

File No. SD-058

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
THE SANDS REGENT
(Registration)

REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on January 13, 1993, and before the Nevada Gaming Commission ("Commission") on January 28, 1993, 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 application of The Sands Regent for continuous approval to participate in foreign gaming; and
 - b. The application of The Sands Regent for an amendment to its Order of Registration.
2. THAT the Order of Registration of The Sands Regent entered on November 15, 1984, as amended by the Amendment No. 1 to Order of Registration

entered on January 17, 1985, are hereby consolidated and incorporated into, and updated by, this Revised Order of Registration.

3. THAT The Sands Regent is registered as a publicly traded corporation and found suitable as the sole shareholder of Zante, Inc.

4. THAT Zante, Inc., dba The Sands Regency and Mr. C's, is licensed to conduct nonrestricted gaming operations at 345 North Arlington Avenue, Reno.

5. THAT Pete Cladianos, Jr., Pete Cladianos III, Katherine Johnson Latham, John Cladianos, The Trust of Antonia Cladianos II, and Deborah Johnson Lundgren are each found suitable as shareholders of The Sands Regent.

6. THAT except for public offerings subject to NGC Regulations 16.110 or 16.115, any offer for the sale of any equity security shall be void without the prior administrative approval of the Chairman of the Board or his designee. Such approval shall be deemed granted if an application for the same has been filed with the Chairman of the Board for at least 30 days and he has not ordered an extension of time or issued a stop order during such period.

7. THAT the Commission hereby delegates to the Chairman of the Board the authority to issue interlocutory stop orders for good cause pertaining to any equity security subject to paragraph 6 above. Any stop order so issued may be reviewed by the Commission.

8. THAT all equity securities of The Sands Regent issued after November 15, 1984, shall bear a statement which shall be substantially as follows:

"Beneficial owners of the voting securities issued by this corporation are subject to the regulatory provisions of the Nevada Gaming Control Act (NRS 463.010, et seq.) and the regulations of the Nevada Gaming Commission. If at any time the Nevada Gaming Commission finds a beneficial

owner of such securities to be unsuitable to hold such securities, the beneficial owner must dispose of the securities. The laws and gaming regulations of the State of Nevada restrict the rights of a beneficial owner under certain circumstances (i) to receive any dividend or interest upon such securities, or (ii) to exercise directly or indirectly any voting rights conferred by such securities, or (iii) to receive any remuneration in any form from the corporation for services rendered or otherwise."

9. THAT pursuant to NRS 463.625(2), The Sands Regent is hereby exempted from compliance with NRS 463.585(1), (2), (6), and (7), and NRS 463.595 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through 463.645, inclusive.

10. THAT The Sands Regent is hereby exempt from NGC Regulation 15, except for the provisions of NGC Regulations 15.585.3-1, 15.585.3-2 and 15.585.4-1, and shall instead comply with NGC Regulation 16.

11. THAT except as permitted by NRS 463.680, et seq., and the regulations promulgated thereunder, and by paragraphs 12 and 13 herein, neither The Sands Regent, nor any person controlling, controlled by or under common control with The Sands Regent, shall have any involvement with gaming or pari-mutuel wagering outside the State of Nevada without first obtaining the approval of the Commission.

12. THAT The Sands Regent is granted continuous approval to participate in foreign gaming pursuant to NRS 463.680, et seq., and NGC Regulation 4.705, while continuing its gaming operations in the State of Nevada through its affiliated companies.

13. THAT the approval granted in paragraph 12 above is expressly conditioned as follows:

a. The continuous approval expires at midnight on the date of the January 1995 regular Commission meeting.

b. With respect to each foreign gaming operations, The Sands Regent ("Sands") must:

(1) Submit personal background and financial information to the Board for the general manager, casino manager, controller and casino controller involved in foreign gaming operations, if any. The information provided shall include sufficient identification information (e.g., passport number, social security number, date of birth) to enable the Board to conduct a background and financial investigation.

