

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

STATION CASINOS, INC.

(Delayed Public Offering)  
\_\_\_\_\_

ORDER

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on January 12, 1994 and before the Nevada Gaming Commission ("Commission") on January 26, 1994, 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 Station Casinos, Inc. for approval of a continuous or delayed public offering by it or any affiliated company wholly-owned by it which is or would thereby become a publicly traded corporation (hereinafter referred to as "Affiliate");

b. The application of Station Casinos, Inc. for approval to place restrictions on the transfer of, and to enter into agreement not to encumber, the common stock of Palace Station Hotel & Casino, Inc. and Southwest Gaming Services, Inc. pursuant to a public offering

made by Station Casinos, Inc. or its Affiliate(s) under the continuous or delayed public offering approval;

c. The application of Southwest Gaming Services, Inc. for approval to place restrictions on the transfer of, and to enter into agreement not to encumber, the common stock of Tropicana Caboose, Inc. and Nellis Caboose, Inc., pursuant to a public offering by Station Casinos, Inc. or its Affiliate(s) under the continuous or delayed public offering approval.

d. The applications of Palace Station Hotel & Casino, Inc., Southwest Gaming Services, Inc., Tropicana Caboose, Inc. and Nellis Caboose, Inc., for approval to guarantee securities issued by, or to hypothecate their assets to secure the payment of performance of any obligations evidenced by securities issued by Station Casinos, Inc. or its Affiliate(s) pursuant to a public offering made by them under the continuous or delayed public offering approval.

2. THAT Station Casinos, Inc. and any Affiliate thereof are hereby granted approval, pursuant to NGC Regulation 16.115, to make public offerings for a period of one year, subject to the following conditions:

a. That at all times during the year, Station Casinos, Inc. shall timely file all reports required by Section 13 or Section 15(d) of the Securities Exchange Act of 1934;

b. That upon filing documents with the United States Securities and Exchange Commission ("SEC") regarding the sale of any securities for which approval would otherwise be required, Station Casinos, Inc. and its Affiliate(s) shall contemporaneously provide written notice and copies of such documents to the Board's Corporate Securities Division, and shall keep said Division continuously and promptly informed as to the progress of any public offering made hereunder and as to any other event that would have a material effect on Station Casinos, Inc. or its subsidiaries, which would be subject to reporting on SEC Form 8-K; and

c. That the approval herein granted 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.

3. THAT Station Casinos, Inc. is hereby granted approval, pursuant to NGC Regulations 15.510.1-4 and 15.585.7-3, to place restrictions on the transfer of, and to enter into agreements not to encumber, any equity security of Palace Station Hotel & Casino, Inc. and Southwest Gaming Services, Inc., pursuant to a public offering made under the approval granted Station Casinos, Inc. or its Affiliates by paragraph 2 of this Order.

4. THAT Southwest Gaming Services, Inc. is hereby granted approval, pursuant to NGC Regulation 15.510.1-4, to place restrictions on the transfer of, and to enter into agreements not to encumber, any equity security of Tropicana Caboose, Inc. and Nellis Caboose, Inc., pursuant to a public offering made under the approval granted Station Casinos, Inc. or its Affiliate(s) by paragraph 2 of this Order.

5. THAT Palace Station Hotel & Casino, Inc., Southwest Gaming Services, Inc., Tropicana Caboose, Inc. and Nellis Caboose, Inc., as corporate licensees, are granted approval, pursuant to NGC Regulation 16.100(3), for a period of one year to guarantee securities issued by Station Casinos, Inc. or its Affiliate(s) pursuant to a public offering made under the approval granted them by paragraph 2 of this Order, and to hypothecate its assets to secure the payment or performance of the obligations evidenced by securities issued by Station Casinos, Inc. or its Affiliate(s) pursuant to a public offering made under the approval granted them by paragraph 2 of this Order.

6. 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 2(c) above.

ENTERED at Las Vegas, Nevada, this 26th day of January 1994.