

STATION CASINOS INC

Form S-4

April 20, 2006

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON April 19, 2006

REGISTRATION NO. -

## SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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### FORM S-4

REGISTRATION STATEMENT  
UNDER THE SECURITIES ACT OF 1933

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### STATION CASINOS, INC.

(Exact Name of Registrant as Specified in Its Charter)

**NEVADA**

(State or other Jurisdiction of  
Incorporation or Organization)

**7990**

(Primary Standard Industrial  
Classification Code Number)

**88-0136443**

(I.R.S. Employer  
Identification No.)

**2411 WEST SAHARA AVENUE, LAS VEGAS, NV 89102 (702) 367-2411**  
(Address, Including Zip Code, and Telephone Number, Including Area Code,  
of Registrant's Principal Executive Offices)

**MR. GLENN C. CHRISTENSON, STATION CASINOS, INC.**

**2411 WEST SAHARA AVENUE, LAS VEGAS, NEVADA 89102 (702) 367-2411**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of agent for service)

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COPY TO:

**KENNETH J. BARONSKY, ESQ.**

**MILBANK, TWEED, HADLEY & MCCLOY LLP**

**601 S. FIGUEROA STREET, 30TH FLOOR, LOS ANGELES, CA 90017**

**(213) 892-4000**

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE OF THE SECURITIES TO THE PUBLIC: As soon as practicable after this registration statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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**CALCULATION OF REGISTRATION FEE**

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Title of Each Class of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price Per Note (1)	Proposed Maximum Aggregate Offering Note (1)	Amount of Registration Fee
658% Senior Subordinated Notes due 2018	\$ 300,000,000	100 %	\$ 300,000,000	\$ 32,100

(1) Estimated pursuant to Rule 457(f) under the Securities Act solely for purposes of calculating the registration fee.

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**PROSPECTUS SUBJECT TO COMPLETION APRIL 19, 2006**

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission relating to these securities is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**PROSPECTUS**

**STATION CASINOS, INC.**  
**OFFER TO EXCHANGE**  
**6<sup>5</sup>/<sub>8</sub>% SENIOR SUBORDINATED NOTES DUE 2018**  
**FOR ANY AND ALL**  
**OUTSTANDING 6<sup>5</sup>/<sub>8</sub>% SENIOR SUBORDINATED NOTES DUE 2018**

This prospectus (and accompanying letter of transmittal) relates to our proposed offer to exchange up to \$300.0 million aggregate principal amount of new 6<sup>5</sup>/<sub>8</sub>% Senior Subordinated Notes due 2018 (the New Notes), which will be freely transferable, for any and all outstanding 6<sup>5</sup>/<sub>8</sub>% Senior Subordinated Notes due 2018 issued in a private offering on March 13, 2006 (the Old Notes and together with the New Notes the Notes), which have certain transfer restrictions.

The exchange offer expires 5:00 p.m., New York City time, on \_\_\_\_\_, 2006, unless extended.

The terms of the New Notes are substantially identical to the Old Notes, except that the New Notes will be freely transferable and issued free of any covenants regarding exchange and registration rights.

All Old Notes that are validly tendered and not validly withdrawn will be exchanged.

Tenders of Old Notes may be withdrawn at any time prior to expiration of the exchange offer.

The exchange of Old Notes for New Notes should not be a taxable event for United States Federal income tax purposes.

Holders of Old Notes do not have any appraisal or dissenters' rights in connection with the exchange offer. Old Notes not exchanged in the exchange offer will remain outstanding and be entitled to the benefits of the applicable Indenture, but, except under certain circumstances, will have no further exchange or registration rights under the Registration Rights Agreement.

Affiliates of Station Casinos, Inc. (within the meaning of the Securities Act of 1933) may not participate in the exchange offer.

All broker-dealers must comply with the registration and prospectus delivery requirements of the Securities Act of 1933. See Plan of Distribution beginning on page 61.

We do not intend to apply for listing of the New Notes on any securities exchange or to arrange for them to be quoted on any quotation system.

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**PLEASE SEE RISK FACTORS BEGINNING ON PAGE 18 FOR A DISCUSSION OF CERTAIN FACTORS YOU SHOULD CONSIDER IN CONNECTION WITH THE EXCHANGE OFFER.**

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NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE NEW NOTES, OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NONE OF THE NEVADA GAMING COMMISSION, THE NEVADA GAMING CONTROL BOARD OR ANY OTHER GAMING AUTHORITY HAS APPROVED OR DISAPPROVED OF THESE NOTES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS.

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WE MAY AMEND OR SUPPLEMENT THIS PROSPECTUS FROM TIME TO TIME BY FILING AMENDMENTS OR SUPPLEMENTS AS REQUIRED. YOU SHOULD READ THIS ENTIRE PROSPECTUS (AND ACCOMPANYING LETTER OF TRANSMITTAL AND RELATED DOCUMENTS) AND ANY AMENDMENTS OR SUPPLEMENTS CAREFULLY BEFORE MAKING YOUR INVESTMENT DECISION.

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Our principal executive offices are located at 2411 West Sahara Avenue  
Las Vegas, NV 89102  
Our telephone number is (702) 367-2411

The date of this prospectus is , 2006

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## WHERE YOU CAN FIND MORE INFORMATION

In connection with the exchange offer, we have filed with the Securities and Exchange Commission (the SEC) a registration statement under the Securities Act of 1933, as amended (the Securities Act), relating to the New Notes to be issued in the exchange offer. As permitted by SEC rules, this prospectus omits certain information included in the registration statement. For a more complete understanding of this exchange offer, you should refer to the registration statement, including its exhibits.

We also file annual, quarterly, and special reports, proxy statements and other information with the SEC. You may read and copy the registration statement and any other document we file at the Public Reference Room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also obtain copies of such material from the SEC by mail at prescribed rates. You should direct requests to the SEC's Public Reference Section, Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549. In addition, the SEC maintains a website (<http://www.sec.gov>) that contains reports, proxy statements and information statements, and other information filed by us. The Company's Common Stock, \$0.01 par value per share (the Common Stock), is listed on the New York Stock Exchange under the ticker symbol STN. Information (including the documents incorporated by reference) filed by the Company can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. These incorporated documents contain important business and financial information about us that is not included in or delivered with this prospectus. The information incorporated by reference is considered to be part of this prospectus, and later information filed with the SEC will update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), prior to , 2006, the date the exchange offer expires, or such later date as we may extend the expiration of the exchange offer:

- Definitive Proxy Statement on Schedule 14A dated April 18, 2005;
- Annual Report on Form 10-K for the year ended December 31, 2005; and
- Current Reports on Form 8-K filed on February 24, 2006 and April 12, 2006.

THESE FILINGS ARE AVAILABLE WITHOUT CHARGE TO THE HOLDERS OF OLD NOTES. YOU MAY REQUEST A COPY OF THESE FILINGS BY WRITING OR TELEPHONING US AT THE FOLLOWING ADDRESS:

ATTENTION: INVESTOR RELATIONS  
STATION CASINOS, INC.  
2411 WEST SAHARA AVENUE  
LAS VEGAS, NV 89102  
TEL: (702) 367-2411  
OR [HTTP://WWW.STATIONCASINOS.COM](http://WWW.STATIONCASINOS.COM)

TO OBTAIN TIMELY DELIVERY OF ANY COPIES OF FILINGS REQUESTED FROM US, PLEASE WRITE OR TELEPHONE US NO LATER THAN , 2006.

**FORWARD-LOOKING STATEMENTS**

This prospectus includes forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about us and our subsidiaries, including, among other things, factors discussed in our filings with the Commission and the following:

- competition from other gaming operations;
- factors affecting our ability to complete acquisitions and dispositions of gaming properties;
- leverage;
- construction risks;
- the inherent uncertainty and costs associated with litigation and governmental and regulatory investigations;
- licensing and other regulatory risks;
- our dependence on existing management;
- domestic and global economic, credit and capital market conditions;
- changes in federal or state tax laws or the administration of these laws;
- expansion of gaming on Native American lands, including such lands in California and Michigan;
- the consequences of any future security alerts and/or terrorist attacks; and
- certain other risks described under the heading Risk Factors.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this prospectus might not occur.



## PROSPECTUS SUMMARY

*You should rely only on the information provided or incorporated by reference in this prospectus. We have not authorized anyone else to provide you with different information. Unless the context indicates otherwise, all references to SCI and the Company refer to Station Casinos, Inc. and all references to Station, we, our, ours and us refer to SCI and its consolidated subsidiaries and do not refer to the initial purchasers. This prospectus contains forward-looking statements that involve risks and uncertainties. See Forward-Looking Statements. See Risk Factors for certain factors, including factors affecting forward-looking statements, that a prospective investor should consider before purchasing the notes offered hereby.*

### The Company

We are a gaming and entertainment company that currently owns and operates eight major hotel/casino properties (one of which is 50% owned) and six smaller casino properties (two of which are 50% owned) in the Las Vegas metropolitan area. We also manage a casino for a Native American tribe in California. We have developed a ninth major hotel/casino property known as Red Rock Casino Resort Spa ( Red Rock ) which opened on April 18, 2006.

