

BEFORE THE NEVADA GAMING COMMISSION
AND THE STATE GAMING CONTROL BOARD

In the Matter of

STATION CASINOS, INC.

(Registration)_____

SIXTEENTH REVISED ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on February 9, 2000, and before the Nevada Gaming Commission (“Commission”) on February 24, 2000, 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 Station Casinos, Inc. for: (i) approval to pledge the equity securities of Boulder Station, Inc., Palace Station Hotel & Casino, Inc., Texas Station, Inc. and Sunset Station, Inc. to Bank of America, N.A., in conjunction with a certain term loan agreement; (ii) to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Boulder Station, Inc., Palace Station Hotel & Casino, Inc., Texas Station, Inc., Sunset Station, Inc., Green Valley Station, Inc. and Tropicana Station, Inc. in conjunction with a certain term loan agreement; (iii) approval to place restrictions upon the

transfer of, and to enter into agreements not to encumber, the equity securities of Tropicana Station, Inc. and Green Valley Station, Inc. in conjunction with a certain amended revolving loan agreement; (iv) approval to enter into agreements not to encumber the equity securities of Southwest Gaming Services, Inc. in conjunction with a certain term loan agreement and a certain amended revolving loan agreement; and (v) amendment to its Fifteenth Revised Order of Registration.

2. THAT the Fifteenth Revised Order of Registration, dated May 27, 1999, is hereby amended and restated, in its entirety, by this Sixteenth Revised Order of Registration.

3. THAT Station Casinos, Inc. is registered as a publicly traded corporation and is found suitable as the sole stockholder of Palace Station Hotel & Casino, Inc., Boulder Station, Inc., Texas Station, Inc., Sunset Station, Inc. Tropicana Station, Inc., Green Valley Station Inc. and Southwest Gaming Services, Inc. and is licensed as a manufacturer and distributor, subject to such conditions as may be imposed by the Commission.

4. THAT Frank J. Fertitta III, Blake L. Sartini, Delise F. Sartini, and Lorenzo J. Fertitta are each found suitable as a controlling shareholder of Station Casinos, Inc.

5. THAT Green Valley Station, Inc. is registered as an intermediary company and licensed as a 50% member and manager of Town Center Amusements, Inc., a Nevada limited liability company.

6. THAT Town Center Amusements, Inc., dba Barley's Casino and Brewing Company, is registered as a Nevada limited liability company, and is licensed to conduct off-track pari-mutuel sports wagering and nonrestricted gaming operations, including a sports pool, at 4500 East, Sunset Road, Suite 30, Henderson, subject to such conditions or limitations as may be imposed by the Commission.

7. THAT Palace Station Hotel & Casino, Inc., dba Palace Station Hotel & Casino, is licensed to conduct off-track pari-mutuel race and sports wagering and nonrestricted gaming

operations, including a race book and sports pool, at 2411 West Sahara, Las Vegas, subject to such conditions or limitations as may be imposed by the Commission.

8. THAT Southwest Gaming Services, Inc. is licensed as a distributor and an operator of a slot machine route, subject to such conditions or limitations as may be imposed by the Commission.

9. THAT Boulder Station, Inc., dba Boulder Station Hotel & Casino, is licensed to conduct off-track pari-mutuel race and sports wagering and nonrestricted gaming operations, including a race book and sports pool, at 4111 South Boulder Highway, Las Vegas, subject to such conditions or limitations as may be imposed by the Commission.

10. THAT Texas Station, Inc., dba Texas Station Gambling Hall & Hotel, is licensed to conduct off-track pari-mutuel race and sports wagering and nonrestricted gaming operations, including a race book and sports pool, at 2101 Texas Star Lane, North Las Vegas, subject to such conditions or limitations as may be imposed by the Commission.

11. THAT Sunset Station, Inc., dba Sunset Station Hotel & Casino, is licensed to conduct off-track pari-mutuel race and sports wagering and nonrestricted gaming operations, including a race book and sports pool, at 1301 West Sunset Road, Henderson, subject to such conditions or limitations as may be imposed by the Commission.

12. THAT Tropicana Station, Inc., dba Wild Wild West Gambling Hall & Hotel, is licensed to conduct off-track pari-mutuel sports wagering and nonrestricted gaming operations, including a sports pool, at 3330 West Tropicana Avenue, Las Vegas, subject to such conditions or limitations as may be imposed by the Commission.

13. THAT, Station Casinos, Inc. is granted approval, pursuant to NRS 465.510(1) and NGC Regulation 8.030, to pledge the common stock of Boulder Station, Inc., Palace Station Hotel and Casino, Inc., Texas Station, Inc. and Sunset Station, Inc. to Bank of America, N.A. ("Bank of America"), Administrative Agent, in connection with the \$200,000,000 Term Loan Agreement dated August 25, 1999 ("Term Loan Facility") as appropriate, provided that:

a. This approval is pursuant to the fully executed Pledge Agreement dated July 5, 1995 (the "1995 Pledge Agreement"), as amended by the Consent and Reaffirmation of Pledgor dated November 6, 1998 as administratively approved by the Chairman of the Board, and the fully executed Joinder Agreement dated May 5, 1998 (the "1998 Joinder Agreement"), and as further amended by the Consent and Reaffirmation of Pledgor dated August 25, 1999 as administratively approved by the Chairman of the Board, and as further amended by the Amended and Restated Consent and Reaffirmation of Pledgor dated August 25, 1999 (the 1995 Pledge Agreement, together with the Joinder Agreement and all amendments, collectively, the "Pledge Agreement");

b. The prior approval of the Commission must be obtained before any foreclosure or transfer of the possessory security interest in such common stock (except back to Station Casinos, Inc.) and before any other resort to such common stock collateral or other enforcement of the security interest 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 Boulder Station, Inc., Palace Station Hotel & Casino, Inc., Texas Station, Inc. and Sunset Station, Inc. evidencing said pledge of the 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.

