

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

RIVIERA HOLDINGS CORPORATION

(Registration)_____

THIRD REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on November 5, 1997, and before the Nevada Gaming Commission ("Commission") on November 20, 1997, 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 approval of a public offering, for approval to place restrictions upon the transfer of and enter into agreements not to encumber, the equity securities of Riviera Operating Corporation, for approval to pledge the equity securities of Riviera Operating Corporation, and for an amendment to its Order of Registration;
 - b. The applications of Riviera Operating Corporation for approval to place restrictions upon the transfer of, and enter into agreements not to encumber, the equity securities of Riviera Gaming Management, Inc., for approval to pledge the equity securities of

Riviera Gaming Management, Inc. and for approval to guarantee securities and hypothecate assets in conjunction with securities issued by Riviera Holdings Corporation pursuant to both a private placement and the public offering, as applicable;

c. The applications of Riviera Gaming Management, Inc. for approval to place restrictions upon the transfer of, and enter into agreements not to encumber, the equity securities of Riviera Gaming Management - Elsinore, Inc., for approval to pledge the equity securities of Riviera Gaming Management - Elsinore, Inc. and for approval to guarantee securities in conjunction with securities issued by Riviera Holdings Corporation pursuant to both a private placement and the public offering, as applicable; and

d. The application of Riviera Gaming Management - Elsinore, Inc. for approval to guarantee securities and hypothecate assets in conjunction with the public offering.

2. THAT the Second Revised Order of Registration, dated February 20, 1997, is hereby amended and restated, in its entirety, by this Third 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 Operating Corporation is registered as an intermediary company and is found suitable as the sole shareholder of Riviera Gaming Management, Inc.

5. THAT Riviera Gaming Management, Inc. is registered as an intermediary company and is found suitable as the sole shareholder of Riviera Gaming Management - Elsinore, Inc.

6. THAT Riviera Gaming Management - Elsinore, Inc. is licensed as the manager of Four Queens Hotel and Casino at 202 East Freemont Street, Las Vegas, subject to such conditions and limitations imposed by the Commission.

7. 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.

8. 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.

9. 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 & Sports Place, Inc. dba Leroy's Horse & Sports Place.

10. THAT Riviera Operating Corporation is licensed as a manufacturer and distributor.

11. THAT Riviera Holdings Corporation is granted approval, pursuant to NRS 463.510(1), to pledge the common stock of Riviera Operating Corporation to IBJ Schroder Bank and Trust Company, as trustee, (the "Pledge") as security for the 11% First Mortgage Notes due December 31, 2002 of Riviera Holdings Corporation; provided that:

(a) a copy of the fully executed Security Agreement including the Pledge in the form of the draft dated June 28, 1993 must be filed with the Board within ten (10) days after the issuance of the 11% First Mortgage Notes due December 31, 2002 of Riviera Holdings Corporation;

(b) the prior approval of the Commission must be obtained before any foreclosure of the possessory security interests in the common stock of Riviera Operating Corporation (except back to Riviera Holdings Corporation), and before any other resort to such common stock collateral or other enforcement of the security interests 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 Riviera Operating Corporation evidencing said pledge of 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.

12. THAT Riviera Holdings Corporation is hereby granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions upon the transfer of, and agree not to encumber, the common stock of Riviera Operating Corporation in conjunction with the Modified and Restated Debtor's and Bondholders' Committee's Second Amended Joint Plan of Reorganization in the matter of Riviera, Inc., as approved by the United States Bankruptcy court on June 3, 1993, and the Security Agreement including the Pledge in the form of the draft dated June 28, 1993.

13. THAT Riviera Holdings Corporation is granted approval, pursuant to NGC Regulation 16.110, to make a public offering of up to \$175,000,000 10% First Mortgage Notes due 2004 ("Notes") as more fully described in and pursuant to the Securities and Exchange Commission ("SEC") Form S-4 Registration Statement (SEC Registration No. 333-35291) ("Registration Statement").

14. THAT the approvals set forth in paragraph 13 above are specifically conditioned as follows:

a. That Riviera Holdings Corporation 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 Riviera Holdings Corporation or its subsidiaries which would be subject to reporting on SEC Form 8-K; and

b. That the approvals 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.

15. THAT the Commission hereby delegates to the Chairman of the Board the authority to issue interlocutory stop orders for good cause, which shall remain in effect until lifted by the Commission as provided in paragraph 14(b) above.

