

BEFORE THE NEVADA GAMING COMMISSION  
AND THE NEVADA GAMING CONTROL BOARD

\_\_\_\_\_  
In the Matter of

SCIENTIFIC GAMES CORPORATION

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

THIRD REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the Nevada Gaming Control Board (“Board”) on May 2, 2018, and the Nevada Gaming Commission (“Commission”) on May 17, 2018, 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 NEVADA GAMING CONTROL BOARD:

1. THAT the following applications, as amended and supplemented, have been filed:

a. The applications of Scientific Games Corporation for (i) approval to pledge the equity securities of Bally Technologies, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with 5.0% Senior Secured Notes due 2025, (ii) approval to pledge the equity securities of Bally Technologies, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with 3.375% Senior Secured Notes due 2026, and (iii) an amendment to its Order of Registration, and

b. The applications of Bally Technologies, Inc. for (i) approval to pledge the equity securities of Bally Gaming, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with 5.0% Senior Secured Notes due 2025, and (ii) approval to pledge the

equity securities of Bally Gaming, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with 3.375% Senior Secured Notes due 2026.

2. THAT the Second Revised Order of Registration of Scientific Games Corporation dated August 20, 2015, is hereby amended and restated, in its entirety, by this Third Revised Order of Registration.

3. THAT Scientific Games Corporation is registered as a publicly traded corporation and is found suitable as the sole shareholder of 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 Bally Technologies, Inc. is registered as an intermediary company and is found suitable as the sole shareholder of Bally Gaming, Inc.

6. THAT Bally Gaming, Inc., dba Bally Technologies, 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, subject to such conditions or limitations as may be imposed by the Commission.

7. THAT Scientific Games Corporation 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 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, dated November 21, 2014, ("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

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 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.

8. THAT Bally Technologies, 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 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 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.

9. THAT Scientific Games Corporation 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 Technologies, Inc. to Deutsche Bank Trust Company Americas, as Collateral Agent, in conjunction with 5.0% Senior Secured Notes due 2025 ("5.0% Senior Secured Notes"), and 3.375% Senior Secured Notes due 2026 ("3.375% Senior Secured Notes"), provided that:

a. This approval is pursuant to the Collateral Agreement with Deutsche Bank Trust Company Americas dated October 17, 2017, (“5.0% Senior Secured Notes Pledge Agreement”), and the Collateral Agreement with Deutsche Bank Trust Company Americas dated February 14, 2018, (“3.375% Senior Secured Notes 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 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 Bally Technologies, Inc. evidencing said pledges 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

10. THAT Bally Technologies, 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 5.0% Senior Secured Notes and 3.375 Senior Secured Notes, provided that:

a. This approval is pursuant to the 5.0% Senior Secured Notes Pledge Agreement and the 3.375% Senior Secured Notes 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 Bally Gaming, Inc. evidencing said pledges 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.

11. THAT the Bank of America Pledge Agreement, the 5.0% Senior Secured Notes Pledge Agreement and the 3.375% Senior Secured Notes Pledge Agreement shall not be amended without the prior administrative approval of the Chairperson of the Board or his/her designee. Such administrative approval may not be granted regarding amendments to the Bank of America Pledge Agreement, the 5.0% Senior Secured Notes Pledge Agreement or the 3.375% Senior Secured Notes Pledge Agreement that increase or change the stock that is the subject of the pledge, or that change the identity of the Collateral Agent.

12. 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, and any amendments thereto, shall be administratively reviewed and approved by the Chairperson of the Board or his/her designee, and the members of the compliance committee, one such member who shall be independent and knowledgeable of the Act and Regulations, shall be administratively acknowledged by the Chairperson of the Board or his/her designee. Scientific Games Corporation, shall amend the gaming compliance program, or any element thereof, and perform such duties as may be assigned by the Chairperson of the Board or his/her designee, related to a review of activities relevant to the continuing qualification of Scientific Games Corporation, under the provisions of the Act and Regulations.

13. 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.

14. 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.

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

16. 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 17<sup>th</sup> day of May 2018.