

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
CIRCUS AND ELDORADO JOINT VENTURE
(Registration)

ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on June 5, 2002, and before the Nevada Gaming Commission (“Commission”) on June 20, 2002, 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 following applications, as amended and supplemented, have been
filed:

a. The applications of Circus and Eldorado Joint Venture for (i) registration as a publicly traded corporation, (ii) approval of a public offering, and (iii) approval of an exemption from NGC Regulation 16.100(1), pursuant to NGC Regulation 16.450;

b. The application of Galleon, Inc., for approval to pledge its general partnership interest in Circus and Eldorado Joint Venture to Bank of America, N.A. in conjunction with a credit facility and to The Bank of New York in conjunction with 10 1/8% Mortgage Notes due 2012; and

c. The application of Eldorado Limited Liability Company for approval to pledge its general partnership interest in Circus and Eldorado Joint Venture to Bank of America, N.A. in conjunction with a credit facility and to The Bank of New York in conjunction with 10 1/8% Mortgage Notes due 2012.

2. THAT Circus and Eldorado Joint Venture, a Nevada general partnership, is registered as a publicly traded corporation.

3. THAT Mandalay Resort Group, a publicly traded corporation registered with the Commission, is found suitable, pursuant to NRS 463.643(4) and NGC Regulation 16.400, as a controlling beneficial owner of Circus and Eldorado Joint Venture; and its wholly owned subsidiary, Galleon, Inc., is licensed as a 50% general partner of Circus and Eldorado Joint Venture.

4. THAT Eldorado Resorts LLC, a publicly traded corporation registered with the Commission, is found suitable, pursuant to NRS 463.643(4) and NGC Regulation 16.400, as a controlling beneficial owner of Circus and Eldorado Joint Venture; and its majority owned subsidiary, Eldorado Limited Liability Company, is licensed as a 50% general partner of Circus and Eldorado Joint Venture.

5. THAT Circus and Eldorado Joint Venture, dba Silver Legacy Resort Casino, is licensed to conduct off-track pari-mutuel race wagering and nonrestricted gaming operations, including a race book and sports pool, at 407 North Virginia Street, Reno, subject to such conditions or limitations as may be imposed by the Commission.

6. THAT Circus and Eldorado Joint Venture is granted approval, pursuant to NGC Regulation 16.110, to make a public offering of 10 1/8% Mortgage Notes due 2012 ("Mortgage Notes"), pursuant to and as more fully described in the SEC Form S-4 Registration Statement, as amended, (SEC Registration No. 333-87202) ("Registration Statement").

7. THAT the approval set forth in Paragraph 6 is specifically conditioned as follows:

a. That Circus and Eldorado Joint Venture shall keep the Board's Corporate Securities Division continuously and promptly informed as to the progress of the public offering and as to any other event that would have a material effect on Circus and Eldorado Joint Venture or its subsidiaries which would be subject to reporting on SEC Form 8-K; and

b. That the approval granted herein may be rescinded without prior notice upon the issuance of an interlocutory stop order by the Chairman of the Board. Said interlocutory stop order, if issued, shall remain in effect until the interlocutory stop order is lifted by the Commission upon such terms as are satisfactory to the Commission.

c. That if the final version of the SEC Form S-4 Registration Statement is not filed with the Board on or before June 18, 2002, then the approval granted in Paragraph 6 will not be effective until the Registration Statement has been filed with the Board and administratively approved by the Chairman of the Board.

8. THAT the Commission hereby delegates to the Chairman of the Board the authority to issue interlocutory stop orders for any cause deemed reasonable by the Chairman, in his sole discretion, which shall remain in effect until lifted by the Commission as provided in Paragraph 7(b) above.

9. THAT Galleon, Inc., and Eldorado Limited Liability Company are each granted approval, pursuant to NGC Regulation 8.030 and Paragraph 14 of this Order, to pledge their general partnership interests in Circus and Eldorado Joint Venture to Bank of America, N.A., as Administrative Agent, in conjunction with the Credit Agreement, dated as of March 5, 2002, and to The Bank of New York, as Trustee, in conjunction with the Mortgage Notes, provided that:

a. This approval is pursuant to the Pledge Agreement with Bank of America, N.A., in the form of the draft dated February 28, 2002 ("Pledge Agreement re: Credit Facility") and the Pledge Agreement with The Bank of New York, in the form of the draft dated

February 28, 2002 (“Pledge Agreement re: Mortgage Notes”), fully executed copies of which must be provided to the Board within five (5) business days after execution; and pursuant to the Intercreditor Agreement, dated as of March 5, 2002;

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such Pledged Securities (except back to Galleon, Inc., or Eldorado Limited Liability Company) and before any other resort to the collateral or other enforcement of the security interest in such Pledged Securities may occur; and

c. Pursuant to NGC Regulation 8.030(4)(a), the Certificates or other evidence of ownership of the Pledged Securities of Circus and Eldorado Joint Venture must at all times remain physically within the State of Nevada at a location designated to the Board and must be made available for inspection by agents or employees of the Board immediately upon request during normal business hours.

10. THAT the Pledge Agreement re: Credit Facility and the Pledge Agreement re: Mortgage Notes shall not be further amended without the prior administrative approval of the Chairman of the Board or his designee. Such administrative approval may not be granted regarding amendments to the aforementioned pledge agreements that increase the number of the Pledged Securities, or that change the identity of the Administrative Agent or the Trustee.

11. THAT Circus and Eldorado Joint Venture shall fund and maintain with the Board a revolving fund in the amount of \$10,000.00 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order of Registration and any amendments thereto. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of said 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 Circus and Eldorado Joint Venture and its affiliated companies.

12. THAT, pursuant to NRS 463.625, Circus and Eldorado Joint Venture is exempted from compliance with NRS 463.585 through 463.615, inclusive, and shall instead comply with NRS 463.635 and 463.645, inclusive.

13. THAT Circus and Eldorado Joint Venture shall comply with the provisions of NGC Regulation 16, except that Circus and Eldorado Joint Venture is exempted, pursuant to NGC Regulation 16.450, from NGC Regulation 16.100(1).

14. THAT Galleon, Inc., and Eldorado Limited Liability Company shall not sell, assign, transfer, pledge or otherwise dispose of their partnership interests or other securities in Circus and Eldorado Joint Venture without the prior approval of the Commission.

15. THAT the Commission hereby expressly finds that the exemptions and conditions herein are consistent with the State policy set forth in NRS 463.0129 and 463.489.

16. THAT Circus and Eldorado Joint Venture is granted sixty (60) days from the date of this Order of Registration to have the Registration Statement declared effective by the SEC. If the Registration Statement is not declared effective by the SEC within said time period, unless administratively extended by the Chairman of the Board, then this Order of Registration shall be deemed withdrawn and rendered null and void.

ENTERED at Carson City, Nevada, this 20th day of June 2002.