We own and operate Palace Station Hotel & Casino ( Palace Station ), Boulder Station Hotel & Casino ( Boulder Station ), Texas Station Gambling Hall & Hotel ( Texas Station ), Sunset Station Hotel & Casino ( Sunset Station ), Santa Fe Station Hotel & Casino ( Santa Fe Station ), Fiesta Rancho Casino Hotel ( Fiesta Rancho ), Fiesta Henderson Casino Hotel ( Fiesta Henderson ), Wild Wild West Gambling Hall & Hotel ( Wild Wild West ), Wildfire Casino ( Wildfire ), Magic Star Casino ( Magic Star ) and Gold Rush Casino ( Gold Rush ). We also own a 50% interest in Green Valley Ranch Resort Spa Casino ( Green Valley Ranch ), Barley's Casino & Brewing Company ( Barley's ) and The Greens Gaming and Dining ( The Greens ). We are the manager of each of Green Valley Ranch, Barley's and The Greens. Each of our casinos in Nevada caters primarily to local Las Vegas area residents. We market the six Station casinos (including Green Valley Ranch) together under the Station Casinos brand and the two Fiesta casinos under the Fiesta brand, offering convenience and choices to residents throughout the Las Vegas valley with our strategically located properties. In addition, we manage Thunder Valley Casino ( Thunder Valley ) in Sacramento, California on behalf of the United Auburn Indian Community ( UAIC ).

Our operating strategy emphasizes attracting and retaining customers primarily from the local and repeat visitor markets. Our casino properties attract customers through:

- innovative, frequent and high-profile promotional programs directed towards the locals market;
- focused marketing efforts and convenient locations;
- aggressive marketing to the repeat visitor market;
- the development of strong relationships with specifically targeted travel wholesalers; and
- convention business at Green Valley Ranch and Red Rock.

Because we target the repeat customer, we are committed to providing a high-value entertainment experience for our customers in our restaurants, hotels, casinos and other entertainment amenities. We develop regional entertainment destinations for locals that include other amenities such as movie theaters, bowling centers, ice skating, live entertainment venues and child care facilities. In addition, we believe the value offered by restaurants at each of our casino properties is a major factor in attracting local gaming customers, as dining is a primary motivation for casino visits by many locals. Through their restaurants, each of which has a distinct theme and style of cuisine, our casino properties offer generous portions of high-quality food at reasonable prices. In addition, our operating strategy focuses on slot and video poker

machine play. Our target market consists of frequent gaming patrons who seek not only a friendly atmosphere and convenience, but also higher than average payout rates. Because locals and repeat visitors demand variety and quality in their slot and video poker machine play, our casino properties offer the latest in slot and video poker technology.

Our growth strategy, in addition to same-store growth opportunities, includes the master-planned expansion of our existing gaming facilities in Nevada, the development of gaming facilities on certain real estate we own in Nevada, the development of Native American gaming opportunities as well as the evaluation and pursuit of additional development opportunities in Nevada, California, Michigan and other gaming markets. To accomplish this, we evaluate strategic acquisition and development opportunities that:

- provide good visibility from and easy access to high traffic interstates and major thoroughfares;
- are in rapidly growing or highly populated areas;
- provide flexibility for future expansion;
- allow for ample convenient parking; and
- are surrounded by potential customers with a strong demographic profile.

We believe that these factors are enhanced by our expertise in the local and repeat visitors market and our reputation as a provider of a high-quality, affordable gaming and entertainment experience.

#### **Casino Properties**

We are a leading Las Vegas hotel/casino operator, catering primarily to local residents and repeat visitors. We believe our casino properties are well positioned to continue to benefit from the business and population growth in Las Vegas and its surrounding areas. We have implemented our long-term business strategy by developing the casino properties as integrated entertainment destinations in key population centers in each quadrant of the Las Vegas market. We have master-planned each of our casino properties for future expansion to capitalize on Las Vegas expected population growth.

#### ***Palace Station***

Palace Station is strategically located on approximately 38 acres at the intersection of Sahara Avenue and Interstate 15, one of Las Vegas' most heavily traveled areas. Palace Station is a short distance from McCarran International Airport and from major attractions on the Las Vegas Strip and downtown Las Vegas. Palace Station features a turn-of-the-20th-century railroad station theme with non-gaming amenities including eight full-service restaurants, several fast-food outlets, a 250-seat entertainment lounge, four additional bars, two swimming pools, an approximately 20,000-square-foot banquet and convention center, a 24-hour gift shop and a non-gaming video arcade.

Palace Station's eight full-service restaurants have a total of approximately 1,200 seats. These restaurants offer a variety of high-quality food at reasonable prices, including the Grand Café (featuring American and Chinese fare), The Gourmet Feast Buffet, The Broiler Steaks and Seafood, Pasta Palace (an Italian restaurant), Guadalajara Bar & Grille (a Mexican restaurant), Jack's Irish Pub, a 17-seat Oyster Bar and Chang's (gourmet Hong Kong cuisine). In addition to these restaurants, Palace Station offers various fast-food outlets and the Sound Trax Club, an entertainment club.

#### ***Boulder Station***

Boulder Station, which opened in August 1994, is strategically located on approximately 46 acres on Boulder Highway and immediately adjacent to the Interstate 515 interchange. We believe that this highly visible location at this well-traveled intersection offers a competitive advantage relative to existing hotels



and casinos located on Boulder Highway. Boulder Station is located approximately four miles east of the Las Vegas Strip and approximately four miles southeast of downtown Las Vegas. Boulder Station features a turn-of-the-20th-century railroad station theme with non-gaming amenities including five full-service restaurants, several fast-food outlets, a 750-seat entertainment lounge, six additional bars, an 11-screen movie theater complex, a Kid's Quest child-care facility, a swimming pool, a non-gaming video arcade and a gift shop.

Boulder Station's five full-service restaurants have a total of over 1,400 seats. These restaurants offer a variety of high-quality meals at reasonable prices, including, the 24-hour Boulder Café (featuring American and Chinese fare), The Gourmet Feast Buffet, The Broiler Steaks and Seafood, Pasta Palace (an Italian restaurant) and Guadalajara Bar & Grille (a Mexican restaurant). In addition to these restaurants, Boulder Station offers various fast-food outlets.

#### ***Texas Station***

Texas Station, which opened in July 1995, is strategically located on approximately 47 acres at the corner of Lake Mead Boulevard and Rancho Road in North Las Vegas. Texas Station features a friendly Texas atmosphere, highlighted by distinctive early Texas architecture with non-gaming amenities including five full-service restaurants, several fast-food outlets, a Kid's Quest child-care facility, a 300-seat entertainment lounge, a 1,700-seat event center, eight additional bars, an 18-screen movie theater complex, a swimming pool, a non-gaming video arcade, a gift shop, a 60-lane bowling center and approximately 40,000 square feet of meeting and banquet space.

Texas Station's five full-service restaurants have a total of approximately 1,200 seats. These restaurant facilities offer a variety of high-quality food at reasonable prices, including the 24-hour Texas Café, Austin's Steakhouse, San Lorenzo (an Italian restaurant), Feast Around the World Buffet (featuring seven different food stations) and Texas Star Oyster Bar, which has 110 seats. In addition to the Texas Station-themed restaurants, guests may also enjoy the unique features of several bars and lounges including Martini Ranch, Whiskey Bar, Garage Bar, A Bar, or Armadillo Honky Tonk. Texas Station also offers a variety of fast-food outlets to enhance the customers' dining selection.

#### ***Sunset Station***

Sunset Station, which opened in June 1997, is strategically located on approximately 82 acres at the intersection of Interstate 515 and Sunset Road. Multiple access points provide customers convenient access to the gaming complex and parking areas. Situated in a highly concentrated commercial corridor along Interstate 515, Sunset Station has prominent visibility from the freeway and the Sunset commercial corridor. Sunset Station is located approximately nine miles east of McCarran International Airport and approximately seven miles southeast of Boulder Station. Sunset Station features a Spanish/Mediterranean-style theme with non-gaming amenities including eight full-service restaurants themed to capitalize on the familiarity of the restaurants at our other properties, a 520-seat entertainment lounge, a 4,000-seat outdoor amphitheater, seven additional bars, a gift shop, a non-gaming video arcade, a 13-screen movie theater complex, a 72-lane bowling center, a Kid's Quest child-care facility, and a swimming pool, as well as several fast-food outlets and franchises.

