

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

APPLICATION OF ARIEL CAPITAL MANAGEMENT, LLC  
FOR A WAIVER OF NRS 463.643(4) PURSUANT TO NGC  
REGULATIONS 16.010(14) AND 16.430

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ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on October 1, 2004, and before the Nevada Gaming Commission (“Commission”) on October 21, 2004, 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 application, as amended and supplemented, of Ariel Capital Management, LLC (“Ariel”) for a waiver of NRS 463.643(4) as an institutional investor pursuant to NGC Regulations 16.010(14) and 16.430, has been filed.

2. THAT the application of Ariel for a waiver of NGC Regulation 4.080(1), pursuant to NGC Regulation 4.080(3), has been filed.

3. THAT the applications of Ariel described herein have been filed on the basis that they are neither a commitment nor an admission of any present intent to purchase the securities of the companies for which a waiver has been requested.

4. THAT Ariel is hereby granted, for a period of two (2) years from the effective date of this Order, a waiver of the provisions of NRS 463.643(4), pursuant to NGC Regulations

16.010(14) and 16.430, to beneficially own not more than 15%, unless in accordance with NGC Regulation 16.430(2), of the total number of outstanding shares of voting securities of: Alliance Gaming Corporation, American Real Estate Partners, LP, American Wagering, Inc., Ameristar Casinos, Inc., Archon Corporation, Aristocrat Leisure Limited, Aztar Corporation, Boyd Gaming Corporation, Caesars Entertainment, Inc., Harrah's Entertainment, Inc., Innovative Gaming Corporation of America, International Game Technology, Interactive Systems Worldwide Inc., Konami Corporation, Las Vegas Gaming, Inc., Longs Drug Stores Corporation, MGM MIRAGE, MTR Gaming Group, Inc., Mandalay Resort Group, Mikohn Gaming Corporation, Monarch Casino & Resort, Inc., PDS Gaming Corporation, Pinnacle Entertainment, Inc., Revenue Properties Company Limited, Riviera Holdings Corporation, Shuffle Master, Inc., Starwood Hotels & Resorts Worldwide, Inc., Station Casinos, Inc., The Sands Regent, Trump Hotels & Casino Resorts, Inc., Virtgame Corp., and WMS Industries, Inc. (singularly, "Corporation," collectively, "Corporations"). It is provided, however, that the foregoing waivers are expressly conditioned as follows:

a. The waivers may only be utilized for, and are limited to, Ariel's investment in the voting securities of the Corporations; provided however, Ariel may beneficially own greater than ten percent (10%) but not more than fifteen percent (15%), unless in accordance with NGC Regulation 16.430(2), of the voting securities of Corporations not prescribed herein, which are registered with the Commission as a publicly traded corporation, upon administrative approval from the Chairman of the Board or his designee.

b. Ariel must submit to the Board by the tenth business (10) day of each month for the preceding thirty (30) day period for each such Corporation a listing of the percentage of all voting securities held by Ariel, based on the most current information available, of each Corporation in a form approved by the Chairman of the Board or his designee, the confidentiality of which shall be maintained by the Board and Commission pursuant to NRS 463.120.

c. Ariel must submit the following information to the Board within thirty (30) calendar days after the end of each calendar quarter, for each Corporation in which Ariel owns ten percent (10%) or more, the confidentiality of which shall be maintained by the Board and Commission pursuant to NRS 463.120:

(1) A certification, made under oath and under the penalty of perjury, containing the following:

(a) A statement attesting that Ariel holds and/or has held the voting securities of the Corporation for investment purposes only or in the ordinary course of business as an institutional investor and not for the purpose of (i) causing, directly or indirectly, the election of the members of the board of directors, or (ii) affecting any change in the corporate charter, bylaws, management, policies or operations of the Corporation or any of its affiliates.

(b) A statement that Ariel has not exceeded the provisions of NGC Regulation 16.430(3)(a) - (e), which enumerates certain activities that are deemed to be consistent with Ariel's holding voting securities for investment purposes only.

(c) The name, title and telephone number of the person(s) having direct control over Ariel 's holdings of voting securities in the Corporation.

(d) The name, title and telephone number of the persons serving on the Board of Trustees and Board of Directors.

(e) A statement of all complaints, arrests, indictments or convictions of Ariel or any of its officers or directors regarding the rules and regulations of the Securities and Exchange Commission and any regulatory agency of any State where it conducts business, or any offense which would constitute a gross misdemeanor or felony if committed in the State of Nevada. The name, position, charge, arresting agency, and a brief description of the event must also be included in the statement.

(f) A statement indicating any change to the structure and/or operations of Ariel which could affect its classification as an Institutional Investor as defined by NGC Regulation 16.010(14).

(g) A statement by the signatory of the certification that he/she has the authority to sign the certification and to bind Ariel to the contents therein.

5. Ariel shall maintain a compliance program to implement and ensure Ariel 's compliance with the Nevada Gaming Control Act (the "Act"), the regulations promulgated thereunder (the "Regulations"), and this Order. The compliance program, as it relates to the applicable requirements of the Act and the Regulations, shall be amended at the request of the Chairman of the Board or his designee. All amendments to the compliance program shall be administratively approved by the Chairman of the Board or his designee. Ariel shall promptly report any appointments or resignations of the compliance committee members.

6. Ariel shall fund and maintain with the Board a revolving fund in the total amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the terms and provisions of this Order or any other Orders relating to waivers of NRS 463.643(4), pursuant to NGC Regulation 16.430. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of the 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 Ariel and its affiliated entities.

7. THAT Ariel is hereby granted, for a period of two (2) years from the effective date of this Order, a waiver of the provisions of NGC Regulation 4.080(1), pursuant to NGC Regulation 4.080(3), specifically and only as they relate to the waivers of NRS 463.643(4) granted to Ariel, pursuant to NGC Regulation 16.430, as beneficial owners of voting securities of the Corporations.

8. The Commission hereby expressly finds that the waivers herein granted are consistent with the State policies set forth in NRS 463.0129, 463.489, and 463.622 and the standards set forth in NGC Regulation 16.060.

ENTERED at Carson City, Nevada, this 21<sup>st</sup> day of October 2004.