

File No. SD-006

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

In the Matter of  
HILTON HOTELS CORPORATION  
(Registration)

AMENDMENT NO. 3 TO SECOND REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board on August 7, 1991, and before the Nevada Gaming Commission on August 29, 1991, at Carson City, 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 Hilton Hotels Corporation for an amendment to its Order of Registration; for continuous approval to participate in foreign gaming; and for exemptions from NGC Regulations 4.700, 4.710, and 4.715, as amended and supplemented, are hereby accepted as filed.

2. THAT the Second Revised Order of Registration of Hilton Hotels Corporation entered on June 22, 1989, is hereby amended by adding thereto the

following new paragraphs:

"19. THAT Hilton Hotels Corporation is granted continuous approval to participate in foreign gaming and to continue its gaming operations in the State of Nevada through its affiliated companies, Hilton Nevada Corporation, Las Vegas Hilton Corporation, Flamingo Hilton Corporation, Reno Hilton Corporation, and Flamingo Hilton-Laughlin, Inc. Additionally, Hilton Hotels Corporation is hereby exempted from the requirements of NGC Regs. 4.700, 4.710 and 4.715."

"20. THAT the approval and exemptions granted in paragraph 19 above are expressly conditioned as follows:

a. The continuous approval and exemptions expire at midnight on the date of the May 1992 Nevada Gaming Commission meeting.

b. With respect to each foreign gaming operation, the applicant must:

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

(2) The following information must be reported to the Board within 30 days after the end of the quarter during which the event occurred:

(a) Any change in ownership or control of any interest in the foreign operation.

(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 the foreign gaming operation.

(c) All arrests made of employees of the foreign affiliate of the licensee involving gaming cheating or theft in the 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 the licensee's affiliate in the 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 and exemptions granted relate solely to the approval and exemptions which were voluntarily sought and received and do not involve any exercise of Nevada regulatory jurisdiction over the entities pertaining to these operations and activities. No representations shall be made by the applicant directly or indirectly, that the operations are within the regulatory control of the State of Nevada or any agency thereof.

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

(1) Copy of the articles of incorporations and any amendments.

(2) Bylaws and amendments.

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

(4) Minutes of all meetings of stockholders and directors.

(5) A listing of each stockholder's name, address, number of shares held and date shares were acquired.

(6) A record of all transfers of the stock.

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

Such records of accounting and ownership must be maintained by the applicant 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. The applicant shall comply with any additional reporting or other requirements as may be imposed by the Board or which are required by NGC Reg. 4.705.

f. This approval and the exemptions do 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.

3. THAT paragraph 16 of the Second Revised Order of Registration of

Hilton Hotels Corporation entered on June 22, 1989, is hereby rescinded and superseded in its entirety, and the following language is substituted in lieu thereof:

"16. THAT except as permitted NRS 463.690 and the regulations promulgated thereunder, and by paragraphs 8, 11, 12, 19, and 20 herein, neither Hilton Hotels Corporation, nor any person controlling, controlled by, or under common control with Hilton Hotels Corporation, shall have any involvement with gaming or pari-mutuel wagering outside the State of Nevada without first obtaining the approval of the Nevada Gaming Commission."

4. THAT paragraph 8 of the Second Revised Order of Registration of Hilton Hotels corporation entered on June 22, 1989, is hereby rescinded and superseded in its entirety, and the following language is substituted in lieu thereof:

"8. THAT Hilton Hotels Corporation is granted approval to continue its gaming operations in the State of Nevada through its affiliated companies, Hilton Nevada Corporation, Las Vegas Hilton Corporation, Flamingo Hilton Corporation, Reno Hilton Corporation, and Flamingo Hilton-Laughlin, Inc., subject to the provisions of paragraph 9 below, while participating in gaming activities at the Gold Coast Conrad Hilton Hotel and Jupiters Casino in Queensland, Australia."

5. THAT paragraphs 11, 12, and 13 of the Second Revised Order of Registration of Hilton Hotels Corporation entered on June 22, 1989, are hereby rescinded and superseded in their entirety, and the following language is substituted in lieu thereof, respectively:

"11. THAT Hilton Hotels Corporation is granted preliminary approval

to pursue foreign gaming operations in Istanbul, Turkey, while continuing its gaming operations in the State of Nevada through its affiliated companies, Hilton Nevada Corporation, Las Vegas Hilton Corporation, Flamingo Hilton Corporation, Reno Hilton Corporation, and Flamingo Hilton-Laughlin, Inc. The approval granted herein does not authorize or constitute Commission approval to participate in gaming in Istanbul, Turkey, and the Commission hereby specifically reserves its determination as to such final approval."

"12. THAT the preliminary approval set forth in paragraph 11 above is subject to the following conditions:

a. That Hilton Hotels Corporation shall immediately advise the Board of any material events relating to its proposed foreign gaming operations in Istanbul, Turkey, and shall meet with the Board or its designated representatives on a semi-annual basis to advise the Board of the status of such proposed foreign gaming operations.

b. That Hilton Hotels Corporation shall comply with any reporting requirements as may be imposed by the Board prior to final action being taken on this matter.

c. That prior to commencement of gaming operations in Istanbul, Turkey, the applicant must obtain final foreign gaming approval from the Commission."

"13. THAT Hilton Hotels Corporation shall fund and maintain with the State Gaming Control Board a revolving fund in the amount of \$50,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Second 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 securities, of Hilton Nevada Corporation, Las Vegas Hilton Corporation, Flamingo Hilton Corporation, Reno Hilton Corporation, and Flamingo Hilton-Laughlin, Inc., and their affiliated companies."

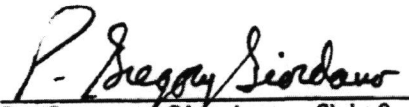
6. THAT except as expressly modified by this Amendment No. 3 to Second Revised Order of Registration, or other Commission action, all other terms and conditions of Second Revised Order of Registration of Hilton Hotels Corporation entered on June 22, 1989, and of the Amendments Nos. 1 and 2 thereto entered on June 21, 1990, and September 27, 1990, respectively, are hereby reaffirmed and incorporated by reference herein.

ENTERED at Carson City, Nevada, this 29th day of August, 1991.

FOR THE COMMISSION:

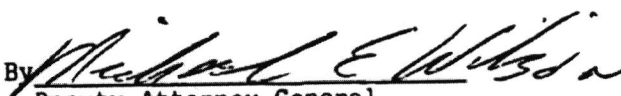
  
Bill Curran, Chairman

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