

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

PENN NATIONAL GAMING, INC.

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

ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on June 2, 2010, and before the Nevada Gaming Commission (“Commission”) on June 17, 2010, in 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, have been filed:
  - a. The applications of Penn National Gaming, Inc. for (i) registration as a publicly traded corporation and (ii) a finding of suitability as the sole shareholder of Delvest Corp.,
  - b. The applications of Delvest Corp. for (i) registration as an intermediary company and (ii) a finding of suitability as the sole shareholder of Nevada Gaming Ventures, Inc., and
  - c. The applications of Nevada Gaming Ventures, Inc. for (i) registration as an intermediary company, (ii) licensure as a shareholder of Morris Goldstein & Associates, Ltd., (iii) approval to place restrictions upon the transfer of, and to enter into agreements not to

encumber, the equity securities of Morris Goldstein & Associates, Ltd. in conjunction with a stock purchase agreement dated May 20, 2009, and (iv) approval to grant an option to Morris Goldstein & Associates, Ltd. in conjunction with a stock purchase agreement dated May 20, 2009.

2. THAT Penn National Gaming, Inc. is registered as a publicly traded corporation and is found suitable as the sole shareholder of Delvest Corp.

3. THAT Delvest Corp. is registered as an intermediary company and is found suitable as the sole shareholder of Nevada Gaming Ventures, Inc.

4. THAT Nevada Gaming Ventures, Inc. is registered as an intermediary company, is licensed as a shareholder of Morris Goldstein & Associates, Ltd., is granted approval to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Morris Goldstein & Associates, Ltd. in conjunction with a stock purchase agreement dated May 20, 2009, and is approved to grant an option to Morris Goldstein & Associates, Ltd. in conjunction with a stock purchase agreement dated May 20, 2009.

5. THAT Morris Goldstein & Associates, Ltd., dba Nevada Slots & Supplies is licensed as a manufacturer and distributor, subject to such conditions or limitations as may be imposed by the Commission.

6. THAT Penn National Gaming, Inc., shall establish and maintain a Gaming Compliance Plan ("Plan") for the purpose of, at a minimum, reviewing Penn National Gaming, Inc.'s gaming operations, and to review and ensure compliance by Penn National Gaming, Inc., and 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 jurisdiction in which Penn National Gaming, Inc., its subsidiaries and any affiliated entities are involved in gaming operations. Further, the Plan shall require the reporting of any incidents, occurrences, or events that, while they may be related to the non-

gaming activities of other subsidiaries and/or affiliates of Penn National Gaming, Inc., could reflect or tend to reflect discredit or disrepute upon the State of Nevada or gaming in the State of Nevada. The Plan, any amendments thereto, and the members of the gaming compliance committee, one such member who shall be knowledgeable of the Act and Regulations, shall be administratively reviewed and approved by the Chairman of the Board or his designee. Penn National Gaming, Inc., shall amend the Plan, or any element thereof, and perform such duties as may be requested or assigned by the Chairman of the Board or his designee relating to a review of activities relevant to the continuing qualifications of Penn National Gaming, Inc., under the provisions of the Act and Regulations.

7. THAT Penn National Gaming, Inc. shall fund and maintain with the Board a revolving fund in the amount of \$50,000 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 Penn National Gaming, Inc. and its affiliated companies.

8. THAT, pursuant to NRS 463.625, Penn National Gaming, Inc. is exempted from compliance with NRS 463.585 through 463.615, inclusive, and shall instead comply with NRS 463.635 through 463.645, inclusive.

9. THAT Penn National Gaming, Inc., is exempted from NGC Regulation 15 and shall instead comply with the provisions of NGC Regulation 16.

10. 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 Carson City, Nevada, this 17<sup>th</sup> day of June 2010.