

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

APPLICATIONS OF FIDELITY MANAGEMENT & RESEARCH COMPANY AND  
FIDELITY MANAGEMENT TRUST COMPANY FOR WAIVER OF NRS 463.643(3)  
PURSUANT TO NGC REGULATION 16.010(14) AND 16.430 REGARDING  
BALLY'S GRAND, INC. AND BALLY MANUFACTURING CORPORATION

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ORDER

THIS MATTER came on specially for hearing before the State Gaming Control Board ("Board") on April 14, 1993, at Las Vegas, Nevada and specially before the Nevada Gaming Commission ("Commission") on April 21, 1993, 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 Fidelity Management & Research Company and Fidelity Management Trust Company (hereinafter collectively referred to as "Fidelity") for waivers of NRS 463.643(3), pursuant to NGC Regulation 16.430, and for exemptions from the provisions of NGC Regulation 16.200, pursuant to Regulations 16.430(7) and 16.450, as amended and supplemented, have been properly filed.

2. THAT Fidelity is hereby granted a waiver of the provisions of NRS 463.643(3), pursuant to NGC Regulation 16.430. The Commission hereby finds that such waiver is consistent with the state policies set forth in NRS 463.0129, 463.489, 463.622 and NGC

Regulation 16.060. It is provided, however, that the foregoing waiver is expressly conditioned as follows:

a. The waiver may only be utilized for and is limited to Fidelity's investment in the publicly traded voting securities of:

- (1) Bally's Grand, Inc. ("BGI"); and
- (2) Bally Manufacturing Corporation ("BMC")

b. Fidelity must submit the following information to the Board within 30 days after the end of each quarter:

- (1) A record of all sales or purchases of voting securities of BMC and sales of BGI held by Fidelity and the number of shares held at that time.
- (2) The name and position of each Fidelity employee, officer or director participating as a member on a bondholder or shareholder committee of BGI or BMC.
- (3) A report of all complaints, arrests, indictments or convictions of Fidelity or any of its employees, officers and directors regarding the rules and regulations of the Securities and Exchange Commission and the Divisions of Banks of the Commonwealth of Massachusetts, as well as, for Fidelity and any of its officers or directors, any offense 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.
- (4) Any changes to the structure and/or operations of Fidelity which could affect its classification as an Institutional Investor as defined by NGC Regulation 16.010(14).

c. The waiver herein granted relates solely to that which was voluntarily sought and received and Fidelity shall not, directly or indirectly, represent that it has been found suitable as a shareholder in BGI or BMC by the State of Nevada.

d. Fidelity shall hold the shares in BGI and BMC for investment purposes only as set forth in NGC Regulation 16.430(2) and shall notify the Board chairman within 2 business days after any decision not to hold the aforesaid voting securities for such purposes.

e. Fidelity shall fund and maintain with the Board a revolving fund in the total amount of \$5,000 for the purpose of funding investigative reviews by the Board for compliance with the terms and provisions of this Order. 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 Fidelity and its affiliated entities.

3. THAT Fidelity's applications for exemptions from the provisions of NGC Regulation 16.200, pursuant to NGC Regulation 16.430(7) and 16.450, were withdrawn without prejudice at the special hearing before the State Gaming Control Board on April 14, 1993.

ENTERED at Carson City, Nevada, this 21st day of April, 1993.