

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
ADVANCED PATENT TECHNOLOGY, INC.
(Registration)

RECEIVED/FILED
Nevada Gaming Commission

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AMENDMENT NO. 1 TO ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board at Carson City, Nevada on October 15, 1980 and October 23, 1980, and at Las Vegas, Nevada on October 30, 1980; and before the Nevada Gaming Commission at Las Vegas, Nevada on October 30, 1980; and

THE APPLICANT having presented evidence in support of its application; and

THE BOARD AND COMMISSION having considered the report of the Investigations Division and the evidence presented by the applicant;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION:

1. THAT the following applications, as amended and supplemented, be, and they hereby are accepted as filed:

(a) the application of Advanced Patent Technology, Inc. to amend its Order of Registration and to

be found suitable as the sole stockholder of APT Resorts, Inc., a Nevada corporation.

(b) the application of APT Resorts, Inc., to be registered as an intermediary holding company and to be found suitable as the sole stockholder of APT Casinos, Inc., a corporate gaming licensee.

(c) the application of APT Casinos, Inc., dba Colorado Belle Casino & Restaurant, in Laughlin, Nevada, for a nonrestricted gaming license.

2. THAT this Commission's Order of Registration of Advanced Patent Technology, Inc. dated January 24, 1980 be, and it hereby is, rescinded.

3. In substitution therefor, that Advanced Patent Technology, Inc. is hereby registered as a publicly traded corporation and is found suitable to be the sole stockholder of APT Games, Inc. and APT Resorts, Inc.

4. THAT the following individual of Advanced Patent Technology, Inc. is found suitable in the capacities indicated:

W. Donald Hamilton	President, Treasurer and Director
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5. THAT APT Games, Inc., a wholly owned subsidiary of Advanced Patent Technology, Inc., be, and it hereby is, registered as an intermediary holding company to be the sole stockholder of United Coin Machine Company, a corporate gaming licensee and a licensed distributor and manufacturer of gaming devices, and APT Coin Machines, Inc.,

a corporate gaming licensee and a nonrestricted slot machine route operator, and that the following individual, of APT Games, Inc., is found suitable in the capacities indicated:

W. Donald Hamilton President, Secretary
and Director

6. THAT United Coin Machine Company, a wholly owned subsidiary of APT Games, Inc., be, and it hereby is, licensed as a nonrestricted slot machine operator, and as a distributor and manufacturer of gaming devices and that the following individual is licensed in the capacity indicated:

W. Donald Hamilton Director

7. THAT APT Coin Machines, Inc., a wholly owned subsidiary of APT Games, Inc., be, and it hereby is, licensed as a nonrestricted slot machine route operator, and the following individuals are licensed in the capacities indicated:

W. Donald Hamilton President, Secretary,
Treasurer and Director

William Power 10% of Profits

8. THAT APT Resorts, Inc., a wholly owned subsidiary of Advanced Patent Technology, Inc., be, and it hereby is, registered as an intermediary holding company to be the sole stockholder of APT Casinos, Inc., a corporate gaming licensee, and that the following individual is found suitable in the capacities indicated:

W. Donald Hamilton President, Secretary,
Treasurer and Director

9. THAT APT Casinos, Inc., a wholly owned subsidiary of APT Resorts, Inc., be, and it hereby is, granted a

"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."

(b) That Advanced Patent Technology, Inc., APT Games, Inc., United Coin Machine Company, APT Coin Machines, Inc., APT Resorts, Inc., APT Casinos, Inc., or any person affiliated with the aforementioned companies, shall not conduct any business with any person who has been found unsuitable for a gaming license, or with any business entity or affiliate thereof controlling, controlled by, or under common control with any person who has been found unsuitable after notice has been given by the Board or Commission of such unsuitability. Furthermore, that Advanced Patent Technology, Inc., APT Games, Inc., United Coin Machine Company, APT Coin Machines, Inc., APT Resorts, Inc., APT Casinos, Inc., or any person affiliated with the aforementioned companies shall not conduct any business with any business entity which employs a person who has been found unsuitable for a gaming license and who exerts a significant influence over or who is materially involved in any portion of the operations of the licensed gaming establishment after notice has been given by the Board or Commission of such involvement

and unsuitability. Without limiting the scope of the foregoing condition, the following transactions between the companies and any person who has been found or who is declared to be unsuitable for licensing by the Commission or any licensed gaming establishment or affiliate thereof as previously stated, after notice as described herein, are expressly prohibited: (i) the sale of any gaming device; (ii) the lease, rental, or loan of any gaming device; (iii) the repair or servicing of any gaming device; (iv) the making or receipt of any loans or advances of funds; or (v) the lease of property upon which any gaming is to be conducted.

