

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

JACOBS ENTERTAINMENT, INC.

(Registration)_____

ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on October 9, 2002 and before the Nevada Gaming Commission ("Commission") on October 24, 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 Jacobs Entertainment, Inc., for (i) registration as a publicly traded corporation, (ii) approval of a public offering, (iii) approval to pledge the equity securities of Black Hawk Gaming & Development Company, Inc., to Wells Fargo Bank Minnesota, National Association, as Trustee, in conjunction with Senior Secured Notes due 2009, and (iv) approval to place restrictions upon the transfer of, and to enter into an agreement not to encumber, the equity securities of Black Hawk Gaming & Development Company, Inc., in conjunction with Senior Secured Notes due 2009;

b. The applications of Black Hawk Gaming & Development Company, Inc., for (i) approval to pledge the equity securities of Gold Dust West Casino, Inc., to Wells Fargo Bank Minnesota, National Association, as Trustee, in conjunction with Senior Secured Notes due 2009 and (ii) approval to place restrictions upon the transfer of, and to enter into an agreement not to encumber, the equity securities of Gold Dust West Casino, Inc., to Wells Fargo Bank Minnesota, National Association, as Trustee, in conjunction with Senior Secured Notes due 2009;

c. The application of Gold Dust West Casino, Inc. for approval to guarantee securities and hypothecate assets in conjunction with Senior Secured Notes due 2009; and

d. The applications of Jeffrey Paul Jacobs and Richard Everett Jacobs for findings of suitability as controlling beneficial owners of Jacobs Entertainment, Inc.

2. THAT Jacobs Entertainment, Inc., is registered as a publicly traded corporation and is found suitable as the sole shareholder of Black Hawk Gaming & Development Company, Inc.

3. THAT The Richard E. Jacobs Revocable Living Trust, dated April 23, 1987, as amended, is registered as a holding company and is found suitable as a shareholder of Jacobs Entertainment, Inc.

4. THAT Richard Everett Jacobs, as Trustee of the Richard E. Jacobs Revocable Living Trust, dated April 23, 1987, as amended, and Jeffrey Paul Jacobs, are each found suitable, pursuant to NRS 463.643 and NGC Regulation 16.400, as controlling beneficial owners of Jacobs Entertainment, Inc.

5. THAT Black Hawk Gaming & Development Company, Inc., is registered as an intermediary company and is found suitable as the sole shareholder of Gold Dust West Casino, Inc.

6. THAT Gold Dust West Casino, Inc., dba Gold Dust West, is licensed to conduct nonrestricted gaming operations at 444 Vine Street, Reno, and is licensed as a manufacturer and as a distributor, subject to such conditions or limitations as may be imposed by the Commission.

7. THAT Jacobs Entertainment, Inc., is granted approval, pursuant to NGC Regulation 16.110, to make a public offering of 11 7/8% Senior Secured Notes due 2009 ("Senior Notes"), pursuant to and as more fully described in the SEC Form S-4 Registration Statement, as amended, (SEC Registration No. 333-88242) ("Regulation Statement").

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

a. That Jacobs Entertainment, Inc., 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 Jacobs Entertainment, Inc., 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.

9. 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 8(b) above.

10. THAT Jacobs Entertainment, Inc., is granted approval, pursuant to NGC Regulations 8.030 and 15.585.7-2, to pledge the equity securities of Black Hawk Gaming & Development Company, Inc., to Wells Fargo Bank Minnesota, National Association, as Trustee, in conjunction with the Senior Notes, provided that:

a. This approval is pursuant to the Security Agreement, dated February 8, 2002 (“Security Agreement”);

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Jacobs Entertainment, Inc.) and before any other resort to the collateral or other enforcement of the security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.150.1-3 and 8.030(4)(a), the stock certificates of Black Hawk Gaming & Development Company, Inc., evidencing said pledge of the equity securities, 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 Black Hawk Gaming & Development Company, Inc., is granted approval, pursuant to NRS 463.510(1) and NGC Regulation 8.030, to pledge the equity securities of Gold Dust West Casino, Inc., to Wells Fargo Bank Minnesota, National Association, as Trustee, in conjunction with the Senior Notes, provided that:

a. This approval is pursuant to the Security Agreement and the Joinder Agreement, dated February 22, 2002 (“Joinder Agreement”);

b. The prior approval of the commission must be obtained before any foreclosure or transfer of any possessory security interest in such securities (except back to Black Hawk Gaming & Development Company, Inc.) and before any other resort to the collateral or other enforcement of the security interest in such securities may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Gold Dust West Casino, Inc., evidencing said pledge of the equity securities, 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.

12. THAT the Security Agreement and the Joinder Agreement 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 Security Agreement or the Joinder Agreement that increase the shares that are the subject of the pledge or that change the identity of the Trustee.

13. THAT in conjunction with the Indenture governing the Senior Notes, and the Security Agreement, Jacobs Entertainment, Inc., is granted approval, pursuant to NGC Regulation 15.585.7-3, to place restrictions upon the transfer of, and to enter into an agreement not to encumber, the equity securities of Black Hawk Gaming & Development Company, Inc.

14. THAT in conjunction with the Indenture governing the Senior Notes, the Security Agreement and the Joinder Agreement, Black Hawk Gaming & Development Company, Inc., is granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Gold Dust West Casino, Inc.

15. THAT in conjunction with the public offering of the Senior Notes, Gold Dust West Casino, Inc., is granted approval, pursuant to NGC Regulation 16.100(3), to guarantee securities issued by Jacobs Entertainment, Inc., and to hypothecate its assets to assure the payment or performance of obligations evidenced by the securities issued by Jacobs Entertainment, Inc.

16. THAT Jacobs Entertainment, Inc., shall establish and maintain a Gaming Compliance Plan ("Plan") for the purpose of, at a minimum, performing due diligence, determining the suitability of relationships with other entities and individuals, and to review and ensure compliance by Jacobs Entertainment, Inc., and its subsidiaries and any affiliated entities, with the Nevada Gaming Control Act (the "Act"), as amended, the Commission's Regulations (the "Regulations"), as amended, and the laws and regulations of any other jurisdiction in which Jacobs Entertainment, inc., its subsidiaries and any affiliated entities operate. The Plan, any

amendments thereto, and the members of the gaming compliance committee, one such member who shall be independent and knowledgeable of the Act and Regulations, shall be administratively reviewed and approved by the Chairman of the Board or his designee. Jacobs Entertainment, Inc., shall amend the Plan, or any element thereof, and perform such duties as may be requested or assigned by Chairman of the Board or his designee relating to a review of activities relevant to the continuing qualifications of Jacobs Entertainment, Inc., under the provisions of the Act and Regulations.

17. THAT Jacobs Entertainment, Inc., shall fund and maintain with the Board a revolving fund in the amount of \$15,000.00 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 Jacobs Entertainment, Inc., and its affiliated companies.

18. THAT pursuant to NRS 463.625, Jacobs Entertainment, 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.

19. THAT Black Hawk Gaming & Development Company, Inc. is exempted from NGC Regulation 15, except for the provisions of NGC Regulations 15.510.2-1, 15.585.7-1 and 15.585.7-6, and shall instead comply with NGC Regulation 16; provided that, Richard Everett Jacobs, as Trustee of the Richard E. Jacobs Revocable Living Trust, dated April 23, 1987, as amended, and Jeffrey Paul Jacobs, shall not sell, assign, transfer, pledge or otherwise dispose of the equity securities of Jacobs Entertainment, Inc., without the prior approval of the Commission.

20. 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 NRS 463.489.

ENTERED at Carson City, Nevada, this 24th day of October, 2002.