Sunset Station's eight full-service restaurants have a total of approximately 2,300 seats featuring live-action cooking and simulated patio dining. These restaurant facilities offer a variety of high-quality food at reasonable prices, including the 24-hour Sunset Café (featuring American fare), Sonoma Cellar Steakhouse, Costa Del Sol (a seafood restaurant), Capri Italian Ristorante, Guadalajara Bar & Grille (a Mexican restaurant), The Feast Buffet, a live action buffet featuring Mexican, Italian, barbecue, American and Chinese cuisine, Hooter's and a 65-seat Oyster Bar. Guests may also enjoy the Gaudi Bar, a

centerpiece of the casino featuring over 8,000 square feet of stained glass. Sunset Station also offers a variety of fast-food outlets to enhance the customers' dining selection.

### ***Santa Fe Station***

In October 2000, we purchased Santa Fe Station which is strategically located on approximately 38 acres at the intersection of Highway 95 and Rancho Road, approximately five miles northwest of Texas Station. Santa Fe Station features a Southwestern theme with non-gaming amenities including three full-service restaurants, several fast-food outlets, a gift shop, a non-gaming video arcade, a swimming pool, a 460-seat entertainment lounge, five additional bars, a 60-lane bowling center, a 16-screen movie theater complex, a Kid's Quest child-care facility and 10,000 square feet of meeting and banquet facilities.

Santa Fe Station's three full-service restaurants have a total of approximately 850 seats, which include the Grand Café, The Charcoal Room (a steakhouse) and Cabo Mexican Restaurant. Santa Fe Station also offers a variety of fast-food outlets to enhance the customers' dining selection.

In October 2005, we began a \$130 million phase III master-planned expansion at Santa Fe Station which is expected to include a 2,900-space parking garage, a 500-seat buffet, 400 additional slot machines, remodeled and expanded race and sports book, a 15,000-square-foot meeting and banquet facility and a new center bar. The entire project will include approximately 125,000 square feet of additional space. Construction of this project is expected to be completed in phases beginning in the third quarter of 2006 through the fourth quarter of 2006.

### ***Green Valley Ranch***

Green Valley Ranch, which opened in December 2001, is strategically located at the intersection of Interstate 215 and Green Valley Parkway in Henderson, Nevada. Green Valley Ranch is approximately five minutes from McCarran International Airport and seven minutes from the Las Vegas Strip. We jointly developed the project on 40 acres of a 170-acre multi-use commercial development with GCR Gaming. In addition to our 50% ownership, we are also the managing partner of Green Valley Ranch and receive a management fee equal to 2% of the property's revenues and approximately 5% of Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).

Green Valley Ranch was designed to complement the Green Valley master-planned community. The AAA Four Diamond 496 room resort features a Mediterranean-style villa theme with non-gaming amenities including eight full-service restaurants, a fast-food court with six quick-serve outlets, a 4,200-square-foot non-gaming arcade, a state-of-the-art spa with outdoor pools, a 10-screen movie theater complex, a gift shop and approximately 45,500 square feet of meeting and convention space. Green Valley Ranch also offers Whiskey Beach, an 8-acre complex featuring private poolside cabanas, a contemporary poolside bar and grille, three acres of vineyards and an outdoor performance venue.

Green Valley Ranch's eight full-service restaurants include the Grand Café, China Spice (an Asian restaurant), Sushi Sake, Il Fornaio (an Italian restaurant), Hank's Fine Steaks and Martinis, Fado's Irish Pub, The Original Pancake House and The Feast Around the World, a live action buffet featuring Mexican, Italian, barbecue, American and Chinese cuisine. Green Valley Ranch also offers a variety of fast-food outlets to enhance the customers' dining selection. Guests may also enjoy the Drop Bar, a centerpiece of the casino, and the Whiskey Bar, a 5,300-square-foot nightclub.

In October 2005, we began a \$110 million phase III master-planned expansion at Green Valley Ranch which is expected to include a 1,500-space parking garage, additional slot machines, a new race and sports book, a new poker room, a 500-seat entertainment lounge, 14,000 square feet of convention space and two new restaurants. Construction of this project is expected to be completed in phases from the fourth quarter of 2006 through early 2007.

***Fiesta Rancho***

Fiesta Rancho was purchased in January 2001 and is strategically located on approximately 25 acres at the intersection of Lake Mead Boulevard and Rancho Road in North Las Vegas across from Texas Station. Fiesta Rancho features a Southwestern theme with non-gaming amenities including four full-service restaurants, several fast-food outlets, a gift shop, a non-gaming video arcade, a swimming pool, a 700-seat entertainment lounge, a regulation-size ice skating rink and four additional bars.

Fiesta Rancho's four full-service restaurants have a total of over 1,000 seats, and include the 24-hour Baja Beach Café (featuring American fare), Garduno's (a Mexican restaurant), Blue Agave Steakhouse, and Festival Buffet. Fiesta Rancho also offers a variety of fast-food outlets to enhance the customers' dining selection.

***Fiesta Henderson***

Fiesta Henderson was purchased in January 2001 and is strategically located on approximately 46 acres at the intersection of Interstate 215 and Interstate 515. The property features four full-service restaurants, a gift shop, a swimming pool, three bars and lounges and meeting space.

Fiesta Henderson's four full-service restaurants have a total of approximately 1,100 seats, and include the 24-hour Baja Beach Café (featuring American and Chinese fare), Fuego Steakhouse, Amigo's Mexican Cantina and Festival Buffet.

In October 2005, we began a \$70 million phase II master-planned expansion at Fiesta Henderson which is expected to include a 1,500-space parking garage, 350 additional slot machines, a remodeled and expanded race and sports book and a 12-screen movie theater complex. Construction of this project is expected to be completed in the third quarter of 2006 with the exception of the movie theater complex which is expected to be completed in the summer of 2007.

***Red Rock***

In April 2004, the Company commenced construction of Red Rock located on Charleston Boulevard at the Interstate 215/Charleston interchange in the Summerlin master-planned community in Las Vegas, Nevada. Phase I of Red Rock opened on April 18, 2006 and includes over 400 hotel rooms, approximately 3,200 slot machines, 94,000 square feet of meeting and convention space, a 35,000-square-foot spa, eight full-service restaurants, a 16-screen movie theater complex, a night club and private pool club to be operated by Midnight Oil Company, both indoor and outdoor entertainment venues and parking for approximately 5,000 vehicles. The cost of phase I is expected to be approximately \$760.0 million. Phase II which is expected to include an additional hotel tower containing over 400 hotel rooms, is currently under construction and is expected to be completed by the end of 2006. The total cost of both phases of Red Rock is expected to be approximately \$925 million, of which approximately \$634.4 million has been incurred as of December 31, 2005.

**Other Properties**

***Wild Wild West***

Wild Wild West, which we acquired in July 1998, is strategically located on approximately 19 acres on Tropicana Avenue and immediately adjacent to Interstate 15. Wild Wild West's non-gaming amenities include a full-service restaurant, a bar, a gift shop and a truck plaza.

***Barley s & The Greens***

Barley s, which opened in January 1996, is a casino and brew pub located in Henderson, Nevada. We are the managing partner and own a 50% interest in Barley s. Barley s non-gaming amenities include a full-service restaurant, a pizza kitchen and a bar.

In November 2005, we purchased a 50% interest in The Greens, a restaurant and lounge, located in Henderson, Nevada. We are also the managing partner. The Greens non-gaming amenities include a full-service restaurant and bar.

***Wildfire***

In January 2003, we purchased Wildfire located on Rancho Road across from Texas Station. Wildfire s non-gaming amenities include a lounge, outdoor patio and a full-service restaurant.

***Magic Star & Gold Rush***

In August 2004, we purchased Magic Star and Gold Rush. Magic Star is located on Boulder Highway in Henderson, Nevada. Gold Rush is located at the intersection of Interstate 515 and Sunset Road, adjacent to Sunset Station in Henderson, Nevada. Both properties offer non-gaming amenities which include a full service restaurant and a bar.

**Managed Properties**

***Thunder Valley***

We have entered into a Development Services Agreement and a Management Agreement with the UAIC. Pursuant to those agreements, and in compliance with a Memorandum of Understanding entered into by the UAIC and Placer County, California, we developed, with the UAIC, Thunder Valley, a gaming and entertainment facility on approximately 49 acres located approximately seven miles north of Interstate 80, in Placer County, California, near Sacramento, which opened on June 9, 2003. We receive a management fee equal to 24% of the facility s net income (as defined in the management agreement). Thunder Valley has 2,722 Class III slot machines, 100 table games, including a private VIP gaming area, three specialty restaurants, a 500-seat buffet, a food court, a center pit bar and parking for over 4,500 vehicles.

**Recent Developments**

On April 10, 2006, we repurchased approximately \$232 million of our common stock from Goldman Sachs & Co. ( Goldman Sachs ) in a private transaction in connection with an accelerated stock buyback ( ASB ) program. Pursuant to the terms of the ASB program, Goldman Sachs has delivered 2.7 million shares of our stock to us to date. We could receive up to an additional 367,539 shares from Goldman Sachs subject to the volume weighted average price of our stock during the term of the ASB program and collar provisions setting minimum and maximum prices for the repurchase of such shares. Upon the completion of the ASB program, we will have repurchased between 7.1 million and 7.4 million shares of our common stock since December 31, 2005 and will have between 2.7 million and 3.1 million shares remaining under our existing share repurchase program.

