

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

COAST RESORTS, INC.

(Registration) _____

REVISED ORDER OF REGISTRATION

THIS MATTER came on specially for hearing before the State Gaming Control Board ("Board") on October 18, 1995, at Las Vegas, Nevada, and regularly for hearing before the Nevada Gaming Commission ("Commission") on October 26, 1995, 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, of Coast Resorts, Inc. have been filed:
 - a. For an amendment to its Order of Registration;
 - b. For approval as the sole shareholder of Coast Hotels and Casinos, Inc.;
 - c. For approval to transfer its interests in Gold Coast Hotel and Casino, and Barbary Coast Hotel and Casino to Coast Hotels and Casinos, Inc.; and,
 - d. For approval to pledge the common stock of Coast Hotels and Casinos, Inc. in conjunction with the issuance of up to \$180 million of Senior Secured Notes (Notes), to a

trustee acceptable to the Board, subject to administrative approval by the Chairman of the Board, or his designee, as agent for and representative of a group of financial institutions ("Secured Party"); for approval to place restrictions upon the transfer of, and enter into agreements not to encumber, the common stock of Coast Hotels and Casinos, Inc. in conjunction with the Pledge of the common stock.

2. THAT the following applications, as amended and supplemented of Coast Hotels and Casinos, Inc. have been filed:

a. For licensure to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including race books and sports pools, dba Gold Coast Hotel and Casino and Barbary Coast Hotel and Casino; and,

b. For licensure to conduct nonrestricted gaming operations (race book and sports pool only), dba Barbary Coast Hotel and Casino, db at The Beach Race Book and Sports Pool;

3. THAT the Order of Registration of Coast Resorts, Inc., dated October 26, 1995, is hereby amended and restated, in its entirety, by this Revised Order of Registration.

4. THAT Coast Resorts, Inc. is registered as a publicly traded corporation and is found suitable as the sole stockholder of Coast Hotels and Casinos, Inc.

5. THAT Coast Resorts, Inc. is granted approval to transfer its interests in the Gold Coast Hotel and Casino and the Barbary Coast Hotel and Casino to Coast Hotels and Casino, Inc., pursuant to NGC Regulation 8.030.

6. THAT Coast Hotels and Casinos, Inc. is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including a race book and sports pool, dba Gold Coast Hotel and Casino at 4000 West Flamingo Road, Las Vegas, subject to such conditions and limitations imposed by the Commission.

7. THAT Coast Hotels and Casinos, Inc. is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations, including a race book and sports pool, dba

Barbary Coast Hotel and Casino at 3595 Las Vegas Boulevard South, Las Vegas, subject to such conditions and limitations imposed by the Commission.

8. THAT Coast Hotels and Casinos, Inc. is licensed to conduct nonrestricted gaming operations (race book and sports pool only), dba Barbary Coast Hotel and Casino, db at The Beach Race Book and Sports Pool, 365 Convention Center Drive, Las Vegas, subject to such conditions and limitations imposed by the Commission.

9. THAT Michael John Gaughan, John Tito Tiberti, and Jerry Edward Herbst are each found suitable, pursuant to NRS 463.643, as stockholders of Coast Resorts, Inc., and are each found suitable, pursuant to NGC Regulation 16.400, as controlling stockholders of Coast Resorts, Inc.

10. THAT, Coast Resorts, Inc. is granted approval, pursuant to NRS 463.510(1), and NGC Regulation 8.030(4), to pledge the common stock of Coast Hotels and Casino, Inc. to an entity acceptable to the Board, subject to administrative approval by the Chairman of the Board, or his designee, provided that: (a) a copy of the fully executed Pledge and Security Agreement in the form of draft dated October 17, 1995, as amended, must be filed with the Board within five business days after execution; (b) the prior approval of the Commission must be obtained before any foreclosure or transfer of the possessory security interest in such common stock (except back to Coast Resort, Inc.) and before any other resort to such common stock collateral or other enforcement of the security interest in such common stock, may occur; and (c) pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the common stock certificates of Coast Resorts, Inc. evidencing said pledge of the common stock 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.

11. THAT in conjunction with the issuance of the Notes, Coast Resorts, Inc. is granted approval, pursuant to NGC Regulation 15.510.1-4(a), to place restrictions upon the

transfer of, and to enter into agreements not to encumber, the equity securities of Coast Hotels and Casinos, Inc.

12. THAT Coast Resorts, Inc. shall fund and maintain with the Board a revolving fund in the amount of \$10,000 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Revised Order of Registration. 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, including foreign gaming activities, of Coast Resorts, Inc., Coast Hotels and Casinos, Inc., their subsidiaries and their affiliated entities.

13. THAT pursuant to NRS 463.625, Coast Resorts, Inc. is exempted from compliance with NRS 463.585 through NRS 463.615, inclusive, and shall instead comply with NRS 463.635 through NRS 463.645, inclusive.

14. THAT Coast Resorts, Inc. is exempted from NGC Regulation 15 and shall instead comply with the provisions of NGC Regulation 16.

15. THAT the Commission hereby expressly finds that the exemptions hereinabove granted are consistent with the State Policy set forth in NRS 463.0129 and NRS 463.489.

16. THAT this Revised Order of Registration shall become effective upon the completion and effectiveness of the transactions described in paragraphs 1(a)-(c) and 2, inclusive. If such transactions are not completed and effective by December 31, 1995, unless administrative extended by the Chairman of the Board, or his designee, then this Revised Order of Registration shall be rendered null and void and shall not be effective, and the Order of Registration shall also be rendered null and void and not be effective.

ENTERED at Carson City, Nevada, this 26th day of October, 1995.