

ORDER 2013-151
WAIVING THE APPLICATION OF 68 IAC 5-1 TO A TRANSFER
OF OWNERSHIP IN SHFL ENTERTAINMENT, INC.
TO BALLY GAMING, INC.

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. ("Bally"), an Indiana supplier licensee, is a wholly owned subsidiary of Bally Technologies, Inc. Pursuant to an Agreement and Plan to Merger ("Agreement"), dated July 15, 2013, between Bally, Manhattan Merger Corp., and SHFL Entertainment, Inc. ("SHFL"), Bally plans to acquire ownership of SHFL, another Indiana supplier licensee. The acquisition will occur through a reverse triangular merger, which will be accomplished using the Manhattan Merger Corp. ("Merger Sub"), a new entity formed by Bally for the purpose of this transaction. According to the Agreement, SHFL will merge with and into the Merger Sub, at which time the Merger Sub will cease to exist, leaving SHFL as the surviving corporation and wholly owned subsidiary of Bally.

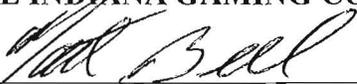
Compliance with the requirements of 68 IAC 5-1 is time consuming and costly for both the applicant and the Commission. The policy goal of 68 IAC 5-1 is to ensure that a party seeking an ownership interest is suitable under the Commission's licensing standards.

The Commission previously investigated Bally and its key persons. Bally's license is in good standing and remains under an ongoing duty to remain suitable for licensure. 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 SHFL to Bally.

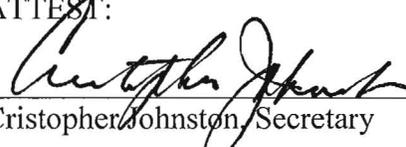
IT IS SO ORDERED ON THIS THE 12TH DAY OF SEPTEMBER, 2013.

THE INDIANA GAMING COMMISSION:



Matt Bell, Chair

ATTEST:



Christopher Johnston, Secretary