## SUMMARY OF THE EXCHANGE OFFER

*The form and terms of the New Notes will be substantially identical to those of the Old Notes except that the New Notes will have been registered under the Securities Act. Therefore, the New Notes will not be subject to certain transfer restrictions, registration rights and related liquidated damages provisions applicable to the Old Notes.*

### The Exchange Offer

We are offering to exchange up to \$300.0 million aggregate principal amount of New Notes for any and all outstanding Old Notes. Old Notes may only be exchanged in multiples of \$1,000 principal amount. To be exchanged, an Old Note must be properly tendered and accepted. All outstanding Old Notes that are validly tendered and not validly withdrawn will be exchanged for New Notes of the applicable series issued on or promptly after the expiration date of the exchange offer. Currently, there is \$300.0 million principal amount of Old Notes outstanding. We will issue New Notes promptly after the expiration of the exchange offer. See The Exchange Offer.

### Issuance of the Old Notes; Registration Rights

The Old Notes were issued and sold in a private offering on March 13, 2006. In connection with that sale, we executed and delivered a Registration Rights Agreement for the benefit of the noteholders. In the Registration Rights Agreement, we agreed to either:

- commence an exchange offer under which the New Notes, registered under the Securities Act with terms substantially identical to those of the applicable series of Old Notes, will be exchanged for the applicable series of Old Notes pursuant to an effective registration statement; or
- cause the Old Notes to be registered under the Securities Act pursuant to a resale shelf registration statement.

If we do not comply with our obligations under the Registration Rights Agreement, we will be required to pay certain liquidated damages that will be payable twice yearly. See The Exchange Offer.

### Expiration Date

The exchange offer will expire at 5:00 p.m., New York City time, on \_\_\_\_\_, 2006, unless extended, in which case the term expiration date shall mean the latest date and time to which the exchange offer is extended.

### Conditions to the Exchange Offer

We are not required to consummate the exchange offer if there is any pending or threatened action or proceeding or proposed or effective legislation or other law or rule that would make the exchange offer illegal, cause us to have to pay damages as a result of the exchange offer or delay or otherwise make it inadvisable to consummate the exchange offer. See The Exchange Offer Certain Conditions to the Exchange Offer. The exchange offer is not conditioned upon any minimum aggregate principal amount of Old Notes being tendered for exchange.



Procedures for Tendering Old Notes

If you want to tender your Old Notes in the exchange offer, you must complete and sign a letter of transmittal and send it, together with the Old Notes or a notice of guaranteed delivery and any other required documents, to Deutsche Bank Trust Company Americas, as exchange agent, in compliance with the procedures for guaranteed delivery contained in the letter of transmittal. The letter of transmittal must be sent to the exchange agent prior to 5 p.m. on the expiration date of the exchange offer. If your Old Notes are registered in the name of a nominee and you wish to tender your Old Notes in the exchange offer, you should instruct your nominee to promptly tender your Old Notes on your behalf.

Guaranteed Delivery Procedures

If you wish to tender your Old Notes and:

- your Old Notes are not immediately available; or
- you cannot deliver your Old Notes or any of the other documents required by the letter of transmittal to the exchange agent prior to the expiration date of the exchange offer; or
- you cannot complete the procedure for book-entry transfer on a timely basis;

you may tender your Old Notes according to the guaranteed delivery procedures detailed in the letter of transmittal. See [The Exchange Offer](#) [Guaranteed Delivery Procedures](#).

Withdrawal Rights

You may withdraw the tender of your Old Notes at any time prior to the expiration date of the exchange offer. See [The Exchange Offer](#) [Withdrawal Rights](#).

Acceptance of the Old Notes and Delivery of the New Notes

We will accept for exchange any and all Old Notes which you properly tender in the exchange offer prior to the expiration date of the exchange offer. We will issue and deliver the New Notes promptly following the expiration date of the exchange offer. See [The Exchange Offer](#) [Terms of the Exchange Offer](#).

Resales of the New Notes

We believe, based on an interpretation by the staff of the SEC contained in no-action letters issued to third parties, that you may offer to sell, sell or otherwise transfer the New Notes issued to you in this exchange offer without complying with the registration and prospectus delivery requirements of the Securities Act, provided that:

- you are not an affiliate of ours within the meaning of Rule 405 under the Securities Act; and
- you acquire the New Notes in the ordinary course of business and you have no arrangement or understanding with any person to participate in the distribution of the New Notes.

Consequences of Failure to Exchange	<p>If you are a broker-dealer and you receive New Notes for your own account in exchange for Old Notes, you must acknowledge that you will deliver a prospectus if you decide to resell your New Notes. See Plan of Distribution.</p> <p>If you do not exchange your Old Notes for the New Notes pursuant to the exchange offer you will still be subject to the restrictions on transfer of your Old Notes as contained in the legend on the Old Notes. In general, you may not offer to sell or sell the Old Notes, except pursuant to a registration statement under the Securities Act or any exemption from registration thereunder and in compliance with applicable state securities laws.</p>
Certain U.S. Federal Income Tax Considerations	<p>The exchange of Notes will not be a taxable event for United States federal income tax purposes. You will not recognize any taxable gain or loss or any interest income as a result of the exchange.</p>
Registration Rights Agreement	<p>The exchange offer is intended to satisfy your registration rights under the Registration Rights Agreement. Those rights will terminate upon completion of the exchange offer.</p>
Use of Proceeds	<p>We will not receive any proceeds from the issuance of New Notes pursuant to the exchange offer. In consideration for issuing the New Notes in exchange for the Old Notes as described in this prospectus, we will receive, retire and cancel the Old Notes. See Use of Proceeds.</p>
Exchange Agent	<p>Deutsche Bank Trust Company Americas is the exchange agent for the exchange offer for the Notes.</p>

**TERMS OF THE NOTES**

The summary below describes the principal terms of the Notes. The terms and conditions described below are subject to important limitations and exceptions. The *Description of the Notes* section of this prospectus contains a more detailed description of the terms and conditions of the Notes.

Issuer	Station Casinos, Inc.
Notes Offered	\$300.0 million aggregate principal amount of 6 <sup>5</sup> / <sub>8</sub> % Senior Subordinated Notes (the Notes ).
Maturity	March 15, 2018.
Interest	Annual rate: 6 <sup>5</sup> / <sub>8</sub> %. Payment frequency: every six months on March 15 and September 15. First payment: September 15, 2006.
Ranking	<p>The Notes will be general unsecured senior subordinated obligations and will be subordinated to all of our senior indebtedness (including \$450.0 million of outstanding senior notes and our guarantee of our revolving credit facility which had a balance as of December 31, 2005, after giving effect to the issuance of the Notes and the application of the proceeds thereof, of \$34.8 million). The Notes will rank equally with all of our existing and future senior subordinated indebtedness and will rank senior to all of our subordinated indebtedness. The Notes will effectively rank junior to all liabilities of our subsidiaries, including trade payables. Because the Notes are subordinated, in the event of bankruptcy, liquidation or dissolution, holders of the Notes may not receive any payment until holders of senior indebtedness have been paid in full.</p> <p>As of December 31, 2005, after giving effect to the issuance of the Notes and the application of the net proceeds thereof, we would have had approximately \$492.6 million of senior indebtedness, which consisted of our 6% Senior Notes due 2012 and the indebtedness incurred by our subsidiaries, \$1.46 billion of senior subordinated indebtedness, consisting of \$450.0 million of our outstanding 6<sup>1</sup>/<sub>2</sub>% Senior Subordinated Notes due 2014, \$708.0 million of our outstanding 6<sup>7</sup>/<sub>8</sub>% Senior Subordinated Notes due 2016 and \$298.5 million of our outstanding 6<sup>5</sup>/<sub>8</sub>% Senior Subordinated Notes due 2018 that ranked equally with the Notes and our subsidiaries had outstanding \$162.3 million of other liabilities that effectively rank senior to the Notes. See <i>Description of the Notes</i>.</p>
Optional Redemption	We may redeem the Notes, in whole or in part, at any time after March 15, 2011 at the redemption prices set forth in this prospectus, plus accrued and unpaid interest. See <i>Description of the Notes</i> <i>Optional Redemption</i> .
Special Redemption	The Notes are subject to redemption requirements imposed by gaming laws and regulations of the State of Nevada and other gaming authorities. See <i>Description of the Notes</i> <i>Mandatory Disposition Pursuant to Gaming Laws</i> .