(c) That Advanced Patent Technology, Inc., APT Games, Inc., and APT Resorts, Inc., shall report each reportable credit as hereinafter defined, to the Board within thirty (30) days after the credit is extended or firmly committed by the creditor.

(1) "Credit" means any financial accommodation extended to, for the benefit of, or for the account of any of the companies. The term includes but is not limited to loans, leases, credit leases, issues of debt, securities, material amendments to existing credit arrangements, financial commitments and lines of credit.

(2) "Reportable Credit" means any credit except (i) a credit which is approved by the Commission in accordance with any other provision of the Gaming Control Act or any other provision of the regulations of the Commission; (ii) a credit which is required or permitted to be reported to the Commission in accordance with any other provision of the Gaming Control Act or any other provision of the regulations of the Commission; (iii) any credit for normally recurring trade-debts incurred in the ordinary course of business upon terms ordinarily extended by the creditor to customers of the creditor; (iv) any credit which does not exceed \$10,000.

(d) That Advanced Patent Technology, Inc., shall fund and maintain with the State Gaming Control Board a cash deposit in the amount of \$5,000, for the purpose of funding investigative reviews by the Board for compliance with the terms of this 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 of United Coin Machine Company, APT Coin Machines, Inc., APT Casinos, Inc., and their affiliated companies which relate to the terms of this Order of Registration.

(e) That any offer for the sale of securities as defined in Reg. 15.482-8, by any affiliated company of United Coin Machine Company, APT Coin Machines, Inc., or APT Casinos, Inc., either by a public offering, private placement, private sale; including granting, extending or modifying options or warrants, shall not become effective without prior approval of the Nevada Gaming Commission.

(f) That any affiliated company of United Coin Machine Company, APT Coin Machines, Inc., or APT Casinos, Inc., shall notify the board within 10 days of entering into any contract, including employment contracts, for which securities of the Company, as defined in Reg. 15.482-8, are all or part of the consideration.

(g) That all of the voting securities of Advanced Patent Technology, Inc. which Jack Solomon now owns or may hereafter acquire shall be placed into a voting trust for a period of not less than 5 years, the remaining terms of which, or any modification thereof, are acceptable to the Gaming Control Board.

(h) That Jack Solomon shall not be an officer or director of Advanced Patent Technology, Inc. or any of its subsidiaries, nor shall he have any involvement with the gaming operations of such companies.

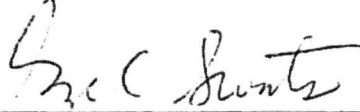
(i) That any employment contract between Jack Solomon and Advanced Patent Technology, Inc. or any of its subsidiaries shall not provide for remuneration in any form, including the issuance of stock, which exceeds a value of two hundred thousand (\$200,000) per year. The remaining terms of any such contract must be approved by the State Gaming Control Board.

14. The Commission hereby expressly finds that the exemptions hereinabove granted are consistent with the State policy setforth in NRS 463.130 and NRS 463.489(2).

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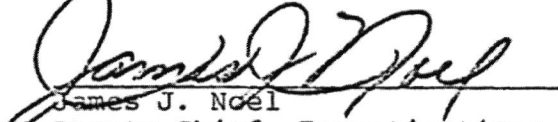
ENTERED at Las Vegas, Nevada, this 30th day of
October, 1980.

FOR THE COMMISSION



George C. Swarts, Vice Chairman


Submitted by:



James J. Noel
Deputy Chief, Investigations
Corporate Securities

APPROVED:

RICHARD BRYAN
Attorney General

By 
Raymond D. Pike
Deputy Attorney General
Chief, Gaming Division