16. THAT Riviera Holdings Corporation is granted approval, pursuant to NRS 463.510(1), to pledge the equity securities of Riviera Operating Corporation (the "Riviera

Operating Corporation Pledge") to Norwest Bank Minnesota, National Association, as collateral agent ("Norwest") as security for the 10% First Mortgage Notes due 2004 of Riviera Holdings Corporation; provided that:

a. This approval is pursuant to the fully executed Stock Pledge and Security Agreement that includes the Riviera Operating Corporation Pledge dated August 13, 1997;

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 common stock certificates of Riviera Operating Corporation evidencing said Riviera Operating Corporation Pledge of 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.

17. THAT Riviera Holdings Corporation is hereby granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions upon the transfer of, and agree not to encumber, the equity securities of Riviera Operating Corporation in conjunction with the public offering approvals contained in Paragraph 13 and the issuance of \$175,000,000 aggregate principal amount of 10% First Mortgage Notes due 2004 in a private placement on August 13, 1997 (the "Private Placement").

18. THAT Riviera Operating Corporation is granted approval, pursuant to NRS 463.510(1), to pledge the equity securities of Riviera Gaming Management, Inc. (the "Riviera Gaming Management, Inc. Pledge") to Norwest as security for the 10% First Mortgage Notes due 2004 of Riviera Holdings Corporation; provided that:

a. This approval is pursuant to the fully executed Stock Pledge and Security Agreement that includes the Riviera Gaming Management, Inc. Pledge dated August 13, 1997.

b. The prior approval of the Commission must be obtained before any foreclosure of the possessory security interests in the equity securities of Riviera Gaming Management, Inc. (except back to Riviera Operating Corporation), and before any other resort to such equity security collateral or other enforcement of the security interests in such equity securities, may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the common stock certificates of Riviera Gaming Management, Inc. evidencing said Riviera Gaming Management, Inc. Pledge of 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.

19. THAT Riviera Operating Corporation is hereby granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions upon the transfer of, and agree not to encumber, the equity securities of Riviera Gaming Management, Inc. in conjunction with the public offering approvals contained in Paragraph 13 and the issuance of \$175,000,000 aggregate principal amount of 10% First Mortgage Notes due 2004 in the Private Placement.

20. THAT Riviera Operating Corporation is granted approval, pursuant to NGC Regulation 16.100(3), to guarantee securities issued by, and hypothecate its assets to secure the payment or performance of any obligations evidenced by securities issued by Riviera Holdings Corporation in the public offering.

21. THAT Riviera Gaming Management, Inc. is hereby granted approval, pursuant to NRS 463.510(1), to pledge the equity securities of Riviera Gaming Management - Elsinore, Inc. (the "Riviera Gaming Management - Elsinore, Inc. Pledge") to Norwest as security for the 10% First Mortgage Notes due 2004 of Riviera Holdings Corporation; provided that:

a. This approval is pursuant to the fully executed Stock Pledge and Security Agreement that includes the Riviera Gaming Management - Elsinore, Inc. Pledge dated August 13, 1997.

b. The prior approval of the Commission must be obtained before any foreclosure of the possessory security interests in the equity securities of Riviera Gaming Management - Elsinore, Inc. (except back to Riviera Gaming Management, Inc.), and before any other resort to such equity security collateral or other enforcement of the security interests in such equity securities, may occur; and

c. Pursuant to NGC Regulations 15.510.1-3 and 8.030(4)(a), the common stock certificates of Riviera Gaming Management - Elsinore, Inc. evidencing said Riviera Gaming Management - Elsinore, Inc. Pledge of 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.

22. THAT Riviera Gaming Management, Inc. is hereby granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions upon the transfer of, and agree not to encumber, the equity securities of Riviera Gaming Management - Elsinore, Inc. in conjunction with the public offering approvals contained in Paragraph 13 and the issuance of \$175,000,000 aggregate principal amount of 10% First Mortgage Notes due 2004 in the Private Placement.

23. THAT Riviera Gaming Management, Inc. is granted approval, pursuant to NGC Regulation 15.585.7-1, to guarantee securities issued by Riviera Holdings Corporation in the public offering.

24. THAT Riviera Gaming Management - Elsinore, Inc. is granted approval, pursuant to NGC Regulation 16.100(3), to guarantee securities issued by, and hypothecate its assets to secure the payment or performance of any obligations evidenced by securities issued by Riviera Holdings Corporation in the public offering.

25. THAT Riviera Holdings Corporation 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 review of all activities of Riviera Holdings Corporation, Riviera Operating Corporation, and their affiliated entities.

26. THAT 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.

27. THAT 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.

28. 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, on this 20th day of November 1997.