

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

RIVIERA HOLDINGS CORPORATION

(Registration)

EIGHTH REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on July 13, 2011, and before the Nevada Gaming Commission (“Commission”) on July 28, 2011, 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 following applications, as amended and supplemented, have been filed:
 - a. The application of Riviera Holdings Corporation for an amendment to its Order of Registration.
 - b. The applications of BSS VoteCo, L.L.C. for (i) licensure as a member and manager of Riviera VoteCo, L.L.C. and (ii) a finding of suitability as a beneficial owner and controlling beneficial owner of Riviera Holdings Corporation,
 - c. The applications of Desert Rock Enterprises LLC for (i) licensure as a member and manager of Riviera VoteCo, L.L.C. and (ii) a finding of suitability as a beneficial owner of Riviera Holdings Corporation,

d. The application of Barry Stuart Sternlicht for a finding of suitability as a beneficial owner and controlling beneficial owner of Riviera Holdings Corporation, and

e. The application of Derek John Stevens for a finding of suitability as a beneficial owner of Riviera Holdings Corporation.

2. THAT the Seventh Revised Order of Registration of Riviera Holdings Corporation, dated March 24, 2011, is hereby amended and restated, in its entirety, by this Eighth Revised Order of Registration.

3. THAT Riviera Holdings Corporation is registered as a publicly traded corporation and is found suitable as the sole shareholder of Riviera Operating Corporation.

4. THAT Riviera VoteCo, L.L.C. is registered as a holding company, is approved pursuant to NGC Regulation 16.200 to acquire control of Riviera Holdings Corporation and is found suitable as a beneficial owner and controlling beneficial owner of Riviera Holdings Corporation.

5. THAT Barry Stuart Sternlicht is found suitable as a beneficial owner and controlling beneficial owner, and Derek John Stevens is found suitable as a beneficial owner of Riviera Holdings Corporation.

6. THAT BSS VoteCo, L.L.C. is licensed as a member and manager of Riviera VoteCo, L.L.C. and is found suitable as a beneficial owner and controlling beneficial owner of Riviera Holdings Corporation.

7. THAT Desert Rock Enterprises LLC is licensed as a member and manager of Riviera VoteCo, L.L.C. and is found suitable as a beneficial owner of Riviera Holdings Corporation.

8. THAT Riviera VoteCo, L.L.C., is granted approval to issue warrants to Strategic Value Special Situations Master Fund, LP, Bank of America, N.A., Cantor Fitzgerald Securities, Cerberus Series Four Holdings LLC, CAI Distressed Debt Opportunity Master Fund, Ltd., D-Star Ltd, Family Partners Limited Partnership, Houssels Family Limited Partnership, J.P. Morgan

Whitefriars Inc., Continental Casualty Company and R2 Top Hat, Ltd, conditioned that such warrants shall not be exercised without the prior approval of the Commission, and shall not be sold, assigned, transferred, pledged or otherwise disposed of without the prior administrative approval of the Chairman of the Board or his designee.

9. THAT Riviera Operating Corporation, dba Riviera Hotel & Casino, is licensed to conduct nonrestricted gaming operations, including a race book, at 2901 Las Vegas Boulevard South, Las Vegas.

10. THAT Riviera Operating Corporation, dba Riviera Hotel & Casino, is licensed to conduct off-track pari-mutuel wagering at 2901 Las Vegas Boulevard South, Las Vegas.

11. THAT Riviera Operating Corporation, dba Riviera Hotel & Casino, is licensed to receive a percentage of sports pool gaming revenue from the sports pools which participate with Leroy's Horse and Sports Place, Inc. dba Leroy's Horse and Sports Place.

12. THAT Riviera Operating Corporation is licensed as a manufacturer and distributor, subject to such conditions or limitations as may be imposed by the Commission.