Change of Control Triggering Event	Upon a Change of Control Triggering Event, each holder of the Notes may require us to repurchase all or a portion of its Notes at 101% of the principal amount thereof, plus accrued interest to the repurchase date. See Description of the Notes Change of Control and Rating Decline.
Certain Covenants	<p>The indenture governing the Notes contains certain covenants that, among other things, will limit our ability and, in certain instances, the ability of our subsidiaries or restricted subsidiaries to:</p> <ul style="list-style-type: none"> <li>• incur additional indebtedness;</li> <li>• issue or sell preferred stock of our restricted subsidiaries;</li> <li>• engage in transactions with affiliates and other related persons; and</li> <li>• consolidate, merge or transfer all or substantially all our assets and the assets of our restricted subsidiaries on a consolidated basis.</li> </ul> <p>These covenants are subject to a number of important qualifications and exceptions which are described under the heading Description of the Notes in this prospectus.</p>
Amendments	The indenture governing the Notes may be amended under the circumstances more fully described in Description of the Notes Waiver and Modification of the Indenture.
Use of Proceeds	We will not receive any proceeds from the issuance of the New Notes pursuant to the exchange offer. In consideration for issuing the New Notes in exchange for the Old Notes as described in this prospectus, we will receive, retire and cancel the Old Notes. See Use of Proceeds.
Risk Factors	See Risk Factors for a discussion of certain factors you should carefully consider before deciding to invest in the Notes, including factors affecting forward-looking statements.
Trustee	Law Debenture Trust Company of New York. See Description of the Notes Concerning the Trustee.

Certain capitalized terms are defined in the section entitled Description of the Notes Certain Definitions.

**SUMMARY CONSOLIDATED FINANCIAL INFORMATION**

The following information is derived from our audited consolidated financial statements. You should read the financial information presented below in conjunction with our consolidated financial statements and accompanying notes, as well as management's discussion and analysis of results of operations and financial condition, all of which can be found in publicly available documents, including those incorporated by reference herein.

	<b>Year Ended December 31,</b>				
	<b>2001(a)</b>	<b>2002</b>	<b>2003(b)</b>	<b>2004(c)</b>	<b>2005</b>
	<b>(dollars in thousands, except per share amounts)</b>				
<b>Income Statement Data:</b>					
Net revenues	\$ 836,857	\$ 792,865	\$ 858,089	\$ 986,742	\$ 1,108,833
Operating costs and expenses, excluding the following items	689,770	638,164	655,844	718,156	769,011
Development expense(d)			4,306	10,683	8,747
Preopening expenses(e)	6,413			848	6,560
Lease terminations(f)					14,654
Impairment loss(g)	4,001	8,791	18,868		
Litigation settlement(h)			38,000		
Gain on sale of properties(i)	(1,662 )				
Operating income	138,335	145,910	141,071	257,055	309,861
Earnings from joint ventures	2,504	11,293	20,604	26,524	38,885
Operating income and earning from joint ventures	140,839	157,203	161,675	283,579	348,746
Other expenses	(110,376 )	(107,447 )	(93,498 )	(178,350 )	(92,519 )
Income before income taxes and change in accounting principle	30,463	49,756	68,177	105,229	256,227
Income tax provision	(11,094 )	(18,508 )	(23,834 )	(38,879 )	(94,341 )
Cumulative effect of a change in accounting principle(j)		(13,316 )			
Net income applicable to common stock	\$ 19,369	\$ 17,932	\$ 44,343	\$ 66,350	\$ 161,886
Fully diluted earnings per share	\$ 0.32	\$ 0.30	\$ 0.72	\$ 1.00	\$ 2.40
Dividends paid per common share	\$	\$	\$ 0.25	\$ 0.69	\$ 0.92
<b>Other Data:</b>					
Number of hotel rooms(k)	2,966	2,961	2,955	3,247	3,661
Average daily occupancy rate	88	% 91	% 94	% 96	% 96
Number of slot machines(l)	19,652	18,302	\$ 18,241	\$ 18,524	\$ 18,820
Capital expenditures(m)	\$ 450,088	\$ 20,138	\$ 830,805	\$ 382,035	\$ 198,772
Cash flow provided by (used in):					
Operating activities	\$ 117,768	\$ 132,898	\$ 197,775	\$ 262,516	\$ 378,154
Investing activities	(485,398 )	(60,393 )	(185,641 )	(338,034 )	(886,590 )
Financing activities	\$ 177,763	(79,283 )	(9,201 )	\$ 81,663	\$ 525,571
Ratio of earnings to fixed charges(n)	1.17x	1.44x	1.61x	2.07x	3.08x
Pro forma ratio of earnings to fixed charges(o)					2.75x

	<b>As of December 31, 2005</b>	
	<b>Actual</b>	<b>As Adjusted(p)</b>
	<b>(dollars in thousands)</b>	
	<b>(unaudited)</b>	
<b>Balance Sheet Data:</b>		
Cash and cash equivalents	\$ 85,552	\$ 85,552
Total assets	2,929,043	2,932,343
Long-term debt, including current portion	1,944,328	1,947,628
Stockholders' equity	630,814	630,814

(a) On January 4, 2001, we purchased Fiesta Casino Hotel and renamed the property Fiesta Rancho in December 2001. On January 30, 2001, we purchased The Reserve Hotel & Casino and renamed the property Fiesta Henderson in December 2001. On September 30, 2001, we sold our slot route management services subsidiary, Southwest Gaming Services, Inc. On December 18, 2001, we opened Green Valley Ranch Station.

(b) On January 27, 2003, we purchased Wildfire. We opened Thunder Valley on June 9, 2003, which we manage on behalf of the UAIC.

(c) On August 2, 2004, we purchased Magic Star and Gold Rush.



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- (d) During the last half of 2003, we increased our development resources in an effort to identify potential gaming opportunities. Development expenses include costs to identify potential gaming opportunities, the internal costs incurred to bring the Native American projects currently under contract to fruition and other development opportunities, which include payroll, travel and legal expenses. Also included in development expense for 2004 is a \$2.0 million non-reimbursable milestone payment related to the Gun Lake project in Michigan. During 2003, \$2.0 million of costs related to the Graton Rancheria project were expensed after achieving certain milestones on the project and are also not reimbursable.
- (e) Preopening expenses for the years ended December 31, 2005 and 2004 include costs primarily related to the opening of Red Rock. Preopening expenses for the year ended December 31, 2001 include costs incurred prior to the acquisitions of Fiesta Rancho and Fiesta Henderson and costs incurred prior to the opening of Green Valley Ranch.
- (f) During the year ended December 31, 2005, we recorded approximately \$14.7 million to terminate various leases primarily related to land adjacent to the current Wild Wild West property.
- (g) During the year ended December 31, 2003, we recorded an impairment loss of approximately \$18.9 million, of which approximately \$17.5 million was related to the impairment of goodwill at Fiesta Rancho as a result of reduced growth assumptions. In addition, approximately \$1.4 million of the impairment loss in 2003 was primarily related to the write off of our investment in the development of a new slot product. During the year ended December 31, 2002, we recorded an impairment loss of approximately \$8.8 million, of which approximately \$3.9 million was related to the write-down of certain assets related to our investment in an Internet, intra-state gaming platform and related technology and approximately \$4.9 million, which was related to the write-off of our option to invest in the Internet wagering business with Kerzner Interactive. During the year ended December 31, 2001, we recorded an impairment loss of approximately \$4.0 million related to a 34-acre parcel, near the intersection of Martin Luther King Jr. Drive and Craig Road in North Las Vegas.
- (h) On February 9, 2004, we entered into an agreement to settle a lawsuit that centered on allegations of improper conduct by our former Missouri legal counsel for \$38 million.
- (i) During the year ended December 31, 2001, we sold Southwest Gaming Services, Inc., a wholly owned subsidiary, to Blake L. Sartini, our former executive vice-president and chief operating officer, and recorded a gain on the sale of approximately \$1.7 million.
- (j) The Financial Accounting Standards Board issued Statement of Financial Accounting Standards ( SFAS ) No. 142, Goodwill and Other Intangible Assets , in June 2001. SFAS No. 142 changed the accounting for goodwill from an amortization method to an impairment-only approach. Amortization of goodwill, including goodwill recorded in past business combinations, ceased upon the adoption of SFAS No. 142. We implemented SFAS No. 142 on January 1, 2002 and tested for impairment in accordance with the provisions of SFAS No. 142 in the first quarter of 2002. As a result of an independent third party appraisal, we recorded an impairment loss of \$13.3 million, net of the applicable tax benefit, related to Fiesta Rancho, which is shown as a cumulative effect of a change in accounting principle in our consolidated statements of operations.
- (k) The number of hotel rooms represents end of period data.
- (l) The number of slot machines represents end of period data and includes slot and video poker machines and other coin-operated devices.
- (m) Capital expenditures for the year ended December 31, 2001, included \$175.5 million for the purchase and minor upgrades of Fiesta Rancho, \$91.1 million related to the purchase of Fiesta Henderson, upgrades of the property and to the re-theming to a Fiesta-branded property, \$43.8 million associated with the expansion and remodeling at Santa Fe Station, \$10.4 million associated with remaining costs on the expansion project at Texas Station, \$14.5 million associated with the conversion of the Texas Station slot floor to coinless devices, \$23.9 million for the land lease buyout at Sunset Station and \$25.6 million for the installation of a new slot system. Capital expenditures for the year ended December 31, 2002, included \$1.3 million for the expansion at Santa Fe Station. Capital expenditures for the year ended December 31, 2003, included \$57.9 million for the remaining balance of the purchase price for approximately 70 acres of land at Charleston Boulevard and Interstate 215, \$28.8 million for the purchase of approximately 17 acres of land near Wild Wild West, \$13.1 million for the accelerated replacement of slot machines to take advantage of ticket-in, ticket-out technology, \$7.1 million related to the purchase of the Wildfire Casino, \$5.3 million for the purchase of approximately 13 acres of land, formerly leased, where Palace Station is located and \$7.4 million related to the addition of new restaurants at Santa Fe Station and Fiesta Henderson. Capital expenditures for the year ended December 31, 2004 included \$80.9 million related to the development of Red Rock, \$54.1 million for the accelerated slot replacement to take advantage of ticket-in, ticket-out technology, \$35.8 million related to the expansion at Santa Fe Station, \$19.8 million for the purchase and enhancements of Gold Rush and Magic Star, \$12.0 million for the purchase of land, \$9.6 million related to the construction of the ice arena at Fiesta Rancho and \$9.5 million for the bowling center at Sunset Station. Capital expenditures for the year ended December 31, 2005, included \$483.1 million related to the development of Red Rock, \$76.1 million for the purchase of land adjacent to the current Wild Wild West property, \$84.7 million for the purchase of land held for development, \$16.3 million related to the phase III expansion at Santa Fe Station, \$9.6 million related to the phase II expansion at Fiesta Henderson, and \$21.4 million for the bowling center and buffet remodel at Sunset Station.





