

1 BEFORE THE NEVADA GAMING COMMISSION AND THE
2 STATE GAMING CONTROL BOARD

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4 _____
5 In the Matter of
6 AITS, INC.
7 (Registration)
8 _____

SECURITIES DIVISION
OCT 12 1973
G.C.B. CARSON CITY

9
10 ORDER OF REGISTRATION

11 THIS MATTER came on regularly for hearing before the State
12 Gaming Control Board on September 19, 1973 at Carson City and
13 before the Nevada Gaming Commission on September 27, 1973; and

14 THE APPLICANT having appeared, submitted evidence, and made
15 arguments; and

16 NO PERSON having appeared in opposition to the granting of
17 the Application; and

18 ON THE BASIS of information currently on file with the Board
19 and Commission;

20 IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION
21 UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL
22 BOARD:

23 1. THAT the Applications of AITS, INC. and SFZ CORPORATION,
24 as supplemented and amended, be, and they hereby are, accepted
25 as filed.

26 2. THAT AITS, INC. be, and it hereby is, found suitable to be
27 the sole stockholder of SFZ CORPORATION.

28 3. THAT SFZ CORPORATION be, and it hereby is, found suitable
29 to be the sole stockholder of HOTEL RIVIERA, INC., a registered
30 Corporate Licensee.

31 4. THAT AITS, INC. be, and it hereby is, registered as a
32 Publicly Traded Corporation.

1 5. THAT, except as set forth in paragraphs 6 and 7 hereof,
2 AITS, INC. be, and it hereby is, exempted from compliance with
3 NRS 463.585 to NRS 463.615 and Regulation 15 and ordered and
4 permitted instead to comply with NRS 463.635 to NRS 463.641 and
5 Regulation 16.

6 6. THAT Mr. Meshulam Riklis and Mr. Isidore A. Becker be,
7 and they hereby are, found to be Controlling Stockholders of
8 AITS, INC. Regs. 15.585.7-2 shall apply with respect to any
9 transfer or disposition of any or all securities issued by
10 AITS, INC. which are now or hereafter may be beneficially owned
11 by Mr. Meshulam Riklis, or by Mr. Isidore A. Becker, or by both
12 of them; provided, however, that nothing contained in Regs.
13 15.585.7-2 or in this Order of Registration shall be construed
14 as prohibiting either Mr. Meshulam Riklis, or Mr. Isidore A.
15 Becker, or both of them, from acquiring additional securities
16 issued by AITS, INC., whether such acquisition be by purchase,
17 gift, inheritance, or by the exercise of options, warrants or
18 conversion rights. Any subsequent transfer or other disposition
19 of any or all such after acquired securities shall be fully
20 subject to Regs. 15.585.7-2.

21 7. THAT SFZ CORPORATION be, and it hereby is, registered as
22 a Holding Company of HOTEL RIVIERA, INC.

23 8. THAT SFZ CORPORATION be, and it hereby is, granted
24 approval on or before April 2, 1974 to acquire the business,
25 assets, properties and gaming operations of HOTEL RIVIERA, INC.
26 by liquidation and distribution, or by purchase, or by merger;
27 provided, however, that SFZ CORPORATION shall assume all liabilities
28 of HOTEL RIVIERA, INC. as of the effective date of acquisition
29 (subject to the right of SFZ CORPORATION to contest in good faith
30 the validity or amount of any such assumed liability as against
31 third parties); and, provided further, that all instruments,
32 accounts, and receivables payable to HOTEL RIVIERA, INC., or

1 order, the payment or collection of which would impose liability
2 upon HOTEL RIVIERA, INC. pursuant to NRS 463.370 but for such
3 acquisition and assumption, shall be reported by SFZ CORPORATION
4 as gross revenue for the purposes of NRS 463.370 and the license
5 fee paid thereon when said instruments, accounts and receivables
6 are paid or collected.

7 9. THAT SFZ CORPORATION be, and it hereby is, granted
8 approval to change its name to "Hotel Riviera, Inc." or any name
9 similar thereto to the extent, and at the time, permitted by
10 Chapter 78 of NRS.

11 10. THAT, upon the effective date of the acquisition
12 authorized in paragraph 8 hereof, SFZ CORPORATION shall cease
13 to be registered as the Holding Company of HOTEL RIVIERA, INC.
14 and, instead thereof, SFZ CORPORATION shall be registered and
15 licensed as a Corporate Licensee with respect to the business,
16 assets, properties, and gaming operations of HOTEL RIVIERA as
17 they shall exist immediately prior to said acquisition.

18 11. THAT neither AITS, INC., nor any person controlling,
19 controlled by, or under common control with, AITS, INC. shall
20 continue to be, or hereafter become, involved with foreign
21 gaming in violation of Regs. 3.060 without first obtaining an
22 approval therefor in accordance with Regs. 3.060.

23 12. THAT, in order to facilitate the enforcement of
24 paragraph 6 of this Order of Registration, AITS, INC. shall,
25 within thirty (30) days from the date hereof, file a post-
26 effective amendment to the Application showing:

- 27 (a) that all certificates or other evidences
28 of securities, the transfer or disposition
29 of which are subject to paragraph 6 hereof,
30 have been conspicuously legended in
31 accordance with paragraph 6 hereof;
32 (b) appropriate "stop transfer" instructions

1 have been given to, and received by, the
2 transfer agent or agents of AITS, INC. ;
3 and
4 (c) the unqualified consent of Mr. Meshulam
5 Riklis and Mr. Isidore A. Becker to
6 paragraph 6 hereof.

7 13. THAT, in order to facilitate the enforcement of
8 paragraph 11 of this Order of Registration, AITS, INC. shall
9 immediately discontinue all gaming operations conducted on
10 board the "T.S.S. Mardi Gras" and report the fact of, and
11 nature of, such discontinuance to the Board by post-effective
12 amendment to the Application.

13 14. THAT AITS, INC. shall notify the Board and Commission
14 by post-effective amendment of the change of name and the
15 acquisition and assumption for which approvals are granted in
16 paragraphs 8 and 9 hereof.

17 15. THAT the several individual controlling stockholders,
18 directors, and officers of AITS, INC. as set forth in the
19 applications currently on file with the Board and Commission
20 be, and they hereby are, found suitable individually in the
21 capacities set forth.

22 DATED at Las Vegas this 27th day of September, 1973.

23 FOR THE COMMISSION:

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25 
26 EDWARD E. BOWERS
 Executive Secretary

27 SERVICE BY COPY of the foregoing is admitted this 3rd day
28 of October, 1973.

29 LIONEL, SAWYER, COLLINS
30 & WARTMAN

31 BY 
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