

**ORDER 2014-151**  
**WAIVING THE APPLICATION OF 68 IAC 5-1 TO A TRANSFER**  
**OF OWNERSHIP IN BALLY GAMING, INC. TO**  
**SCIENTIFIC GAMES CORPORATION**

Under 68 IAC 5-1, supplier licensees that are publicly traded companies must comply with certain requirements before transferring an ownership interest, including a suitability investigation, in order to protect the Commission's interest in the suitability of its licensees. Under 68 IAC 5-1-8, the Commission may waive a requirement or procedure set forth in 68 IAC 5 if the Commission determines that it is impractical or burdensome and the waiver is in the best interests of the public and the gaming industry and is not outside the technical requirements necessary to serve the purpose of the requirement or procedure.

Bally Gaming, Inc., dba Bally Technologies, Inc., ("Bally") is an Indiana supplier licensee. Pursuant to an Agreement and Plan of Merger ("Agreement"), dated August 1, 2014, between Scientific Games Corporation ("Scientific Games"), Scientific Games Nevada, Inc. ("Merger Sub"), and Bally, Scientific Games plans to acquire ownership of Bally. The acquisition will occur through a reverse triangular merger, which will be accomplished using the Merger Sub, a new entity formed by Scientific Games for the purpose of this transaction. According to the Agreement, Bally will merge with and into the Merger Sub, at which time the Merger Sub will cease to exist, leaving Bally as the surviving corporation and wholly owned subsidiary of Scientific Games.

Compliance with the requirements of 68 IAC 5-1 is time consuming and costly for both the applicant and the Commission. The policy goal of 68 IAC 5-1 is to ensure that a party seeking an ownership interest is suitable under the Commission's licensing standards.

The Commission previously investigated Scientific Games and its key persons. As a substantial owner of another Indiana supplier licensee, Scientific Games has been, and continues to be, subject to the jurisdiction of the Commission. For this reason, the Commission has determined that there is little to gain from applying the requirements of 68 IAC 5-1 to the present transaction. The requirements of 68 IAC 5-1 are impractical and burdensome to this transfer, and waiver is in the best interest of the public and the gaming industry and is not outside the technical requirements necessary to serve the purpose of the transfer regulations.

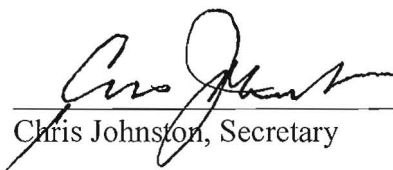
Based on the foregoing, the Commission hereby WAIVES 68 IAC 5-1 as necessary to allow the proposed transfer of ownership interest in Bally to Scientific Games.

**IT IS SO ORDERED THIS 18th DAY OF SEPTEMBER, 2014.**

THE INDIANA GAMING COMMISSION:

  
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Matt Bell, Chair

ATTEST:

  
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Chris Johnston, Secretary