

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

HARRAH'S ENTERTAINMENT, INC.  
AND HARRAH'S OPERATING COMPANY, INC.  
and  
RIO HOTEL & CASINO, INC.

(Registration)

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NINTH REVISED ORDERS OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board ("Board") on June 9, 1999, and regularly before the Nevada Gaming Commission ("Commission") on June 24, 1999, 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 application of Harrah's Entertainment, Inc. for an amendment to its Order of Registration;

b. The applications of Harrah's Operating Company, Inc. for (i) approval to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Harrah's Las Vegas, Inc., Harrah's Laughlin, Inc. and Showboat, Inc. in conjunction with credit agreements; and (ii) amendment to its Order of Registration;

c. The application of Showboat, Inc. for approval to place restrictions upon the transfer of, and enter into agreements not to encumber, the equity securities of Showboat Operating Company, Inc. in conjunction with credit agreements; and

d. The applications of Rio Hotel & Casino, Inc. for (i) approval to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Rio Properties, Inc. and Rio Leasing, Inc. in conjunction with credit agreements, and (ii) an amendment to its Order of Registration.

2. THAT these Eighth Revised Orders of Registration of Harrah's Entertainment Inc., Harrah's Operating Company, Inc., and Rio Hotel and Casino, Inc. dated November 19, 1999 are hereby amended and restated, in their entirety, by these Ninth Revised Orders of Registration.

3. THAT Harrah's Entertainment, Inc. is registered as a publicly traded corporation, is found suitable as the sole shareholder of Harrah's Operating Company, Inc. and Rio Hotel & Casino, Inc. and is approved, pursuant to NGC Regulation 16.200, to acquire control of Rio Hotel & Casino, Inc. and Showboat, Inc.

4. THAT Harrah's Operating Company, Inc. is registered as a publicly traded corporation and is approved, pursuant to NGC Regulation 16.200, to acquire control of Rio Hotel & Casino, Inc. and Showboat, Inc.

5. THAT Harrah's Operating Company, Inc. is found suitable as the sole shareholder of Rio Hotel & Casino, Inc., Showboat, Inc., Harrah's Las Vegas, Inc. and Harrah's Laughlin Inc.

6. THAT Harrah's Operating Company, Inc. is licensed as a manufacturer and distributor, subject to such conditions or limitations as may be imposed by the Commission.

7. THAT Harrah's Operating Company, Inc., dba Harrah's Casino Hotel Reno, is licensed to conduct off-track pari-mutuel race wagering and nonrestricted gaming operations,

including a race book and sports pool, at 300 East 2nd Street, Reno, subject to such conditions or limitations as may be imposed by the Commission.

8. THAT Harrah's Operating Company, Inc., dba Harrah's Casino Hotel Lake Tahoe and dba Bill's Lake Tahoe Casino, is licensed to conduct off-track pari-mutuel race wagering and nonrestricted gaming operations, including a race book and sports pool, at Highway 50, Stateline, subject to such conditions or limitations as may be imposed by the Commission.

9. THAT Rio Hotel & Casino, Inc. is registered as a publicly traded corporation and is found suitable as the sole shareholder of Rio Properties, Inc. and Rio Leasing, Inc.

10. THAT Showboat, Inc. is registered as an intermediary company and is found suitable as the sole shareholder of Showboat Operating Company.

11. THAT Harrah's Las Vegas, Inc., dba Harrah's Casino Hotel Las Vegas, is licensed to conduct off-track pari-mutuel race wagering and nonrestricted gaming operations, including a race book and sports pool, at 3473 Las Vegas Boulevard South, Las Vegas, subject to such conditions or limitations as may be imposed by the Commission.

12. THAT Harrah's Laughlin, Inc., dba Harrah's Casino Hotel Laughlin, is licensed to conduct nonrestricted gaming operations, including a race book and sports pool, at 2900 South Casino Drive, Laughlin, subject to such conditions or limitations as may be imposed by the Commission, and is licensed as a distributor, subject to such conditions or limitations as may be imposed by the Commission.