13. THAT Riviera Holdings Corporation is granted approval, pursuant to NRS 463.510(1), to pledge the equity securities of Riviera Operating Corporation to Cantor Fitzgerald Securities, as Administrative Agent, in conjunction with a Series A Credit Agreement and a Series B Credit Agreement (together the "Credit Agreements"); provided that:

a. This approval is pursuant to the fully executed Series A Pledge Agreement and Series B Pledge Agreement (together the "Pledge Agreements") copies of which shall be provided to the Board within thirty (30) days of the date the Pledge Agreements become effective;

b. The prior approval of the Commission must be obtained before any foreclosure of the possessory security interest in the equity securities of Riviera Operating Corporation (except back to Riviera Holdings Corporation), and before any other resort to such

equity security collateral or other enforcement of the security interest in such equity securities, may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the stock certificates of Riviera Operating Corporation 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.

14. THAT the Pledge Agreements shall not be 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 pledge agreement that increase the shares that are the subject of the pledge or that change the identity of the secured party.

15. THAT in conjunction with the Credit Agreements, Riviera Holdings Corporation 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 Riviera Operating Corporation.

16. THAT Riviera Holdings Corporation shall maintain its 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 Riviera Holdings Corporation, 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 jurisdictions in which Riviera Holdings Corporation, 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. Riviera Holdings Corporation shall amend the Plan, or any element thereof, and perform such duties as may be assigned by the

Chairman of the Board or his designee related to a review of activities relevant to the continuing qualification of Riviera Holdings Corporation under the provisions of the Act and Regulations.

17. THAT Riviera Holdings Corporation shall fund and maintain with the Board a revolving fund in the amount of \$25,000 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 review of all activities of Riviera Holdings Corporation, Riviera Operating Corporation and their affiliated entities.

18. THAT Barry Stuart Sternlicht shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect membership interest in BSS VoteCo, L.L.C. held by him or any other security held by him that is convertible or exchangeable into an interest in BSS VoteCo, L.L.C.

19. THAT BSS VoteCo, L.L.C. shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect membership interest in Riviera VoteCo, L.L.C. held by it or any other security held by it that is convertible or exchangeable into an interest in Riviera VoteCo, L.L.C.

20. THAT Desert Rock Enterprises LLC shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect membership interest in Riviera VoteCo, L.L.C. held by it or any other security held by it that is convertible or exchangeable into an interest in Riviera VoteCo, L.L.C.

21. THAT Derek John Stevens and Gregory John Stevens shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect membership interest in Desert Rock Enterprises LLC held by them or any other security held by them that is convertible or exchangeable into an interest in Desert Rock Enterprises LLC.

22. THAT Riviera VoteCo, L.L.C. shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect membership interest in Riviera Holdings Corporation held by it or any other security held by it that is convertible or exchangeable into an interest in Riviera Holdings Corporation.

23. THAT Desert Rock Enterprises LLC, SCH/VIII Bonds, L.L.C., SCH/VIII Bonds II, L.L.C., SCH/VIII Bonds III, L.L.C. and SCH/VIII Bonds IV, L.L.C. shall not, without the prior approval of the Commission, sell, assign, transfer, pledge or otherwise dispose of any direct or indirect equity interest in Riviera Holdings Corporation held by them or any other security held by them that is convertible or exchangeable into an interest in Riviera Holdings Corporation provided, however, that Desert Rock Enterprises LLC, SCH/VIII Bonds, L.L.C., SCH/VIII Bonds II, L.L.C., SCH/VIII Bonds III, L.L.C. and SCH/VIII Bonds IV, L.L.C. may transfer non-voting securities among one another, conditioned that such transaction be reported by the transferor to the Board within thirty (30) days of its consummation together with a report of the date of the transaction, the percentage of interest transferred, the name of the transferee and any such other information as the Board may require.

