

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

In the Matter of

JACKPOT ENTERPRISES, INC.

(Registration)

TENTH REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on September 14, 1994, and before the Nevada Gaming Commission ("Commission") on September 29, 1994, 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 following applications, as amended and supplemented, have been filed:

a. The application of Debnbie's Casino, Inc. to remove or modify conditions to its gaming license; and

b. The application of Jackpot Enterprises for an amendment to its Order of Registration.

2. THAT the Ninth Revised Order of Registration of Jackpot Enterprises, Inc., dated June 29, 1994, is hereby amended and restated, in its entirety, by this Tenth Revised Order of Registration.

3. THAT Jackpot Enterprises, Inc. is registered as a publicly traded corporation and found suitable as the sole shareholder of Cardivan Company, Corral United, Inc., Corral Coin, Inc., Jackpot Gaming, Inc., and Corral Country Coin, Inc.

4. THAT, subject to such conditions or limitations as may be imposed by the Commission, Cardivan Company is licensed as an operator of a slot machine route and as a manufacturer and distributor, and Cardivan Company, dba Cardivan Company at the following locations, is licensed to conduct nonrestricted gaming operations (slot machines only) at each of the following locations:

Albertson's Food Center #149, 525 Keystone Avenue, Reno;  
Albertson's #151, 2150 Oddie Boulevard, Sparks;  
Albertson's #1628, 8584 West Lake Mead, Las Vegas;  
Albertson's #1664, 120 South Rainbow Boulevard, Las Vegas;  
Albertson's Store #1638, 4821 West Craig Road, Las Vegas;  
Albertson's #637, 1570 North Eastern Boulevard, Las Vegas;  
Albertson's #1621, 9200 West Sahara Avenue, Las Vegas;  
Albertson's #1616, 3160 North Rainbow Boulevard, Las Vegas;  
Albertson's #148, 195 West Plumb Lane, Reno;  
K-Mart #3592, 5050 East Bonanza Road, Las Vegas;  
K-Mart #3719, 4500 North Rancho Road, Las Vegas;  
K-Mart #3110, 3800 Kietzke Lane, Reno;  
K-Mart #4151, 2125 Oddie Boulevard, Sparks;  
Lucky Store #586, 4420 East Bonanza Road, Las Vegas;  
Lucky Store #735, 1200 South Decatur Boulevard, Las Vegas;  
Lucky Store #787, 1001 South Rainbow Boulevard, Las Vegas;  
Lucky Store #732, 2400 East Bonanza Road, Las Vegas;  
Lucky Store #684, 610 North Nellis Boulevard, Las Vegas;  
Lucky Store #786, 1760 East Charleston Boulevard, Las Vegas;  
Lucky Store #731, 1501 North Decatur Boulevard, Las Vegas;  
Lucky Store #695, 3121 North Rancho Drive East, Las Vegas;  
Osco Drug Store #3, 680 North McCarran Boulevard, Sparks;  
Osco Drug Store #6, 285 East Plumb Lane, Reno;  
Osco Drug Store #41, 1250 West 7th Street, Reno;  
Phar-Mor Drug Store #263, 4621 Fair Center Parkway, Las Vegas;  
Phar-Mor Drug Store #308, 41 North Nellis Boulevard, Las Vegas;  
Sav-On Drug Store #26, 1800 East Charleston Boulevard, Las Vegas;  
Sav-On Drug Store #215, 268 North Jones Boulevard, Las Vegas;  
Sav-On Drug Store #224, 3550 West Sahara Avenue, Las Vegas; and  
Sav-On Drug Store #2054, 9100 West Sahara Avenue, Las Vegas.

5. THAT, subject to such conditions or limitations as may be imposed by the Commission, Corral United, Inc., dba Corral United, is licensed as an operator of a slot machine route, and Corral United, Inc., dba Corral United, at the following locations, is licensed to conduct nonrestricted gaming operations (slot machines only) at each of the following locations:

Sav-On Drug Store #289, 4600 Meadow Lane, Las Vegas;  
Sav-On Drug Store #237, 562 North Eastern Avenue, Las Vegas;

6. THAT, subject to such conditions or limitations as may be imposed by the Commission, Corral Coin, Inc., dba Corral Coin, is licensed as an operator of a slot machine route, and Corral Coin, Inc., dba Corral Coin, at the following locations, is licensed to conduct nonrestricted gaming operations (slot machines only) at each of the following locations:

Payless Drug Store Sahara, 3830 West Sahara Avenue, Las Vegas;  
Payless Drug Store South, 3651 South Maryland Parkway, Las Vegas;  
Payless Drug Store #5460, 4530 East Charleston Boulevard, Las Vegas;  
and  
Payless Drug Store #5470, 911 South Rainbow Boulevard, Las Vegas.

7. THAT Corral Country Coin, Inc. is licensed as an operator of a slot machine route, subject to such conditions or limitations as may be imposed by the Commission.

8. THAT Jackpot Gaming, Inc. is registered as an intermediary company and found suitable as the sole shareholder of Jackpot Owl, Inc., Debbie's Casino, Inc. and Water Street Casino, Inc., and as a shareholder of 500 shares of common stock of Jackpot City, Inc.

