

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of
JACKPOT ENTERPRISES, INC.
(Public Offering)

ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board on April 12, 1989, and before the Nevada Gaming Commission on April 27, 1989 at Las Vegas, 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 application of Jackpot Enterprises, Inc. for approval of a public offering, as amended and supplemented, is hereby accepted as filed.
2. THAT Jackpot Enterprises, Inc. is hereby granted approval pursuant to Regulation 16.110, to make a public offering of convertible subordinated debentures as defined in and pursuant to Securities and Exchange Commission ("SEC") Form S-2 Registration Statement (SEC file # 33-27614) (the "Registration Statement"), subject to the following conditions:

a) That until said public offering is fully effective and sold to the underwriters, Jackpot Enterprises, Inc. shall keep the State Gaming Control Board, Investigation Division, Corporate Securities Section, continuously and promptly informed as to the progress of the public offering;

b) That the approval herein granted may be rescinded without notice upon the issuance of an interlocutory stop order by the Chairman of the State Gaming Control Board.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; and

c) That Jackpot Enterprises, Inc. shall provide within thirty (30) days after the effective date of this public offering, and annually thereafter, to the State Gaming Control Board, Investigation Division - Corporate Securities, a complete list of the names, addresses, federal tax identification numbers, and principal amounts of debentures held by all record holders and, upon request, all beneficial holders of the convertible subordinated debentures which are the subject of this public offering.

d) That Jackpot Enterprises, Inc. shall file quarterly reports with the State Gaming Control Board, Investigation Division - Corporate Securities, as to the use of the proceeds of this public offering, until notified to the contrary by the Chairman of the State Gaming Control Board.

3. THAT the Commission hereby delegates to the Chairman of the State Gaming Control Board the authority to issue an interlocutory stop order for good cause, which stop order shall remain in effect until lifted by the Commission pursuant to the provisions of paragraph 2(b) above.

4. THAT Jackpot Enterprises, Inc. shall deposit and maintain a \$5,000