(2) The following information within the knowledge of Sands must be reported to the Board by Sands within 30 days after the end of each quarter regarding the occurrence or absence of the following:

(a) Any change in ownership or control of any interest in any foreign gaming operations.

(b) All gaming-related complaints, disputes, orders to show cause and disciplinary actions instituted, or presided over, by any state, the U.S., or any other foreign governmental jurisdiction concerning any foreign gaming operations.

(c) All arrests made of employees of Sands or its affiliate(s) involving gaming cheating or theft in any foreign jurisdiction. This report must include the name, position, charge, arresting agency, and a brief description of the event.

(d) All arrests or convictions of officers, directors, key employees, and equity owners of Sands or its affiliate(s) in any foreign jurisdiction, regarding offenses which would constitute a gross misdemeanor or felony in the State of Nevada. The report must include the name, position, charge, arresting agency, and a brief description of the event.

c. The approval granted relates solely to the approval which was voluntarily sought and received and does not involve any exercise of Nevada regulatory jurisdiction over the entities pertaining to any foreign gaming operations and activities. No representations shall be made by Sands or its affiliate(s), directly or indirectly, that any foreign gaming operations are within the regulatory control of the State of Nevada or any agency thereof.

d. Sands must maintain at an office in Nevada, designated to the Board, detailed records and records of ownership pertaining to any foreign gaming operations. Specifically, copies of the following documents or equivalent documents for the business entities responsible for any foreign gaming operations, must be maintained:

(1) Articles of incorporation, partnership, management or joint venture agreements, and any amendments.

(2) Bylaws and amendments.

(3) A list of current and former partners, officers and directors, and any changes thereto.

(4) Any minutes of meetings of partners, stockholders and directors.

(5) A listing of each partner's or stockholder's name, address, available personal identification information, number of shares or

interests held, and the date such shares or interests were acquired.

(6) A record of all transfers of stock or other interests.

(7) A record of all amounts paid to any foreign gaming operations related to stock issuances, capital contributions and loans.

Such records of accounting and ownership must be maintained by Sands within Nevada for at least five years after they are made and must be made available for inspection to agents of the Board immediately upon request.

e. Sands shall comply with any additional reporting or other requirements or conditions which may be imposed by the Board or which are required by NGC Regulation 4.705.

f. This approval does not apply in jurisdictions where it is not possible to conduct or investigate foreign gaming operations because of:

(i) prohibitions by the President of the United States pursuant to the International Emergency Economic Powers Act, 50 U.S.C. 1702-1706;

(ii) the Foreign Assets Control Regulations, 31, C.F.R. 500.101-565.901; and

(iii) restrictions on travel of holders of United States passports.


14. THAT The Sands Regent shall fund and maintain with the Board a revolving fund in the amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the terms and provisions of this Revised Order of Registration. 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, including public

offerings, of The Sands Regent and Zante, Inc., and their affiliated companies.

15. THAT the Commission expressly finds that the exemptions hereinabove granted are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED at Las Vegas, Nevada, this 28th day of January, 1993.

FOR THE COMMISSION:

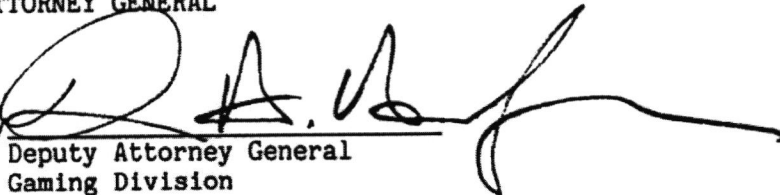

Bill Curran, Chairman

Submitted by:


P. Gregory Giordano, Chief
Corporate Securities Division

APPROVED AS TO FORM:

FRANKIE SUE DEL PAPA
ATTORNEY GENERAL

By 
Deputy Attorney General
Gaming Division