

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

APPLICATION OF MORGAN STANLEY FOR A
WAIVER OF NRS 463.643(4) PURSUANT TO NGC
REGULATIONS 16.010(14) AND 16.430

ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on July 9, 2008, and before the Nevada Gaming Commission (“Commission”) on July 24, 2008, 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 application, as amended and supplemented, of Morgan Stanley for a waiver of NRS 463.643(4) as an institutional investor pursuant to NGC Regulations 16.010(14) and 16.430, has been filed.

2. THAT the application of Morgan Stanley for a waiver of NGC Regulation 4.080(1), pursuant to NGC Regulation 4.080(3), has been filed.

3. THAT the application of Morgan Stanley described herein has been filed on the basis that it is neither a commitment nor an admission of any present intent to purchase the securities of the companies for which a waiver has been requested.

4. THAT Morgan Stanley is hereby granted, for a period of two (2) years from the effective date of this Order, a waiver of the provisions of NRS 463.643(4), pursuant to NGC

Regulations 16.010(14) and 16.430, to beneficially own not more than fifteen percent (15%), unless in accordance with NGC Regulation 16.430(2), of the total number of outstanding shares of voting securities of publicly traded corporations registered with the Commission of which the equity securities are publicly available for resale (singularly, "Corporation," collectively, "Corporations"). It is provided, however, that the foregoing waiver is expressly conditioned as follows:

- a. The waiver may only be utilized for, and is limited to, Morgan Stanley's investment in the voting securities of the Corporations;
- b. The waiver may only be used by Morgan Stanley on behalf of its investment advisory affiliates, including: Morgan Stanley Investment Management Inc., Morgan Stanley Investment Advisors Inc., Van Kampen Asset Management, Van Kampen Advisors Inc., Morgan Stanley Investment Management Ltd., Morgan Stanley AIP GP LP, Morgan Stanley Alternative Investment Partners LP, Morgan Stanley Asset & Investment Trust Management Co., Ltd, Morgan Stanley Investment Management Private Ltd, Morgan Stanley Hedge Fund Partners and FrontPoint Partners (together the ("Affiliated Advisors") which together may beneficially own, subject to the terms and conditions of this Order, greater than ten percent (10%) but not more than fifteen percent (15%) of the total outstanding shares of voting securities of any of the Corporations. An Affiliated Advisor shall be a direct or indirect subsidiary company that is controlled by Morgan Stanley and that operates as an institutional investor as defined by NGC Regulation 16.010(14)(a)-(h). An Affiliated Advisor shall not include any operating unit, subsidiary or affiliate of Morgan Stanley whose beneficial ownership of securities is disaggregated from that of the Affiliated Advisors in accordance with Section 13 of the Securities Act of 1934 and applicable rules and regulatory interpretations thereunder. For purposes of this Paragraph (4)(b), additional entities controlled by Morgan Stanley may be added as an Affiliated Advisor upon administrative approval of the Chairman of the Board or his designee.

c. Morgan Stanley, on behalf of its Affiliated Advisors, must submit to the Board by the tenth (10) business day of each month for the preceding thirty (30) day period a listing of the percentage of all voting securities held by Morgan Stanley and its Affiliated Advisors, based on the most current information available, of each Corporation in a form approved by the Chairman of the Board or his designee, the confidentiality of which shall be maintained by the Board and Commission pursuant to NRS 463.120;

d. Morgan Stanley, on behalf of its Affiliated Advisors, must submit the following information to the Board within thirty (30) calendar days after the end of each calendar quarter, for each Corporation in which Morgan Stanley and the Affiliated Advisors owns ten percent (10%) or more, the confidentiality of which shall be maintained by the Board and Commission pursuant to NRS 463.120:

(1) A certification, made under oath and under the penalty of perjury, containing the following:

(a) A statement attesting that Morgan Stanley and its Affiliated Advisors holds and/or has held the voting securities of each Corporation for investment purposes only and in the ordinary course of business as an institutional investor and not for the purpose of (i) causing, directly or indirectly, the election of the members of the board of directors, or (ii) affecting any change in the corporate charter, bylaws, management, policies or operations of the publicly traded corporation or any of its affiliates,

(b) A statement that Morgan Stanley and its Affiliated Advisors has not exceeded the provisions of NGC Regulation 16.430(2)(a) - (e), which enumerates certain activities that are deemed to be consistent with Morgan Stanley's holding voting securities for investment purposes only,

(c) The name, title and telephone number of the person(s) having direct control over Morgan Stanley's and its Affiliated Advisors holdings of voting securities in each Corporation,

(d) The name, title and telephone number of the persons serving on the Board of Directors of Morgan Stanley,

(e) A statement of all complaints, arrests, indictments or convictions of any officer or director of Morgan Stanley and its Affiliated Advisors regarding the rules and regulations of the Securities and Exchange Commission and any regulatory agency of any State where it conducts business, or any offense which would constitute a gross misdemeanor or felony if committed in the State of Nevada. The name, position, charge, arresting agency, and a brief description of the event must also be included in the statement,

(f) A statement indicating any change to the structure and/or operations of Morgan Stanley and its Affiliated Advisors which could affect its classification as an Institutional Investor as defined by NGC Regulation 16.010(14),

(g) A statement by the signatory of the certification that he/she has the authority to sign the certification and to bind Morgan Stanley to the contents therein,

(h) A disclosure of all criminal or regulatory sanctions, fines levied in the amount of \$100,000 or greater, court proceedings or investigations being conducted by any regulatory agency or court regarding Morgan Stanley, its Affiliated Advisors, or any of its direct or indirect subsidiaries during the relevant quarter, that are known to Morgan Stanley or its employees.

5. THAT, within 60 days of the date of this Order, Morgan Stanley and its Affiliated Advisors shall establish and maintain gaming compliance policies and procedures ("Program") to implement and ensure their compliance with the Nevada Gaming Control Act (the "Act"), the regulations promulgated thereunder (the "Regulations"), and this Order. Such time period may be extended upon administrative approval of the Chairman of the Board or his designee. The Program, and any amendments thereto, shall be administratively approved by the Chairman of the Board or his designee. The Program, as it relates to the applicable requirements of the Act

and the Regulations, shall be amended at the request of the Chairman of the Board or his designee.

6. THAT Morgan Stanley shall fund and maintain with the Board a revolving fund in the total amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the terms and provisions of this Order or any other Orders relating to waivers of NRS 463.643(4), pursuant to NGC Regulation 16.430. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of the 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 Morgan Stanley and its affiliated entities.

7. THAT Morgan Stanley is hereby granted, for a period of two (2) years from the effective date of this Order, a waiver of the provisions of NGC Regulation 4.080(1), pursuant to NGC Regulation 4.080(3), specifically and only as it relates to the waivers of NRS 463.643(4) granted to Morgan Stanley, pursuant to NGC Regulation 16.430, as beneficial owners of the voting securities of Corporations registered with the Commission.

8. The Commission hereby expressly finds that the waivers herein granted are consistent with the State policies set forth in NRS 463.0129, 463.489, and 463.622 and the standards set forth in NGC Regulation 16.060.

ENTERED at Las Vegas, Nevada, this 24th day of July 2008.