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(n) For purposes of determining the ratio of earnings to fixed charges, earnings are defined as earnings before income taxes plus fixed charges. Fixed charges consist of interest expense, including amortization of debt issuance costs and a portion of operating lease rental expense deemed to be representative of the interest factor.

(o) The pro forma ratio of earnings to fixed charges gives effect to the sale of the Notes offered hereby and the application of the net proceeds therefrom as of December 31, 2005.

(p) As adjusted amounts reflect the issuance and sale of the Notes offered hereby and the application of the net proceeds therefrom as of December 31, 2005.

## RISK FACTORS

Your investment in the Notes will involve certain risks. You should carefully consider the following factors and the other information included or incorporated by reference in this prospectus before making an investment in the New Notes.

### Risks Related to Our Business

#### *We face substantial competition in the gaming industry.*

The gaming industry includes land-based casinos, dockside casinos, riverboat casinos, racetracks with slots, casinos located on Native American land and other forms of legalized gaming. There is intense competition among companies in the gaming industry, some of which have significantly greater resources than we do. Several states are currently considering legalizing casino gaming in designated areas. Legalized casino gaming in such states and on Native American land will provide strong competition to us and could adversely affect our operations, particularly to the extent that such gaming is conducted in areas close to our operations. Native American gaming in California, as it currently exists, has had little, if any impact on our Nevada operations to date, although there are no assurances as to future impact. 61 Native American tribes entered into Tribal-State Gaming Compacts (Compacts) with the State of California in 1999 and 2000 that are currently in effect. Each of these Native American tribes may operate up to two gaming facilities. Eight of these Native American tribes are presently not operating a casino. During 2003 through 2005, eight Native American tribes entered into new Compacts with the State of California, of which five compacts have been ratified by the California legislature and are currently in effect. Three of these eight Native American tribes may operate two gaming facilities and the remaining five Native American tribes may operate one gaming facility, respectively, however, only one tribe is presently operating a casino. Currently there are 55 Native American casinos in operation in the State of California. These Native American tribes are allowed to operate slot machines, lottery games, and banking and percentage games (including 21) on Native American lands. Additionally, during 2004 and 2005, six tribes re-negotiated their compacts, of which five have been ratified by the California legislature and are currently in effect. These re-negotiated compacts allow for the expansion of the respective tribe's current facilities. It is not certain how this or any expansion of Native American gaming in California will affect our Nevada operations given that visitors from California make up Nevada's largest visitor market. Moreover, it is uncertain how soon expansion will affect our interests in Native American gaming in California. Increased competition from Native American gaming may result in a decline in our revenues and may have a material adverse effect on our business.

Our Nevada casino properties also face competition from 37 non-restricted gaming locations in the Las Vegas area primarily targeted to the local and the repeat visitor markets. One of these competitors opened in December 2005 and some of these competitors have completed expansions and existing competitors and new entrants into these markets are in the planning stages or under construction on other projects. Although we have competed strongly in these marketplaces, there can be no assurance that additional capacity will not have a negative impact on our business.

Our Nevada casino properties face competition from all other casinos and hotels in the Las Vegas area, including to some degree, from each other. In addition, our casino properties face competition from all smaller non-restricted gaming locations and restricted gaming locations (locations with 15 or fewer slot machines) in the greater Las Vegas area. As of December 31, 2005, there were over 1,400 restricted gaming locations with almost 15,000 slot machines. We compete with other hotel/casinos and restricted gaming locations by focusing on repeat customers and attracting these customers through innovative marketing programs. Our value-oriented, high-quality approach is designed to generate repeat business. Additionally, our casino properties are strategically located and designed to permit convenient access and ample parking, which are critical factors in attracting local visitors and repeat patrons. Currently, there are

approximately 37 major gaming properties located on or near the Las Vegas Strip, 14 located in the downtown area and several located in other areas of Las Vegas. Major additions, expansions or enhancements of existing properties or the construction of new properties by competitors, could also have a material adverse effect on the businesses of our casino properties. While past additions to our competitors' capacity have had little, if any, impact on our casino properties' hotel occupancy or casino volume to date, there can be no assurance that hotel occupancy or casino volume will not be adversely affected in the future.

To a lesser extent, our Nevada operations compete with gaming operations in other parts of the state of Nevada, such as Reno, Laughlin and Lake Tahoe, riverboat gaming markets in the Midwest and South, facilities in Atlantic City, New Jersey, casinos located on Native American land and in other parts of the world and with state-sponsored lotteries, on-and-off-track pari-mutuel wagering, card rooms and other forms of legalized gambling.

In 1997, the Nevada legislature enacted Senate Bill 208. This legislation identified certain gaming enterprise districts wherein casino gaming development would be permitted throughout the Las Vegas valley and established more restrictive criteria for the establishment of new gaming enterprise districts. We believe the growth in gaming supply in the Las Vegas locals' market has been, and will continue to be, limited by the provisions of Senate Bill 208.

***Certain construction risks may arise during the building of any new property.***

We are currently constructing Red Rock, are expanding Santa Fe Station, Fiesta Henderson and Green Valley Ranch and are providing or may have to provide, as the case may be, funding for the construction of gaming facilities for the Federated Indians of Graton Rancheria, the Match-E-Be-Nash-She-Wish Band of Pottawatomí Indians, the Mechoopda Indian Tribe of Chico Rancheria California and the North Fork Rancheria of Mono Indians (collectively the Native American Tribes) and for Aliante Station. We evaluate expansion opportunities as they become available, and we may in the future develop projects in addition to the projects described in this prospectus.

Construction projects, such as the construction of Red Rock, and the expansions of Santa Fe Station, Fiesta Henderson and Green Valley Ranch and the proposed gaming facilities for the Native American Tribes, entail significant risks, including:

- shortages of materials or skilled labor;
- unforeseen engineering, environmental or geological problems;
- work stoppages;
- weather interference;
- floods; and
- unanticipated cost increases;

any of which can give rise to delays or cost overruns.

The anticipated costs and construction periods are based upon budgets, conceptual design documents and construction schedule estimates prepared by us in consultation with our architects and contractors. Construction, equipment or staffing requirements or problems or difficulties in obtaining any of the requisite licenses, permits, allocations or authorizations from regulatory authorities can increase the cost or delay the construction or opening of each of the proposed facilities or otherwise affect the project's planned design and features. We have not entered into firm contracts for the expansions of Santa Fe Station or Fiesta Henderson, and we cannot be sure that we will not exceed the budgeted costs of these projects or that the projects will commence operations within the contemplated time frame, if at all.

Budget overruns and delays with respect to expansion and development projects could have a material adverse impact on our results of operations.

***We may experience difficulty integrating operations of our acquired companies and developed properties and managing our overall growth which could have a material adverse effect on our operating results.***

We may not be able to manage the combined operations of Station Casinos, Inc., including our Red Rock development, the projects with the Native American Tribes and Aliante Station, and future acquired companies or acquired or developed properties effectively, or realize any of the anticipated benefits of the acquisitions, including streamlining operations or gaining efficiencies from the elimination of duplicative functions. The integration of other companies or assets will require continued dedication of management resources and may temporarily detract attention from our day-to-day business.

