

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
JACKPOT ENTERPRISES, INC.
(Registration)

AMENDMENT NO. 1 TO SECOND REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board on June 6, 1990, and before the Nevada Gaming Commission on June 21, 1990, 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 Jackpot Gaming, Inc. for approval to participate in foreign gaming at the Nugget and the Lucky Miner in Deadwood, South Dakota.

b. The application of Jackpot Enterprises, Inc. for approval to participate in foreign gaming at the Nugget and the Lucky Miner in Deadwood, South Dakota, and for an amendment to its Second Revised Order of Registration.

2. THAT paragraph 12 of the Second Revised Order of Registration of Jackpot Enterprises, Inc. entered on June 21, 1990, is hereby rescinded and superseded in its entirety, and the following language is hereby substituted in lieu thereof:

"12. THAT except as permitted by NRS 463.690 and the regulations promulgated thereunder, and as provided in paragraphs 20 and 21 herein, neither Jackpot Enterprises, Inc. or Jackpot Gaming, Inc., nor any person controlling, controlled by, or under common control with Jackpot Enterprises, Inc. or Jackpot Gaming, Inc., 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."

3. THAT the Second Revised Order of Registration of Jackpot Enterprises, Inc. entered on June 21, 1990, is hereby amended by adding thereto the following new paragraphs:

"20. THAT Jackpot Enterprises, Inc. and Jackpot Gaming, Inc. are granted approval to participate in gaming operations at the Nugget and the Lucky Miner in Deadwood, South Dakota, while continuing their gaming operations in the State of Nevada through their affiliated companies."

"21. THAT the approval granted in paragraph 20 above is specifically conditioned as follows:

a. That the foreign gaming affiliates of Jackpot Enterprises, Inc. and Jackpot Gaming, Inc. ("Jackpot") shall timely receive all licenses and approvals from the South Dakota Commission on Gaming ("SDCG") necessary to participate in gaming operations at the Nugget and the Lucky Miner in Deadwood, South Dakota.

b. That Jackpot shall file with the Board copies of annual audited financial statements of its foreign gaming operations and a report by an independent, public accounting firm of its foreign gaming operations' compliance with the system of internal controls within 120 days after its fiscal year end.

c. That the following information shall be reported in writing to the Board by Jackpot within 30 days after the end of each quarter regarding the occurrence or absence of the following:

(1) Any changes in ownership or control of any interest in the subject foreign gaming operations;

(2) Any changes in Jackpot's foreign affiliates' officers, directors, or key personnel earning \$25,000 or more annually, or its equivalent;

(3) All gaming related complaints, disputes, orders to show cause, and disciplinary actions instituted by the State of South Dakota, involving Jackpot and its foreign affiliates, and any officer, director or key personnel thereof. This must include, but not be limited to, all matters, contested or not, in which the SDCG presides or is a party thereto;

(4) All arrests made of employees of the foreign affiliates of Jackpot involving gaming cheating or theft in the State of South Dakota. The report must include the name, position, charge, arresting agency, and a brief description of the event;

(5) All arrests or convictions of officers, directors, key employees, and equity owners of Jackpot's foreign affiliates in the State of South Dakota, 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; and

(6) Any additional financial commitments, infusion of capital or guarantees, including the details thereof, made by Jackpot or its affiliates in connection with the operations of the Nugget and the Lucky Miner in Deadwood, South Dakota.

d. That the approval granted relates solely to the approval which was voluntarily sought and received and does not involve any exercise of Nevada regulatory jurisdiction over the entity pertaining to these operations and activities. Jackpot shall ensure that no representation shall be made by Jackpot Gaming, Inc. and its affiliates, directly or indirectly, that the operations are within the regulatory control of the State of Nevada or any agency thereof.

e. That Jackpot shall engage the services of an independent public accounting firm of good standing and reputation to perform a certified audit (or reasonable equivalent) of its foreign gaming operations for the purpose of rendering an opinion.

f. That Jackpot shall submit to the Board a copy of the prescribed system of accounting and internal controls, and any changes thereto, which are identical to those provided to the SDCG for the Nugget and the Lucky Miner in Deadwood, South Dakota.

g. That Jackpot shall simultaneously provide the Board with a copy of all audited or reviewed annual financial statements for, and any other financial reports requested from, Jackpot Gaming, Inc. and its affiliates which are submitted to the SDCG.

h. That Jackpot shall maintain its world gaming headquarters in Nevada and shall maintain at such offices those detailed financial records

maintained in the ordinary course of accounting for its investment in the Nugget and the Lucky Miner in Deadwood, South Dakota. In addition, Jackpot shall also maintain at such offices in Nevada records of ownership pertaining to Jackpot's investment in the Nugget and the Lucky Miner in Deadwood, South Dakota. Specifically, copies of the following documents related to Jackpot Gaming, Inc. and its affiliates shall be maintained:

- (1) Certified copy of the articles of incorporation and any amendments;
- (2) Bylaws and any amendments;
- (3) A list of current and former officers and directors and any changes;
- (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 of Jackpot Gaming, Inc. and its affiliates; and
- (7) A record of all amounts paid to Jackpot Gaming, Inc. affiliates for issuance of stock and other capital contributions.

Such records of accounting and ownership must be retained by Jackpot within Nevada for at least five (5) years after they are made and must be made available for inspection to agents of the Board immediately upon request.

- i. That Jackpot shall provide to the Board access to all files, books, records, photographs, and memoranda related to its foreign gaming

operations, and provide copies of said documents when requested, and provide immediate access to all gaming-related areas to Board employees or agents upon request.

j. The Board may, in its sole discretion and at Jackpot's expense, conduct other on site inspections of its foreign gaming operations.

k. That Jackpot shall comply with any additional reporting requirements as may be imposed by the Board."

4. THAT except as expressly modified by this Amendment No. 1 to Second Revised Order of Registration, or other Commission action, all other terms and conditions of the Second Revised Order of Registration of Jackpot Enterprises,

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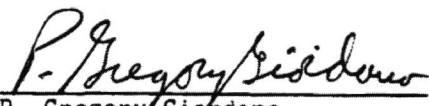
Inc. entered on June 21, 1990, are hereby reaffirmed and incorporated by reference herein.

ENTERED at Las Vegas, Nevada, this 21st day of June, 1990.

FOR THE COMMISSION:

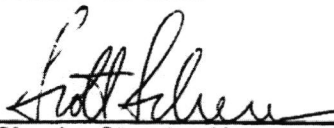

John F. O'Reilly, Chairman

Submitted by:


P. Gregory Giordano
Chief, Corporate Securities

APPROVED AS TO FORM:

BRIAN McKAY
ATTORNEY GENERAL

By 
Gloria Stendardi
Deputy Attorney General
Gaming Division