

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
HILTON HOTELS CORPORATION
(Registration)

THIRD REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on May 6, 1992, and before the Nevada Gaming Commission ("Commission") on May 28, 1992, 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 Hilton Hotels Corporation and Hilton Nevada Corporation for continuous approval to participate in foreign gaming; and
 - b. The application of Hilton Hotels Corporation for an amendment

to its Order of Registration.

2. THAT the Second Revised Order of Registration of Hilton Hotels Corporation entered on June 22, 1989, and the Amendments Nos. 1, 2, and 3 thereto entered on June 21, 1990, September 27, 1990, and August 29, 1991, respectively, are hereby consolidated into and updated by this Third Revised Order of Registration.

3. THAT Hilton Hotels Corporation is registered as a publicly traded corporation and is found suitable as the sole shareholder of Hilton Nevada Corporation.

4. THAT Hilton Nevada Corporation is registered as an intermediary company and is found suitable as the sole shareholder of Las Vegas Hilton Corporation, Flamingo Hilton Corporation and Reno Hilton Corporation.

5. THAT Las Vegas Hilton Corporation, dba Las Vegas Hilton, is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including a race book and sports pool, at 3000 Paradise Road, Las Vegas, and is licensed as a manufacturer and distributor.

6. THAT Flamingo Hilton Corporation is registered as an intermediary company and found suitable as the sole shareholder of Flamingo Hilton-Laughlin, Inc.; is licensed as a manufacturer and distributor; and that Flamingo Hilton Corporation, dba Flamingo Hilton Las Vegas, is licensed to conduct nonrestricted gaming operations, including a sports pool, at 3555 Las Vegas Boulevard South, Las Vegas.

7. THAT Reno Hilton Corporation, dba Flamingo Hilton Reno, is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including a race book and sports pool, at 255 North Sierra Street, Reno, and is

licensed as a manufacturer and distributor; provided that, the license issued to Reno Hilton Corporation to conduct gaming at the Flamingo Hilton Reno is expressly conditioned upon the existence and maintenance of a pedestrian walkway linking the Flamingo Hilton Reno at 241 North Virginia Street and 255 North Sierra Street, and further, that said pedestrian walkway be open and accessible to the public during all times that gaming is conducted upon the premises of the Flamingo Hilton Reno.

8. THAT Flamingo Hilton-Laughlin, Inc., dba Flamingo Hilton-Laughlin, is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including a race book and sports pool, at 1900 Casino Drive, Laughlin, and is licensed as a manufacturer and distributor.

9. THAT William Barron Hilton is found suitable as a controlling shareholder of Hilton Hotels Corporation.

10. 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 paragraphs 11 and 12 below, while participating in foreign gaming activities at the Conrad Hotel and Jupiters Casino in Queensland, Australia.

11. THAT Hilton Hotels Corporation shall maintain a Compliance Committee whose composition is satisfactory to the Board. Said Compliance Committee shall administer the Internal Reporting System, and shall have other duties as more fully described in Exhibit A, which is attached to this Third Revised Order of Registration and incorporated by reference herein. Hilton Hotels Corporation

shall hereafter make such amendments to the Compliance Committee and Internal Reporting System specifications and duties as may be required by the Board and may not make any other amendments without the prior approval of the Board.

12. THAT the Commission hereby delegates to the Chairman of the Board the authority to require and administratively approve amendments to both the Compliance Committee and Internal Reporting System.

13. THAT Hilton Hotels Corporation and Hilton Nevada Corporation are each granted approval to participate in foreign gaming pursuant to NRS 463.680, et seq., and NGC Regulation 4.705, while continuing their gaming operations in the State of Nevada through their affiliated companies.

14. THAT the approvals granted in paragraph 13 above are expressly conditioned as follows:

a. The continuous approvals expire at midnight on the date of the May 1994 regular Commission meeting.

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

(1) Submit personal background and financial information to the Board for the hotel manager, casino manager, controller and casino controller involved in the foreign gaming operations, if any. 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 within the knowledge of the applicants must be reported to the Board within 30 days after the end of the quarter regarding the occurrence or absence of the following:

(a) Any change in ownership or control of any interest in

the foreign gaming operations.

(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 operations.

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

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

(1) Articles of incorporation, partnership, management, or joint venture agreements, and any amendments.

(2) Bylaws and amendments.

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

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

(5) A listing of each partner's or stockholder's name, address, available personal identification information, number of shares or interests held and the date such shares or interests were acquired.

(6) A record of all transfers of the stock or other interests.

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

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

f. These approvals 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.

15. THAT except as permitted by NRS 463.690 and the regulations promulgated thereunder, or as provided in paragraphs 10, 11, 12, 13 and 14 above, 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 Commission.

16. THAT Hilton Hotels 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 this Third 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 reviews of all activities, including public offerings, of Hilton Hotels Corporation, Hilton Nevada Corporation, Las Vegas Hilton Corporation, Flamingo Hilton Corporation, Reno Hilton Corporation, and Flamingo Hilton-Laughlin, Inc., and their affiliated companies.

17. THAT Pursuant to NRS 463.625(2), Hilton Hotels Corporation is hereby 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.


18. THAT Hilton Hotels Corporation 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 NGC Regulation 16.

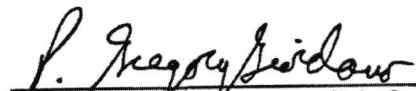
19. THAT the Commission hereby expressly finds that the exemptions hereinabove granted are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED at Las Vegas, Nevada, this 28th day of May, 1992.

FOR THE COMMISSION:

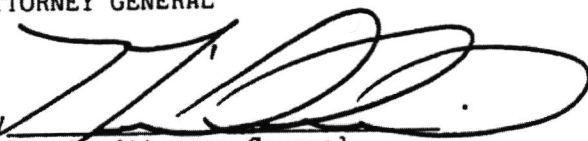

Bill Curran, Chairman

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