9. THAT Jackpot City, Inc., dba The Nugget, is licensed to conduct nonrestricted gaming operations at 231-233 North Virginia Street, Reno, subject to such conditions or limitations imposed by the Commission.

10. THAT Jackpot Owl, Inc., dba The Owl Club, is licensed to conduct nonrestricted gaming operations at 72 East Front Street, Battle Mountain, subject to such conditions or limitations imposed by the Commission.

11. THAT Debbie's Casino, Inc. dba Debbie Reynolds' Hotel and Casino, is licensed to conduct nonrestricted gaming operations at 305 Convention Center Drive, Las Vegas; provided, however, that such license is limited to expire at midnight on the day of the July 1995 Commission meeting and is subject to such conditions or limitations as may be imposed by the Commission.

12. THAT Water Street Casino, Inc., dba Post Office Casino, is licensed to conduct nonrestricted gaming operations (slot machines only) at 124 Market Street, Henderson, subject to such conditions or limitations as may be imposed by the Commission.

13. THAT pursuant to NRS 463.625, Jackpot Enterprises, Inc. is exempted from compliance with NRS 463.585(1), (2), (6) and (7), and NRS 463.595 through NRS 463,615, inclusive, and shall instead comply with NRS 463.635 through NRS 463.645, inclusive.

14. THAT Jackpot Enterprises, Inc. is exempted from NGC Regulation 15, except for the provisions of NGC Regulations 15.585.3-1, 15.585.3-2 and 15.585.4-1, and shall instead comply with the NGC Regulation 16.

15. THAT all voting securities of Jackpot Enterprises, Inc. shall bear a statement which shall be substantially as follows:

"Beneficial owners of the Common Stock issued by this Corporation are subject to the regulatory provisions of the Nevada Gaming Control Act (Nevada Revised Statutes, Ch. 463.010, et seq.) and the regulations of the Nevada Gaming Commission. If at any time the

Nevada Gaming Commission finds a beneficial owner of the securities evidenced by this certificate to be unsuitable to hold such securities, they must be disposed of by such beneficial owner. The laws and gaming regulations of the State of Nevada restrict the rights of a beneficial owner of such securities under certain circumstances: (a) to receive any dividend upon such securities, or (b) to exercise directly or indirectly any voting rights conferred by such securities, or (c) to receive any remuneration in any form from this Corporation for services rendered or otherwise."

16. THAT except for public offerings subject to NGC Regulation 16.110, any offer for the sale of any equity security, as defined by NRS 463.484, by any affiliated company of Jackpot Enterprises, Inc., Jackpot Gaming, Inc., Corral Coin, Inc., Cardivan Company, Corral Country Coin, Inc., Jackpot City, Inc., Jackpot Owl, Inc., Corral United, Inc., Debbie's Casino, Inc. or Water Street Casino, Inc., shall not become effective without the prior approval of the Board. Such approval is deemed to be granted if an application for the same has been filed with the Board for 30 days, and the Board has not ordered an acceleration or extension of time, or issued a stop order during such period.

17. THE Commission hereby delegates to the Chairman of the Board the authority to issue interlocutory stop orders for good cause pertaining to any equity security subject to paragraph 16 of this Ninth Revised Order of Registration. Any stop order so issued may be reviewed by the Commission.

18. THAT Jackpot Enterprises, Inc. shall maintain a Compliance Committee for the purpose of performing due diligence in future acquisitions of gaming locations, and determining the suitability of relationships with other business

entities and individuals, including, but not limited to, key employees, officers and directors of the corporation; and further, to review all operational areas of it and its subsidiaries for compliance with the Commission regulations and Chapter 463 of the Nevada Revised Statutes. The Compliance Committee shall conduct its affairs in accordance with the plan for such committee submitted to the Board on August 7, 1986.

19. THE Commission hereby delegates to the Chairman of the Board the authority to require and administratively approve amendments to the Compliance Committee plan and to the composition and duties of the Compliance Committee.


20. THAT Jackpot Enterprises, 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 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 reviews of all activities of Jackpot Enterprises, Inc., Jackpot Gaming, Inc., Cardivan Company, Corral United, Inc., Corral Coin, Inc., Jackpot City, Inc., Jackpot Owl, Inc., Debbie's Casino, Inc., Water Street Casino, Inc. and Corral Country Coin, Inc. and their affiliated companies.

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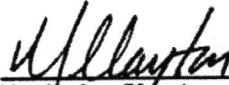
21. THAT the Commission expressly finds that the exemptions hereinabove granted are consistent with the State policy set forth in NRS 463.0129 and NRS 463.489.

ENTERED at Las Vegas, Nevada, this 29th day of September, 1994.

FOR THE COMMISSION:

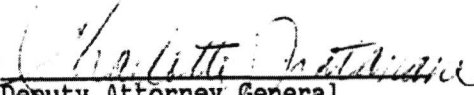
  
Bill Curran, Chairman

Submitted by:

  
Mark A. Clayton, Chief  
Corporate Securities Division

APPROVED AS TO FORM:

FRANKIE SUE DEL PAPA  
ATTORNEY GENERAL

By   
Deputy Attorney General  
Gaming Division