

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

PENN NATIONAL GAMING, INC.

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

FOURTH REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on July 10, 2013, and before the Nevada Gaming Commission (“Commission”) on July 25, 2013, 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 Penn National Gaming, Inc. for (i) approval to merge LV Gaming Ventures, LLC into LVGV, LLC with LVGV, LLC as the surviving company, (ii) a finding of suitability as sole member and manager of Penn Tenant, LLC, (iii) a transfer of its membership interest in LVGV, LLC to Penn Tenant, LLC, and (iv) an amendment to its Order of Registration,
  - b. The application of LV Gaming Ventures, LLC to redeem its Class C membership units from A3 Gaming Investments, LLC,
  - c. The applications of Penn Tenant, LLC for (i) registration as an intermediary company, and (ii) licensure as sole member and manager of LVGV, LLC, and

d. The applications of LVGV, LLC for (i) a nonrestricted gaming license, (ii) licensure as a manufacturer and distributor, and (iii) approval to receive a percentage of gaming revenue from the race book and sports pool operated by Cantor G&W (Nevada), L.P. at The M Resort Spa and Casino.

2. THAT the Third Revised Order of Registration of Penn National Gaming, Inc. dated September 20, 2012, is hereby amended and restated in its entirety by this Fourth Revised Order of Registration.

3. THAT Penn National Gaming, Inc. is registered as a publicly traded corporation and is found suitable as the sole member and manager of Penn Tenant, LLC.

4. THAT Penn Tenant, LLC is registered as an intermediary company and is licensed as the sole member and manager of LVGV, LLC.

5. THAT LVGV, LLC, dba The M Resort Spa and Casino, is licensed as a manufacturer and distributor, is licensed to conduct nonrestricted gaming operations at 12300 Las Vegas Boulevard South, Henderson, and is approved to receive a percentage of gaming revenue from the race book and sports pool operated by Cantor G&W (Nevada), L.P. at The M Resort Spa and Casino, 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.

11. THAT this Fourth Revised Order of Registration shall not become effective until final form execution versions of the Separation and Distribution Agreement, Master Lease Agreement, Tax Matters Agreement, Transition Services Agreement, and Employee Matters

Agreement, have been reviewed and administratively approved by the Chairman of the Board or his designee.

12. THAT this Fourth Revised Order of Registration shall not become effective until the completion and effectiveness of the Separation and Distribution Agreement, Master Lease Agreement, Tax Matters Agreement, Transition Services Agreement, and Employee Matters Agreement. If said Separation and Distribution Agreement, Master Lease Agreement, Tax Matters Agreement, Transition Services Agreement and Employee Matters Agreement are not completed and effective by December 19, 2013, unless administratively extended by the Chairman of the Board or his designee, this Fourth Revised Order of Registration shall be deemed null and void and shall not become effective and the Third Revised Order of Registration of Penn National Gaming, Inc. shall remain effective.

ENTERED in Las Vegas, Nevada, this 25<sup>th</sup> day of July 2013.

FOR THE COMMISSION:

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Peter C. Bernhard, 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