of America, N.A., as Collateral Agent, in conjunction with a credit agreement and (ii) approval to pledge the equity securities of Bally Gaming International, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with Senior Secured Notes due 2021, and

e. The applications of Bally Gaming International, Inc. for (i) approval to pledge the equity securities of Bally Gaming, Inc. to Bank of America, N.A., as Collateral Agent, in conjunction with a credit agreement and (ii) approval to pledge the equity securities of Bally Gaming, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with Senior Secured Notes due 2021.

2. THAT the Order of Registration of Scientific Games Corporation dated September 26, 2013, is hereby amended and restated, in its entirety, by this Revised Order of Registration.

3. THAT Scientific Games Corporation is registered as a publicly traded corporation, is approved, pursuant to NGC Regulation 16.200, to acquire control of Bally Technologies, Inc., and is found suitable as the sole shareholder of WMS Industries Inc. and Bally Technologies, Inc.

4. THAT Ronald Owen Perelman is found suitable, pursuant to NRS 463.643 and NGC Regulation 16.400, as a beneficial owner and controlling beneficial owner of Scientific Games Corporation.

5. THAT WMS Industries Inc. is found suitable as the sole shareholder of WMS Gaming Inc.

6. THAT WMS Gaming Inc. is licensed as a manufacturer, a distributor, an operator of a slot machine route, an operator of an inter-casino linked system, a manufacturer of an interactive gaming system and an interactive gaming service provider, and is found suitable as a manufacturer of equipment associated with interactive gaming, subject to such conditions or limitations as may be imposed by the Commission.

7. THAT Bally Technologies, Inc. is registered as an intermediary company and is found suitable as the sole shareholder of Alliance Holding Company and Casino Electronics, Inc.

8. THAT Alliance Holding Company is registered as an intermediary company and is found suitable as the sole shareholder of Bally Gaming International, Inc.

9. THAT Bally Gaming International, Inc. is registered as an intermediary company and is found suitable as the sole shareholder of Bally Gaming, Inc.

10. THAT Bally Gaming, Inc. is licensed as a manufacturer, a distributor, an operator of a slot machine route, a manufacturer of an interactive gaming system and an interactive gaming service provider, subject to such conditions or limitations as may be imposed by the Commission.

11. THAT Casino Electronics, Inc., is licensed as a manufacturer, a distributor, and an operator of a slot machine route, subject to such conditions or limitations as may be imposed by the Commission.

12. THAT Scientific Games Corporation is granted approval, pursuant to NRS 463.510(1) and NGC Regulation 8.030 and 15.585.7-2, as applicable, to pledge the equity

securities of WMS Industries Inc. and Bally Technologies, Inc. to Bank of America, N.A., as Collateral Agent, in conjunction with a Credit Agreement dated October 18, 2013, as amended pursuant to Amendment No. 1 dated October 1, 2014 and as amended or modified from time to time ("Credit Agreement"), provided that:

a. This approval is pursuant to the Guarantee and Collateral Agreement with Bank of America, N.A. dated October 18, 2013, as supplemented by the Assumption Agreement in the form of the draft dated November 15, 2014, ("Bank of America Pledge Agreement"), a fully executed copy of the Assumption Agreement which shall be provided to the Board for administrative approval within thirty (30) days of the date of this Revised Order of Registration. If the fully executed Assumption Agreement is not provided to the Board within such time period, unless administratively extended by the Chairman of the Board, the approval granted in this Paragraph and Paragraphs fourteen (14) through sixteen (16) of this Revised Order of Registration shall be rendered null and void;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Scientific Games Corporation) and before any other resort to the collateral or other enforcement of the security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of WMS Industries Inc. and Bally Technologies, Inc., evidencing said pledge of the equity securities, must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents or employees of the Board immediately upon request during normal business hours.