13. THAT Harrah's Laughlin, Inc., dba Harrah's RV Plaza/Convenience Center, is licensed to conduct restricted gaming operations at 2900 S. Casino Drive, Laughlin, Nevada, subject to such conditions or limitations as may be imposed by the Commission.

14. THAT Showboat Operating Company, dba Showboat Hotel, Casino and Bowling Center, is licensed to conduct off-track pari-mutuel race wagering and nonrestricted gaming operations, including a race book and sports pool, at 2800 East Fremont, Las Vegas, subject to

such conditions and limitation as may be imposed by the Commission, and is licensed as a distributor subject to such conditions or limitations as may be imposed by the Commission.

15. THAT Rio Properties, Inc., dba Rio Suite 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 3700 West Flamingo Road, Las Vegas, subject to such conditions or limitations as may be imposed by the Commission.

16. THAT Rio Leasing, Inc. is licensed as a distributor, subject to such conditions or limitations as may be imposed by the Commission.

17. THAT in connection with the Five Year Credit Agreement dated as of April 30, 1999 and the 364 Day Credit Agreement dated as of April 30, 1999 (the "Credit Agreements"), Harrah's Operating Company, Inc. is granted approval pursuant to NGC 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 Harrah's Las Vegas, Inc., Harrah's Laughlin, Inc. and Showboat, Inc.

18. THAT in connection with the Credit Agreements, Showboat, Inc. is hereby 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 Showboat Operating Company.

19. THAT in connection with the Credit Agreements, Rio Hotel & Casino, Inc. is granted approval, pursuant to Regulation 15.510.1-4, to place restrictions upon the transfer of, and to enter into agreements not to encumber, the equity securities of Rio Properties, Inc. and Rio Leasing, Inc.

20. THAT Harrah's Entertainment, Inc. shall maintain its presently existing compliance system 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 Harrah's Entertainment, Inc., its subsidiaries and any affiliated entities, with the

Nevada Gaming control Act (the "Act"), as amended, the Commission's Regulations, as amended (the "Regulations"), and the laws and regulations of any other jurisdictions in which Harrah's Entertainment, Inc., its subsidiaries and any affiliated entities operate. The compliance system, any amendments thereto, and the members, one such member which shall be independent, shall be administratively reviewed and approved by the Chairman of the Board, or his designee, Harrah's Entertainment, Inc., shall amend the compliance system, 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 Harrah's Entertainment, Inc., Harrah's Operating Company and Rio Hotel & Casino, Inc. and their subsidiaries under the provisions of the Act and Regulations.

21. THAT Harrah's Entertainment, Inc. is hereby exempted from compliance with NGC Regulation 15 and shall instead comply with NGC Regulation 16.

22. THAT Harrah's Operating Company, Inc. is hereby exempted from compliance with NGC Regulation 15 except for the provisions of NGC Regulations 15.585.4-1 and 15.585.7-6 and shall instead comply with NGC Regulation 16, except Harrah's Operating Company, Inc. is exempted, pursuant to NGC Regulation 16.450, from NGC Regulation 16.100(1) and (2); provided that, Harrah's Entertainment, Inc. shall not sell, assign, transfer, pledge or otherwise dispose of any equity securities of Harrah's Operating Company, Inc. without the prior approval of the Commission.

23. THAT Rio Hotel & Casino, Inc. is hereby exempted from compliance with NGC Regulation 15 except for the provisions of NGC Regulations 15.585.4-1 and 15.585.7-6 and shall instead comply with NGC Regulation 16; provided that, Harrah's Operating Company, Inc. shall not sell, assign, transfer, pledge or otherwise dispose of any equity securities of Rio Hotel & Casino, Inc. without the prior approval of the Commission.

24. THAT Harrah's Entertainment, Inc. shall fund and maintain with the Board a revolving fund in the total 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 or its staff in the surveillance, monitoring and investigative reviews of all activities, of Harrah's Entertainment, Inc., its direct and indirect subsidiaries, and their affiliated entities.

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 June 1999.