

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
BALLY ENTERTAINMENT CORPORATION
and
BALLY'S CASINO HOLDINGS, INC.
(Registration)

EIGHTH REVISED ORDERS OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on July 12, 1995, and before the Nevada Gaming Commission ("Commission") on July 27, 1995, 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 applications of Bally Entertainment Corporation, as amended and supplemented, for clarification and/or amendment to the Bally Entertainment Corporation and Bally's Casino Holdings, Inc. Seventh Orders of Registration and a waiver of NGC Regulation 4.080, has been filed in regards to the following matters approved by the Commission March 30, 1995:

a. Transfer of the stock of Bally's Sub, Inc. to Bally's Intermediate Sub, Inc.

b. The cancellation of stock of Bally's Intermediate Sub No. 1, Inc., Bally's Intermediate Sub No. 2, Inc., Bally's Intermediate Sub No. 3, Inc., Bally's Intermediate Sub No. 4, Inc., Bally's Intermediate Sub No. 5, Inc. and Bally's Intermediate Sub No. 6, Inc.; and

c. A finding of suitability of Bally's Intermediate Sub, Inc. as the sole stockholder of Bally's Sub, Inc.

2. THAT, subject to the provisions of paragraph 19, Bally Entertainment Corporation is granted a waiver of NGC Regulation 4.080 for the transactions described in paragraph 1, and the Sixth and Seventh Revised Orders of Registration of Bally Entertainment Corporation and Bally's Casino Holdings, Inc., dated August 25, 1994, and March 30, 1995, respectively, are hereby amended and restated, in their entirety, by these Eighth Revised Orders of Registration.

3. THAT Bally Entertainment Corporation is registered as a publicly traded corporation and is found suitable as the sole stockholder of Bally's Casino, Inc. common stock.

4. THAT Arthur M. Goldberg is found suitable as the sole stockholder of Bally's Casino, Inc. preferred stock.

5. THAT Bally Entertainment Corporation is granted approval, pursuant to NGC Regulation 16.200, to acquire control of Bally's Grand, Inc.

6. THAT, pursuant to NGC Regulations 15.585.7-1 and 15.585.7-2, the transfer of the stock of Bally's Sub, Inc. to Bally's Intermediate Sub, Inc. is hereby approved.

7. THAT, pursuant to NGC Regulations 15.585.7-1 and 15.585.7-2, the cancellation of stock of the following corporations is hereby approved:

Bally's Intermediate Sub No. 1, Inc.; Bally's Intermediate Sub No. 2, Inc.;
Bally's Intermediate Sub No. 3, Inc.; Bally's Intermediate Sub No. 4, Inc.;
Bally's Intermediate Sub No. 5, Inc.; and Bally's Intermediate Sub No. 6, Inc.

8. THAT Bally's Casino, Inc. is registered as an intermediary company and is found suitable as the sole stockholder of Bally's Intermediate Sub, Inc.

9. THAT Bally's Intermediate Sub, Inc. is registered as an intermediary company and is found suitable as the sole stockholder of Bally's Sub, Inc.

10. THAT Bally's Sub, Inc. is registered as an intermediary company and is found suitable as the sole stockholder of Bally's Casino Holdings, Inc.

11. That Bally's Casino Holdings, Inc. is registered as a publicly traded corporation and is found suitable to be the sole stockholder of Bally's Grand Management Co., Inc., and Bally's CHLV, Inc.

12. THAT Bally's CHLV, Inc. is found suitable, pursuant to NRS 463.643, to beneficially own more than 10% of the voting securities of Bally's Grand, Inc.

13. THAT the registration of Bally Entertainment Corporation as a publicly traded corporation, set forth in paragraph 3 hereinabove, is expressly conditioned as follows:

a. Bally Entertainment Corporation shall have an outside director on its Board of Directors who possesses demonstrated expertise and experience concerning Nevada gaming laws and regulations.

b. Bally Entertainment Corporation shall at all times maintain in full force and effect an Internal Reporting System in a form and substance satisfactory to the Board:

(i) The Internal Reporting System shall be administered by a Compliance Committee which shall include at least one independent outside director. The composition of the Compliance Committee shall be subject to the administrative approval of the Board.

(ii) The record keeping and reporting requirements of the Internal Reporting System shall be maintained in a fashion satisfactory to the Board.

(iii) Bally Entertainment Corporation shall make such amendments to the Internal Reporting System as may be required by the Board and may make such other amendments to the Internal Reporting System as may be permitted upon the prior administrative approval of the Board.

(iv) The Commission hereby delegates to the Chairman of the Board the authority to administratively approve amendments to the Internal Reporting System.

c. Bally Entertainment Corporation shall furnish the Board with copies of the minutes of all meetings of the Board of Directors of Bally Entertainment Corporation and the Executive Committee thereof, within 45 days after such meeting.

14. THAT Bally Entertainment Corporation 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 these Seventh Revised Orders 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 of Bally Entertainment Corporation, its direct or indirect subsidiaries and its affiliated companies.

15. THAT, pursuant to NRS 463.625, Bally Entertainment Corporation is exempted from compliance with NRS 463.585(1), (2), (5), (6) and (7), and NRS 463.595 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through NRS 463.645, inclusive.

16. THAT, pursuant to NRS 463.625, Bally's Casino Holdings, Inc. is 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 NRS 463.645, inclusive.

17. THAT Bally Entertainment Corporation is exempted from NGC Regulation 15, except for the provisions of NGC Regulation 15.585.3-1, 15.585.3-2 and 15.585.4-1, and shall instead comply with the provisions of NGC Regulation 16, provided that, Bally Entertainment Corporation, through its direct or indirect subsidiaries, shall not sell or transfer beneficial ownership of any equity securities of Bally's Casino Holdings, Inc. without the prior approval of the Commission.


18. THAT Bally's Casino Holdings, Inc. is hereby exempted from compliance with 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 the provisions of NGC Regulation 16, provided that, Bally Entertainment Corporation, through its direct or indirect subsidiaries, shall not sell or transfer beneficial ownership of any equity securities of Bally's Casino Holdings, Inc. without the prior approval of the Commission.

19. THAT these Eighth Revised Orders of Registration shall become effective upon the completion and effectiveness of the transactions described in subsections 1(a) - (c), inclusive. If such transactions are not completed and effective by March 31, 1996, unless administratively extended by the Chairman of the Board or his designee, then these Eighth and Seventh Revised Orders of Registration shall be rendered null and void and shall not become effective and the Sixth Revised Orders of Registration shall be effective.


20. THAT the Commission hereby expressly finds that the exemptions hereinabove granted to Bally Entertainment Corporation and Bally's Casino Holdings, Inc. are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED at Las Vegas, Nevada, this 27th day of July 1995.

FOR THE COMMISSION:

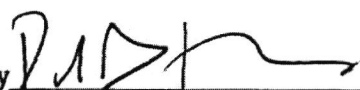

Bill Curran, Chairman

Submitted by:


Dennis K. Neilander, Chief
Corporate Securities Division

APPROVED AS TO FORM:

FRANKIE SUE DEL PAPA
ATTORNEY GENERAL

By 
Deputy Attorney General
Gaming Division