13. THAT WMS Industries Inc. is granted approval, pursuant to NRS 463.510(1) and NGC Regulations 8.030, to pledge the equity securities of WMS Gaming Inc. to Bank of America, N.A., as Collateral Agent, in conjunction with the Credit Agreement, provided that:

a. This approval is pursuant to the Bank of America Pledge Agreement;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to WMS Industries Inc.) and before any other resort to the collateral or other enforcement of a security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of WMS Gaming Inc. evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

14. THAT Bally Technologies, Inc. is granted approval, pursuant to NRS 463.510(1) and NGC Regulations 8.030 and 15.585.7-2, to pledge the equity securities of Casino Electronics, Inc. and Alliance Holding Company to Bank of America, N.A., as Collateral Agent, in conjunction with the Credit Agreement, provided that:

a. This approval is pursuant to the Bank of America Pledge Agreement;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Bally Technologies, Inc.) and before any other resort to the collateral or other enforcement of a security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Casino Electronics, Inc. and Alliance Holding Company evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

15. THAT Alliance Holding Company is granted approval, pursuant to NGC Regulations 8.030 and 15.585.7-2, to pledge the equity securities of Bally Gaming International,

Inc. to Bank of America, N.A., as Collateral Agent, in conjunction with the Credit Agreement, provided that:

a. This approval is pursuant to the Bank of America Pledge Agreement;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Alliance Holding Company) and before any other resort to the collateral or other enforcement of a security interest in such securities, may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Bally Gaming International, Inc. evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

16. THAT Bally Gaming International, Inc. is granted approval, pursuant to NRS 463.510(1) and NGC Regulations 8.030 and 15.585.7-2, to pledge the equity securities of Bally Gaming, Inc., to Bank of America, N.A., as Collateral Agent, in conjunction with the Credit Agreement, provided that:

a. This approval is pursuant to the Bank of America Pledge Agreement;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of a possessory security interest in such securities (except back to Bally Gaming International, Inc.) and before any other resort to the collateral or other enforcement of a security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Bally Gaming, Inc., evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

17. THAT Scientific Games Corporation is granted approval, pursuant to NRS 463.510(1) and NGC Regulation 8.030 and 15.585.7-2, to pledge the equity securities of WMS Industries Inc. and Bally Technologies, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with Senior Secured Notes due 2021 (“Senior Secured Notes”), provided that:

a. This approval is pursuant to the Collateral Agreement in the form of the draft with Deutsche Bank Trust Company Americas dated November 4, 2014, (“Deutsche Bank Pledge Agreement”), a fully executed copy of which shall be provided to the Board for administrative approval within thirty (30) days of the date of this Revised Order of Registration. If the fully executed Deutsche Bank Pledge Agreement is not provided to the Board within such time period, unless administratively extended by the Chairman of the Board, the approval granted in this Paragraph and Paragraphs eighteen (18) through twenty-one (21) of this Revised Order of Registration shall be rendered null and void;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Scientific Games Corporation) and before any other resort to the collateral or other enforcement of the security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of WMS Industries Inc. and Bally Technologies, Inc. evidencing said pledge of the equity securities, must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents or employees of the Board immediately upon request during normal business hours.

18. THAT WMS Industries Inc. is granted approval, pursuant to NRS 463.510(1) and NGC Regulations 8.030, to pledge the equity securities of WMS Gaming Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with the Senior Secured Notes, provided that:

a. This approval is pursuant to the Deutsche Bank Pledge Agreement;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to WMS Industries Inc.) and before any other resort to the collateral or other enforcement of a security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of WMS Gaming Inc. evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

19. THAT Bally Technologies, Inc. is granted approval, pursuant to NRS 463.510(1) and NGC Regulations 8.030 and 15.585.7-2, to pledge the equity securities of Casino Electronics, Inc. and Alliance Holding Company to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with the Senior Secured Notes, provided that:

a. This approval is pursuant to the Deutsche Bank Pledge Agreement;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Bally Technologies, Inc.) and before any other resort to the collateral or other enforcement of a security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Casino Electronics, Inc. and Alliance Holding Company evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