In addition, because we plan to continue to pursue expansion and acquisition opportunities, we face significant challenges not only in managing and integrating the operations of Red Rock and the projects with the Native American Tribes and Aliante Station, but also in managing our expansion projects and any other gaming operations we may acquire in the future. Management of these new projects will require increased managerial resources, and we intend to continue our efforts to enhance our gaming management team. However, there can be no assurances that we will succeed in doing so. Failure to manage our growth effectively could have a material adverse effect on our operating results.

***We depend on key markets and may not be able to continue to attract a sufficient number of guests and gaming customers in Nevada to make our operations profitable.***

Our operating strategy emphasizes attracting and retaining customers from the Las Vegas local and repeat visitor market. All of our owned casino properties are dependent upon attracting Las Vegas residents. We cannot be sure that we will be able to continue to attract a sufficient number of guests, gaming customers and other visitors in Nevada to make our operations profitable. In addition, our operating strategy, including the master-planning of our casinos for future expansion, has been developed, in part, based on expected population growth in Las Vegas. There can be no assurance that growth will continue in Las Vegas or that we will be able to successfully adapt to any downturn.

***We regularly pursue new gaming acquisition and development opportunities and may not be able to recover our investment or successfully expand to additional locations.***

We regularly evaluate and pursue new gaming acquisition and development opportunities in existing and emerging jurisdictions. These opportunities have in the past, and may in the future, take the form of joint ventures. To the extent that we decide to pursue any new gaming acquisition or development opportunities, our ability to benefit from such investments will depend upon a number of factors, including:

- our ability to identify and acquire attractive acquisition opportunities and development sites;
- our ability to secure required federal, state and local licenses, permits and approvals, which in some jurisdictions, are limited in number;
- certain political factors;
- the availability of adequate financing on acceptable terms (including waivers of restrictions in existing credit arrangements); and
- our ability to identify and develop satisfactory relationships with joint venture partners.

Most of these factors are beyond our control. Therefore, we cannot be sure that we will be able to recover our investments in any new gaming development opportunities or acquired facilities, or successfully expand to additional locations.

We have invested, and will likely continue to invest, in real property in connection with the pursuit of expansion opportunities. We have acquired certain parcels of land as part of our development activities. Our decision whether to proceed with any new gaming opportunity is dependent upon future economic and regulatory factors, the availability of financing and competitive and strategic considerations. As many of these considerations are beyond our control, no assurances can be made that we will be able to secure additional, acceptable financing in order to proceed with any particular project.

As of December 31, 2005, we had \$252.4 million of land held for development that consists primarily of seven sites that are owned or leased, which comprise 264 acres in the Las Vegas valley, 188 acres in the Sacramento area near Thunder Valley and 104 acres in Reno, Nevada. The primary gaming-entitled land that we own in the Las Vegas valley consists of 67 acres located at the intersection of Durango Road and the Southern Beltway/Interstate 215 in the southwest area of Las Vegas, 49 acres also located in southwest Las Vegas at the intersection of Flamingo Road and Interstate 215, 60 acres located on the southern end of Las Vegas Boulevard at Cactus Avenue of which we lease and have an option to purchase 2.5 acres and 26 acres on Boulder Highway at the site formerly known as the Castaways Hotel Casino and Bowling Center (the Castaways ), which we purchased during 2004. The Castaways closed on January 26, 2004, shortly after its former owners filed for bankruptcy. We have completed the demolition of the structure and are currently evaluating the potential uses of the property. We also own 54 acres located on Losee Road in North Las Vegas, Nevada that was contributed to the joint venture which will develop Aliante Station in January 2006.

We have also acquired or are under contract to acquire approximately 67 acres of land on which Wild Wild West is located and the surrounding area of which, approximately 48 acres have been acquired as of December 31, 2005. In 2003, we exercised our option to purchase the 19-acre parcel of leased land on which Wild Wild West is located which was to occur in July 2005 at a purchase price of \$36 million. In July 2005, we entered into an agreement to extend the date for the close of escrow to no later than January 2007 at a purchase price of approximately \$36 million, provided that either party may accelerate the close of escrow to an earlier date upon 90 days prior written notice to the other party. In addition, the agreement reduced the lease expense from \$2.9 million to \$1.6 million per year. No amounts related to this purchase option have been recorded on our consolidated balance sheets.

These investments are subject to the risks generally incident to the ownership of real property, including:

- changes in economic conditions;
- environmental risks;
- governmental rules and fiscal policies; and
- other circumstances over which we may have little or no control.

The development of such properties is also subject to restrictions under our revolving credit facility. We cannot be sure that we will be able to recover our investment in any such properties or be able to prevent incurring investment losses.

***We are subject to extensive state and local regulation, and licensing and gaming authorities have significant control over our operations which could have an adverse effect on our business.***

The ownership and operation of casino gaming facilities are subject to extensive state and local regulation. We currently conduct licensed gaming operations in Nevada and California through wholly-owned subsidiaries and joint ventures. The State of Nevada, the State of California and the applicable local authorities require us to hold various licenses, findings of suitability, registrations, permits and approvals. The Nevada Gaming Commission may, among other things, limit, condition, suspend or revoke a license or approval to own the stock of any of our Nevada subsidiaries for any cause deemed

reasonable by such licensing authority. We are also responsible for the acts and conduct of our employees on the premises. Substantial fines or forfeiture of assets for violations of gaming laws or regulations may be levied against us, our subsidiaries and the persons involved. The suspension or revocation of any of our licenses or the levy on us of substantial fines or forfeiture of assets would have a material adverse effect on our business.

To date, we have obtained all governmental licenses, findings of suitability, registrations, permits and approvals necessary for the operation of our gaming activities. Gaming licenses and related approvals are deemed to be privileges under Nevada and California law, and we cannot be sure that any new licenses, findings of suitability, registrations, permits and approvals that may be required in the future will be given or that existing ones will not be revoked. Any expansion of our gaming operations in Nevada or into new jurisdictions will require various licenses, findings of suitability, registrations, permits and approvals of the gaming authorities. The approval process can be time consuming and costly and has no assurance of success.

Gaming authorities have the authority generally to require that any beneficial owner of our securities, including the Notes, file an application and be investigated for a finding of suitability. If a record or beneficial owner of a note is required by any gaming authority to be found suitable, such owner will be required to apply for a finding of suitability within 30 days after request of such gaming authority or within such earlier time prescribed by such gaming authority. The applicant for a finding of suitability must pay all costs of the investigation for such finding of suitability. If a record or beneficial owner is required to be found suitable and is not found suitable, we may be required pursuant to the terms of the Notes or law to dispose of the Notes. See Description of the Notes Mandatory Disposition Pursuant to Gaming Laws.

Nevada gaming regulations require that covenants imposing restrictions on the transfer of, and agreements not to encumber, equity securities of certain of our licensed or registered subsidiaries be approved by the Nevada Gaming Commission to be effective. We have not obtained such approval with regard to such covenants and agreements contained in the Indenture governing the Notes. Upon the issuance of new notes upon consummation of the exchange offer described under the caption Exchange Offer; Registration Rights in this prospectus, the covenants restricting the transfer of, and agreements not to encumber, equity securities of licensed or registered subsidiaries of the Company contained in the Indenture governing such new notes issued in such exchange fall under an existing approval of the Nevada Gaming Commission for a continuous and delayed public offering, and will therefore be effective. However, prior to the consummation of the exchange offer, and following the consummation of the exchange offer with respect to any Notes that are not exchanged pursuant to the Exchange Offer, the enforceability in Nevada of any Indenture covenant restricting the transfer of, and agreements not to encumber, equity securities of certain subsidiaries is uncertain.

From time to time, various proposals are introduced in the legislatures of some of the jurisdictions in which we operate that, if enacted, could adversely affect the tax, regulatory, operational or other aspects of the gaming industry and our company in particular. The Nevada legislature has concluded their 2005 session and there were no tax increases affecting the gaming industry. The Nevada legislature does not meet again until 2007.

***We are subject to Native American gaming regulation which could have an adverse effect on our business.***

The terms and conditions of management contracts and the operation of casinos and all gaming on land held in trust for Native American tribes in the United States are subject to the Indian Gaming Regulatory Act of 1988 ( IGRA ), which is administered by the National Indian Gaming Commission ( NIGC ) and the gaming regulatory agencies of tribal governments. IGRA is subject to interpretation by the NIGC and may be subject to judicial and legislative clarification or amendment.