24. THAT Riviera Holdings Corporation, Desert Rock Enterprises LLC, SCH/VIII Bonds, L.L.C., SCH/VIII Bonds II, L.L.C., SCH/VIII Bonds III, L.L.C. and SCH/VIII Bonds IV, L.L.C. shall, within 30 days of such change, report to the Board the addition of any new members, partners or shareholders. Such report shall include the name, date of birth, social security number and any other such information as the Board may require on the new member, partner or shareholder. If the new member, partner or shareholder is an entity rather than a natural person, such report shall include either: (a) the names, dates of birth, social security numbers and any other such information as the Board may require on the officers and directors of the new member, partner or shareholder, and, if applicable, any person holding, directly or indirectly, more than five percent (5%) voting or economic interest in the prospective member, partner or shareholder, or (b) the identification information found in the subscription materials

provided by such new member, partner or shareholder and any other such information as the Board may require. The Commission may require, upon the recommendation of the Board, any member, partner or shareholder to file an application for licensure or a finding of suitability. The failure of such member, partner or shareholder to file an application may be grounds for a finding of unsuitability and subject the member, partner or shareholder to mandatory divestiture of the relevant interest.

25. THAT Riviera Holdings Corporation, Desert Rock Enterprises LLC, SCH/VIII Bonds, L.L.C., SCH/VIII Bonds II, L.L.C., SCH/VIII Bonds III, L.L.C. and SCH/VIII Bonds IV, L.L.C. each shall quarterly provide to the Board a list of all direct or indirect holders of all classes of securities, including, but not limited to, common stock, membership interests, partnership interests, or other such securities.

26. THAT Riviera Holdings Corporation shall not, without the prior approval of the Commission, make any direct or indirect dividends or distributions on any class of securities to any party that has not been licensed or found suitable by the Commission provided, however, that Riviera Holdings Corporation may, with the prior administrative approval of the Chairman of the Board or his designee, pay dividends and make distributions to their direct or indirect equity owners who have not been licensed or found suitable by the Commission for the purpose of defraying tax liabilities and tax-related expenses of such direct or indirect equity owners that arise directly out of such direct or indirect ownership interest.

27. THAT Riviera Holdings Corporation shall not, without the prior approval of the Commission, issue any additional securities, including, but not limited to, equity securities, membership interests, or partnership interests, provided however, that Riviera Holdings Corporation may issue Class B Non-Voting Common Stock to holders of Class B Non-Voting Share Warrants, provided that Riviera Holdings Corporation shall quarterly provide to the Board a list of all such recipients who have received Class B Non-Voting Common Stock, including the name, date of birth, social security number and any other such information as the Board may

require of the recipient. If the recipient is an entity, rather than a natural person, such report shall include either: (a) the names, dates of birth, social security numbers and any other such information as the Board may require on the officers and directors of the recipient, and, if applicable, any person holding, directly or indirectly, more than five percent (5%) voting or economic interest in the recipient, or (b) the identification information found in the subscription materials provided by such recipient and any other such information as the Board may require. Additionally, Riviera Holdings Corporation may issue Class B Non-Voting Common Stock or options exercisable for Class B Non-Voting Common stock to employees of Riviera Holding Corporation or its affiliates, provided that Riviera Holdings Corporation shall quarterly provide to the Board a list of all such recipients who have received Class B Non-Voting Common Stock or options exercisable for Class B Non-Voting Common stock for the previous quarter, including the name and current or previous job title of the recipient, date of issuance, and number of securities issued.

28. THAT, subject to the provisions of paragraphs eighteen (18) through twenty-seven (27) of this Order of Registration, pursuant to NRS 463.625, Riviera Holdings Corporation 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.

29. THAT subject to the provisions of paragraphs eighteen (18) through twenty-seven (27) of this Order of Registration pursuant to NGC Regulations 15.489.2-1 and 15.624.1, Riviera Holdings Corporation is exempted from NGC Regulation 15 and shall instead comply with the provisions of NGC Regulation 16.

30. 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.

ENTERED at Las Vegas, Nevada, this 28th day of July 2011.