

GAMING & ENTERTAINMENT GROUP INC
 Form 4
 February 17, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 LUTNICK HOWARD W

2. Issuer Name and Ticker or Trading Symbol
 GAMING & ENTERTAINMENT GROUP INC [GMEI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 02/15/2006

____ Director
 ____ Officer (give title below)
 10% Owner
 ____ Other (specify below)

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying Sec (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|--|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|--|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) Code | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | Date Exercisable | Expiration Date | Title |
|--|------------------------------|------------------|------------------|--|------------------|-----------------|---|
| Equity Warrant (right to buy common stock) | \$ 0.6 | 02/15/2006 | J ⁽¹⁾ | 6,000,000 | 12/08/2004 | 12/08/2009 | Common Stock, par value \$.01 per share |
| Options to Buy from Certain Stockholders | \$ 0.8 | 02/15/2006 | J ⁽¹⁾ | 7,500,000 ⁽³⁾ | 12/08/2004 | 12/31/2007 | Common Stock, par value \$.01 per share |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| LUTNICK HOWARD W | | | X | |

Signatures

/s/ Howard W. Lutnick 02/17/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Cantor G&W (Nevada), L.P. is surrendering these equity warrants and options to buy common stock from certain stockholders in connection with its purchase of certain assets from Gaming & Entertainment Group, Inc.

These securities are held by Cantor G&W (Nevada), L.P., Cantor G&W (Nevada), L.P.'s general partner is Cantor G&W (Nevada) LLC, whose managing member is Cantor G&W (Nevada) Holdings, L.P., whose general partner is Cantor G&W (Nevada) Holdings, LLC, of which Howard W. Lutnick is the sole member. Each of the above entities is filing a separate Form 4 with respect to the changes in their

(2) indirect ownership of the securities covered hereby. The Reporting Person disclaims beneficial ownership of all shares in excess of its pecuniary interest, if any, and this report shall not be deemed an admission that the Reporting Person is the beneficial owner of, or has any pecuniary interest in, such securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

(3) From 12/08/04 until 12/31/05, pursuant to the terms of the options, the options were exercisable for 7,500,000 shares of common stock at a per share exercise price of \$0.60 per share, from 01/01/06 to 12/31/06, pursuant to the terms of the options, the options were to be exercisable for 5,000,000 shares of common stock at a per share exercise price of \$0.80 per share, and from 01/01/07 to 12/31/07, pursuant to the terms of the options, the options were to be exercisable for 2,500,000 shares of common stock at a per share exercise price of \$1.00 per share.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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