14. THAT, in conjunction with the Term Loan Facility and the Pledge Agreement, Station Casinos, Inc. is granted approval, pursuant to NGC Regulations 15.510.1-4 and 15.585.7-3, as applicable, to enter into agreements with Bank of America, Administrative Agent, to place restrictions upon the transfer of, and agree not to encumber, the equity securities of Boulder Station, Inc., Palace Station Hotel & Casino, Inc., Texas Station, Inc., Sunset Station, Inc., Green Valley Station, Inc., Tropicana Station, Inc.

15. THAT the Pledge 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 Pledge Agreement that increase the number of shares of stock that are the subject of the pledge, or that change the identity of the Administrative Agent.

16. THAT, Station Casinos, Inc. is granted approval, pursuant to NRS 465.510(1) and NGC Regulation 8.030, to pledge the common stock of Boulder Station, Inc., Palace Station Hotel and Casino, Inc., Texas Station, Inc. and Sunset Station, Inc. to Bank of America, Administrative Agent, in connection with the \$350,000,000 Third Amended and Restated Reducing Revolving Loan Agreement ("Credit Revolver Facility"), provided that:

- a. This approval is pursuant to the Pledge Agreement;
- b. The prior approval of the Commission must be obtained before any foreclosure or transfer of the possessory security interest in such common stock (except back to Station Casinos, Inc.) and before any other resort to such common stock collateral or other enforcement of the security interest 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 Boulder Station, Inc., Palace Station Hotel & Casino, Inc., Texas Station, Inc. and Sunset Station, Inc. evidencing said pledge of the 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, in conjunction with the Credit Revolver Facility and the Pledge Agreement, Station Casinos, Inc. is granted approval, pursuant to NGC Regulations 15.510.1-4 and 15.585.7-3, as applicable, to enter into agreements with Bank of America, Administrative Agent, to place restrictions upon the transfer of, and agree not to encumber, the common stock

of Boulder Station, Inc., Palace Station Hotel & Casino, Inc., Texas Station, Inc., Sunset Station, Inc., Green Valley Station, Inc. and Tropicana Station, Inc.

18. THAT the Pledge 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 Pledge Agreement that increase the number of shares of stock that are the subject of the pledge, or that change the identity of the Administrative Agent.

19. THAT in conjunction with the Term Loan Facility and the Credit Revolver Facility, Station Casinos, Inc. is granted approval, pursuant to NGC Regulation 15.510.1-4 to enter into agreements not to encumber the equity securities of Southwest Gaming Services, Inc.

20. THAT in conjunction with the issuance of the Notes in the Private Placement, Station Casinos, Inc. is granted approval, pursuant to Regulations 15.510.1-4 and 15.585.7-3, as applicable, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Boulder Station, Inc., Palace Station Hotel & Casino, Inc., Texas Station, Inc., Sunset Station, Inc., Tropicana Station, Inc., Green Valley Station, Inc. and Southwest Gaming Services, Inc.

21. THAT, Station Casinos, Inc. shall receive the administrative approval of the Chairman of the Board, or his designee, before the presently existing gaming compliance program plan ("Plan") may be terminated. Station Casinos, Inc. shall maintain the 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 the compliance of Station Casinos, Inc., its subsidiaries and any affiliated entities with the Act, as amended, and the Regulations, as amended, and the laws and regulations of any other jurisdiction in which Station Casinos, Inc., its subsidiaries and any affiliated entities operate. The Plan, any amendments thereto, and the members of the compliance committee, one which shall be independent, and knowledgeable in the Act and Regulations, shall be administratively reviewed and approved by

the Chairman of the Board, or his designee. Furthermore, upon request of the Chairman of the Board, or his designee, Station Casinos, Inc. 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 Station Casinos, Inc. under the provisions of the Act and Regulations.

22. THAT Station Casinos, Inc. shall fund and maintain with the Board a revolving fund in the amount of \$15,000 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 Station Casinos, Inc. and its subsidiaries, and their affiliated entities.

23. THAT pursuant to NRS 463.625, Station Casinos, 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.

24. THAT Station Casinos, Inc. is exempted from NGC Regulation 15 and shall instead comply with the provisions of NGC Regulation 16; provided, however, that, pursuant to NGC Regulation 16.450, Station Casinos, Inc. is exempted from the provisions of NGC Regulations 16.100(1) and (2) and the balance of NGC Regulation 16 shall be interpreted so as to apply to Station Casinos, Inc.

25. 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 Carson City Nevada, this 24th day of February 2000.