

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

Z CAPITAL PARTNERS, L.L.C.

ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on December 5, 2012, at Carson City, Nevada, and before the Nevada Gaming Commission (“Commission”) on December 20, 2012, 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 Z Capital Partners, L.L.C., Zenni Holdings LLC and James Joseph Zenni for a finding of suitability as a beneficial owner of Affinity Gaming, LLC (PTC).

2. THAT Z Capital Partners, L.L.C., Zenni Holdings LLC and James Joseph Zenni are each found suitable, pursuant to NRS 463.643 and NGC Regulation 16.400, as a beneficial owner of Affinity Gaming, LLC, subject to the following conditions:

a. The approvals granted herein shall not be construed as a waiver of or exemption from the prior approval requirements of Regulation 16.200, and prior Commission

approval must be obtained if the acquisition of additional securities of Affinity Gaming, LLC would give Z Capital Partners, L.L.C., Zenni Holdings LLC and/or James Joseph Zenni, directly or indirectly, the power to direct or cause the direction of the management and policies of Affinity Gaming, LLC,

b. Commission approval shall be obtained prior to any person or entity becoming a manager, or replacing James Joseph Zenni as the manager of Zenni Holdings LLC,

c. Commission approval shall be obtained prior to any person or entity becoming a managing member, or replacing Zenni Holdings LLC as the managing member of Z Capital Partners, L.L.C.,

d. Commission approval shall be obtained prior to any person or entity becoming a general partner, or replacing Z Capital Partners, L.L.C. as the general partner of Z Capital Special Situations Adviser, L.P.,

e. Commission approval shall be obtained prior to any person or entity becoming a managing member, or replacing Z Capital Partners, L.L.C. as the managing member of Z Capital Special Situations UGP, L.L.C.,

f. James Joseph Zenni shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect membership interest in Zenni Holdings LLC held by him, or any other security held by him that is convertible or exchangeable into a membership interest in Zenni Holdings LLC,

g. Zenni Holdings LLC and Zenni Family GST Trust shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect membership interest in Z Capital Partners, L.L.C. held by them, or any other security held by them that is convertible or exchangeable into a membership interest in Z Capital Partners, L.L.C.,

h. Z Capital Partners, L.L.C. shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect

membership interest in Z Capital Special Situations UGP, L.L.C. held by it, or any other security held by it that is convertible or exchangeable into a membership interest in Z Capital Special Situations UGP, L.L.C.,

i. Z Capital Partners, L.L.C. and Z1 Holdings, L.L.C. shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect partnership interests in Z Capital Special Situations Adviser, L.P. held by them, or any other security held by them that is convertible or exchangeable into a partnership interests in Z Capital Special Situations Adviser, L.P.,

j. Z Capital Partners, L.L.C. and Zenni Holdings LLC, shall, within 30 days of such change, report to the Board the addition of any new member. Such report shall include the name, date of birth, social security number and any other such information as the Board may require on the new member. If the new member is an entity rather than a natural person, such report shall include the names, dates of birth, social security numbers and any other such information as the Board may require on the officers and directors of the new member, and, if applicable, any person holding, directly or indirectly, more than five percent (5%) voting or economic interest in the prospective member. The Commission may require, upon the recommendation of the Board, any member of Z Capital Partners, L.L.C. or Zenni Holdings LLC to file an application for licensure or a finding of suitability. The failure of such member to file an application may be grounds for a finding of unsuitability and subject the member to mandatory divestiture of the relevant interest, and

k. Z Capital Partners, L.L.C. and/or Zenni Holdings LLC shall, within thirty (30) days of the end of the calendar quarter, provide to the Board the following:

(i) A list of all holders of all classes of securities of Z Capital Partners, L.L.C. and Zenni Holdings LLC, including, but not limited to, common stock, membership interests, partnership interests, or other such securities,

(ii) 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 Z Capital Partners, L.L.C., Zenni Holdings LLC or any of their direct or indirect subsidiaries during the relevant quarter, that are known to Z Capital Partners, L.L.C., Zenni Holdings LLC or their employees,

(iii) A statement of all complaints, arrests, indictments or convictions of any member, manager, officer or director of Z Capital Partners, L.L.C. or Zenni Holdings LLC regarding the rules and regulations of the Securities and Exchange Commission and any regulatory agency of any State where they 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,

(iv) A listing of the percentage of all voting securities of Affinity Gaming, LLC beneficially owned by James Joseph Zenni, Z Capital Partners, L.L.C., Zenni Holdings LLC or any of their subsidiaries or affiliates as of the last business day of such quarter and based on the most current information then available,

(v) A detailed description of any change to the structure and/or operations of Z Capital Partners, L.L.C., Zenni Holdings LLC or their affiliates or subsidiaries which would affect James Joseph Zenni's ability to control Z Capital Partners, L.L.C., Zenni Holdings LLC or their subsidiaries or affiliates.

3. THAT Z Capital Partners, L.L.C. shall fund and maintain with the Board a revolving fund in the amount of \$25,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order and any amendments hereto. 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 Z Capital Partners, L.L.C. and its affiliated companies.

4. THAT the Commission hereby expressly finds that the exemptions or conditions herein are consistent with the State policy set forth in NRS 463.0129 and 463.489.

ENTERED at Las Vegas, Nevada, this 20th day of December 2012.