

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

In the Matter of  
INTERNATIONAL GAME TECHNOLOGY  
(Registration)

SECOND REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board on December 6, 1989, and before the Nevada Gaming Commission on December 21, 1989, 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, are hereby accepted as filed:
  - a) The application of International Game Technology for an amendment to its Revised Order of Registration;
  - b) The application of CMS - International for a finding of suitability as the sole shareholder of CMS - El Capitan; and
  - c) The application of CMS - El Capitan, dba El Capitan Club, for a

nonrestricted gaming license.

2. THAT the Revised Order of Registration of International Game Technology, dated July 28, 1988, and the First, Second, Third and Fourth Amendments thereto, dated September 21, 1988, December 1, 1988, December 15, 1988, and February 23, 1989, respectively, are hereby consolidated into and updated by this Second Revised Order of Registration.

3. THAT International Game Technology is registered as a publicly traded corporation and found suitable to be the sole shareholder of IGT and CMS - International, and as a controlling shareholder of Electronic Data Technologies.

4. THAT IGT is licensed as a manufacturer and distributor, as the operator of a slot machine route, as the sole shareholder of International Acceptance Corporation, and that IGT, dba Mizpah, is licensed to conduct nonrestricted gaming operations (slot machines only) at 100 Main Street, Tonopah.

5. THAT International Game Technology shall establish and maintain an Internal Reporting System to be administratively approved by the State Gaming Control Board.

6. THAT CMS - International is registered as an intermediary holding company and is found suitable as a controlling (55%) shareholder of the Silver Club and as the sole shareholder of CMS - Sparks and of CMS - El Capitan.

7. THAT the Silver Club, dba Silver Club, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at 1040 "B" Street, Sparks.

8. THAT the Silver Club, dba Silver Club Hotel, is licensed to conduct restricted gaming operations at 1040 "C" Street, Sparks.

9. THAT the provisions in paragraph 24 of the November 29, 1988 draft of

the Deed of Trust and Security Agreement with Assignments of Rents related to the Silver Club property, which involve certain restrictions regarding the transfer, assignment, hypothecation or encumbrance of Silver Club voting common stock, are approved pursuant to NGC Reg. 15.510.1-4.

10. THAT International Acceptance Corporation is licensed as a manufacturer and distributor.

11. THAT CMS - Sparks, dba The Treasury Club, is licensed to conduct nonrestricted gaming operations (slot machines only) at 1144 "B" Street, Sparks.

12. THAT CMS - El Capitan, dba El Capitan Club, is hereby licensed to conduct nonrestricted gaming operations at 540 "F" Street, Hawthorne.

13. THAT International Game Technology and IGT are granted approval to participate in gaming operations in the State of Montana through IGT-Montana, Inc., while continuing their gaming operations in the State of Nevada through their affiliated companies: CMS - International, CMS - Sparks, CMS - El Capitan, Electronic Data Technologies, EDT, and International Acceptance Corporation.

14. THAT the approval granted in Paragraph 13 above is conditioned that International Game Technology shall submit an annual operational and regulatory status report specifically including, but not limited to, regulatory compliance and audit procedures.

15. THAT International Game Technology and CMS - International are granted approval to participate in gaming operations in Antigua while continuing their gaming operations in the State of Nevada through their affiliated companies: IGT, CMS - Sparks, CMS - El Capitan, Electronic Data Technologies, EDT, and International Acceptance Corporation.

16. THAT the approval granted in Paragraph 15 above is hereby conditioned

as follows:

a) International Game Technology shall engage the services of an independent certified public accounting firm of good standing and reputation to perform an annual audit of King's Casino Limited for the purpose of rendering an opinion;

b) International Game Technology shall further be subject to the reporting requirements set forth in Exhibit A, which is attached to this Second Revised Order of Registration and incorporated by reference herein;

c) International Game Technology shall submit an annual operational and regulatory status report specifically including, but not limited to, regulatory compliance, audit procedures and surveillance procedures;

d) The Board may in its sole discretion employ, at International Game Technology's expense, an independent accounting firm to make observations and to compile any and all reports deemed necessary by the Board and submit those reports to the Board; and

e) A system of internal control administratively approved by the Board shall be adopted and maintained. Said system of internal control may be modified from time to time as deemed necessary by the Registrant, subject to the subsequent administrative approval of the Chairman of the State Gaming Control Board, or by the Chairman of the State Gaming Control Board.

17. THAT except as permitted by NRS 463.690, or by Paragraphs 13, 14, 15, and 16 above, neither International Game Technology nor any person controlling, controlled by, or under common control with International Game Technology, shall have any operational involvement with gaming or pari-mutuel wagering outside the State of Nevada without first obtaining the approval of the Nevada Gaming

Commission.

18. THAT International Game Technology shall fund and maintain with the State Gaming Control Board a revolving fund in the amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the provisions 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 International Game Technology, IGT, CMS - International, CMS - Sparks, CMS - El Capitan, and International Acceptance Corporation, and their affiliated companies.

19. THAT pursuant to NRS 463.625(2), International Game Technology is exempted from compliance with NRS 463.585 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through NRS 463.645, inclusive.

20. THAT International Game Technology is exempted from NGC Reg. 15 and shall instead comply with NGC Reg. 16.

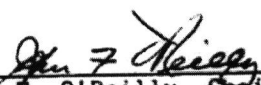
21. THE Commission hereby expressly finds that the exemptions hereinabove

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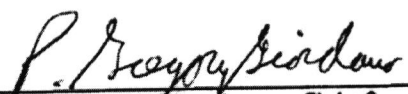
granted are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED at Las Vegas, Nevada, this 21st day of December, 1989.

FOR THE COMMISSION:


  
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John F. O'Reilly, Chairman

Submitted by:

  
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P. Gregory Giordano, Chief  
Corporate Securities Division

APPROVED AS TO FORM:

BRIAN McKAY  
ATTORNEY GENERAL

By   
\_\_\_\_\_  
Scott Scherer  
Deputy Attorney General  
Gaming Division