20. THAT Alliance Holding Company is granted approval, pursuant to NRS 463.510(1) and NGC Regulations 8.030 and 15.585.7-2, to pledge the equity securities of Bally



Gaming International, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with the Senior Secured Notes, provided that:

- a. This approval is pursuant to the Deutsche Bank Pledge Agreement;
- b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Alliance Holding Company) and before any other resort to the collateral or other enforcement of a security interest in such securities, may occur; and

- c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Bally Gaming International, Inc. evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

21. THAT Bally Gaming International, Inc. is granted approval, pursuant to NRS 463.510(1) and NGC Regulation 8.030, to pledge the equity securities of Bally Gaming, Inc., to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with the Senior Secured Notes, provided that:

- a. This approval is pursuant to the Deutsche Bank Pledge Agreement;
- b. The prior approval of the Commission must be obtained before any foreclosure or transfer of a possessory security interest in such securities (except back to Bally Gaming International, Inc.) and before any other resort to the collateral or other enforcement of a security interest in such securities may occur; and

- c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Bally Gaming, Inc., evidencing said pledge of equity securities must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents of the Board immediately upon request during normal business hours.

22. THAT the Bank of America Pledge Agreement and the Deutsche Bank Pledge Agreement shall not be amended without the prior administrative approval of the Chairman of the Board or his designee. Such administrative approval may not be granted regarding amendments to the Bank of America Pledge Agreement or the Deutsche Bank Pledge Agreement that increase or change the stock that is the subject of the pledge, or that change the identity of the Collateral Agent.

23. THAT Scientific Games Corporation shall maintain a gaming compliance program for the purpose of, at a minimum, performing due diligence, determining the suitability of relationships with other entities and individuals, and to review and ensure compliance by Scientific Games Corporation, its subsidiaries and any affiliated entities, with the Nevada Gaming Control Act (the "Act"), as amended, the Commission's Regulations (the "Regulations"), as amended, and the laws and regulations of any other jurisdictions in which Scientific Games Corporation, its subsidiaries and any affiliated entities operate. The gaming compliance program, any amendments thereto, and the members of the compliance committee, one such member who shall be independent and knowledgeable of the Act and Regulations, shall be administratively reviewed and approved by the Chairman of the Board or his designee. Scientific Games Corporation, shall amend the gaming compliance program, or any element thereof, and perform such duties as may be assigned by the Chairman of the Board or his designee, related to a review of activities relevant to the continuing qualification of Scientific Games Corporation, under the provisions of the Act and Regulations.

24. THAT Scientific Games Corporation shall fund and maintain with the Board a revolving fund in the amount of \$75,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order of Registration and any amendments thereto. 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 Scientific Games Corporation its direct and indirect subsidiaries and any affiliated entities.

25. THAT, pursuant to NRS 463.625, Scientific Games Corporation is exempted from compliance with NRS 463.585 through 463.615, inclusive, and shall instead comply with NRS 463.635 through 463.645, inclusive.

26. THAT Scientific Games Corporation is exempted from NGC Regulation 15 and shall instead comply with the provisions of NGC Regulation 16.

27. THAT the Commission hereby expressly finds that the exemptions and conditions herein are consistent with the State policy set forth in NRS 463.0129 and 463.489.

ENTERED in Las Vegas, Nevada, this 20<sup>th</sup> day of November 2014.

FOR THE COMMISSION:

\_\_\_\_\_  
Tony Alamo, M.D., Chairman

Submitted by:

\_\_\_\_\_  
Marc Warren, Deputy Chief  
Investigations Division  
Corporate Securities Section

APPROVED AS TO FORM:

CATHERINE CORTEZ MASTO  
ATTORNEY GENERAL

By \_\_\_\_\_  
Deputy Attorney General