Native American tribes are sovereign with their own governmental systems, which have primary regulatory authority over gaming on land within the tribes' jurisdiction. Therefore, persons engaged in gaming activities, including the Company, are subject to the provisions of tribal ordinances and regulations on gaming. These ordinances are subject to review by the NIGC under certain standards established by IGRA. The NIGC may determine that some or all of the ordinances require amendment, and that additional requirements, including additional licensing requirements, may be imposed on us. Although, we have received no such notification regarding Thunder Valley, we cannot assure you that no additional requirements will be imposed on us or that we will be able to satisfy such additional requirements. The possession of valid licenses from the UAIC are ongoing conditions of our management agreement with the tribe and if any such licenses are denied, suspended, revoked or not renewed, this could have a material adverse effect on our business.

In June 2004, the UAIC successfully negotiated a new Tribal-State Gaming Compact ( Amended Compact ) with the State of California which has received approval by the DOI. The Amended Compact allows an unlimited number of slot machines at Thunder Valley and extends the term an additional 10 years to 2030. The Amended Compact also includes a revenue sharing agreement with the State of California. Thunder Valley has added approximately 800 slot machines and as a result, the UAIC will pay approximately \$33.8 million annually to the State of California commencing in January 2005 and additional fees ranging from \$11,000 to \$13,200 per machine for any slot machines added above the 1,906 that were originally in operation at Thunder Valley prior to the Amended Compact.

***Factors affecting the economy and consumer confidence may harm our operating results.***

Our properties draw a substantial number of customers from the Las Vegas valley, as well as certain geographic areas, including Southern California, Arizona and Utah. Adverse economic conditions in any of these regions could have a significant adverse effect on our business, financial condition and results of operations. Since all of our properties are located in the Las Vegas valley or Northern California, any terrorist activities or disasters in or around Southern Nevada or Northern California could have a significant adverse effect on our business, financial condition and results of operations.

Our properties use significant amounts of electricity, natural gas and other forms of energy. While no shortages of energy have been experienced, the substantial increases in the cost of electricity, natural gas and gasoline in the United States have and may continue to negatively affect our operating results. In addition, energy price increases in the regions that constitute a significant source of customers for our properties could result in a decline in disposable income of potential customers and a corresponding decrease in visitation and spending at our properties, which could negatively impact revenues.

***We rely on key personnel, the loss of the services of whom could materially and adversely affect our results of operations.***

Our ability to operate successfully and competitively is dependent, in part, upon the continued services of certain of our officers and key employees. In the event that these officers and/or employees were to leave us, we might not be able to find suitable replacements. We believe that the loss of the services of these officers and/or employees could have a material adverse effect on our results of operations.

***We may incur losses that are not adequately covered by insurance which may harm our results of operations.***

Although we maintain insurance customary and appropriate for our business, we cannot assure you that insurance will be available or adequate to cover all loss and damage to which our business or our assets might be subjected. The lack of adequate insurance for certain types or levels of risk could expose us to significant losses in the event that a catastrophe occurred for which we are underinsured. Any losses we incur that are not adequately covered by insurance may decrease our future operating income, require us

to find replacements or repairs for destroyed property and reduce the funds available for payments of our obligations on the Notes.

#### **Risks Related to the Notes**

*Our substantial indebtedness could adversely affect our financial results and prevent us from fulfilling our obligations under the Notes and may restrict our ability to take certain actions.*

Our ability to pay principal of, and interest on, the Notes, our existing senior notes and senior subordinated notes, and our other obligations will depend on distributions from our operating subsidiaries. The operating and financial restrictions and covenants in our debt agreements, including the indenture governing the Notes (the Indenture), our revolving credit facility and any future financing agreements may adversely affect our ability to finance future operations or capital needs or to engage in other business activities. See Description of the Notes.

Substantially all of our subsidiaries are, or are required to become, borrowers or guarantors under our revolving credit facility. Our revolving credit facility requires that the borrowers under our revolving credit facility satisfy certain financial and other covenants including:

- a maximum funded debt to adjusted EBITDA ratio for the borrowers combined under the revolving credit facility of 3.25 to 1.00 for each quarter through December 31, 2008 and 3.00 to 1.00 for each quarter thereafter;
- a minimum fixed charge coverage ratio for the preceding four quarters for the borrowers combined of 1.25 to 1.00 for each quarter; and
- limitations on indebtedness.

Our revolving credit facility also contains a maximum funded debt to adjusted EBITDA ratio for the Company on a consolidated basis. Our ability to incur borrowings under the revolving credit facility will depend, among other things, upon meeting that ratio. Under our revolving credit facility, the maximum permitted funded debt to adjusted EBITDA ratio permitted can be no more than 5.50 to 1.00 through December 31, 2006, which reduces to 5.25 to 1.00 on March 31, 2007 through December 31, 2007, to 5.00 to 1.00 on March 31, 2008 through December 31, 2008, to 4.75 to 1.00 on March 31, 2009 through December 31, 2009 and to 4.50 to 1.00 on March 31, 2010. Our funded debt to adjusted EBITDA ratio and fixed charge coverage ratio for our borrowers as of December 31, 2005, was 0.89 to 1.00 and 2.13 to 1.00, respectively.

The revolving credit facility contains numerous other restrictions and covenants. A breach of any of these restrictions or covenants could cause a default under other outstanding debt and the Notes. A significant portion of our indebtedness then may become immediately due and payable. The revolving credit facility is secured by substantially all of our assets and those of our subsidiaries. We are not certain whether we would have, or be able to obtain, sufficient funds to make these accelerated payments, including payments on the Notes.

The Indenture governing the Notes and the indentures governing our existing senior notes and senior subordinated notes contain certain customary financial and other covenants, which limit us and our subsidiaries' ability to incur additional debt. The indentures provide that we may not incur additional indebtedness, other than specified types of indebtedness, unless our consolidated coverage ratio is at least 2.00 to 1.00. In the event that our consolidated coverage ratio is below 2.00 to 1.00, the covenant limits our ability to incur additional indebtedness for borrowings under our revolving facility not to exceed the greater of \$200 million or 1.5 times Operating Cash Flow (as defined in Description of the Notes) for the four most recent quarters, plus \$15 million. The indentures governing the Notes, our existing senior notes and our existing senior subordinated notes also give the holders of such securities the right to require us to



purchase the Notes at 101% of the principal amount of the Notes plus accrued interest thereon upon a Change of Control and Rating Decline (each as defined in Description of the Notes ) of the Company. In addition, the indenture governing our 6% Senior Notes due 2012 contains a limitation on liens we can incur. As of December 31, 2005, our consolidated coverage ratio was 4.35 to 1.00. Accordingly, as of December 31, 2005, we had the ability to borrow an additional \$1.6 billion of incremental indebtedness pursuant to the consolidated coverage ratio test under the indentures governing our indebtedness and we had \$1.7 billion of borrowings available under our revolving credit facility.

Our ability to meet our debt service and capital expenditure requirements and comply with our covenants will depend upon the future performance of our operations. Our future performance is subject to financial, economic, competitive, regulatory and other factors affecting us and our subsidiaries, many of which are beyond our control. While we expect that our operating cash flow will be sufficient to comply with our covenants and cover our expenses, including interest costs, dividends and capital expenditures, we cannot be sure that this will be the case. If we are unable to generate sufficient cash flow, we could be required to adopt one or more alternatives, such as obtaining additional equity capital, reducing or delaying planned expansions or capital expenditures, selling or leasing assets or restructuring debt. We cannot be sure that any of these alternatives could be effected on satisfactory terms, and any resort to alternative sources of funds could impair our competitive position and reduce our future cash flow.

***Your right to receive payments on the Notes is junior to our existing and future senior debt.***

The Notes rank behind all of our existing and future senior indebtedness and all other indebtedness except indebtedness that expressly provides that it ranks equal with, or subordinated in right of payment to, the Notes. Except for limitations on the aggregate amount of consolidated indebtedness that we may incur, the Indenture does not limit our ability to incur additional indebtedness, create liens, transfer assets to or among our restricted subsidiaries or incur or permit our subsidiaries to incur secured indebtedness. Upon any distribution to our creditors in a bankruptcy, liquidation or reorganization or similar proceeding relating to us or our property, the holders of senior debt of the Company will be entitled to be paid in full in cash before any payment may be made with respect to the Notes. Under such circumstances, holders of our senior debt (including \$450.0 million of outstanding senior notes and our guarantee of our revolving credit facility which had a balance as of December 31, 2005, after giving effect to the issuance of the Notes of \$34.8 million) will have a prior claim to our assets and to the assets of our subsidiaries, to the extent such assets secure such indebtedness. Until the bank has finally been paid in full, our guaranty of our revolving credit facility provides that we waive all rights of subrogation and reimbursement from the borrowers under our revolving credit facility. Our assets consist primarily of the stock of our operating subsidiaries and holders of the Notes will have no direct claim against the assets of those subsidiaries.

As of December 31, 2005, after giving pro forma effect to the issuance of the Notes and the application of the net proceeds thereof, the Company had approximately \$492.6 million of senior indebtedness, which consisted of our 6% Senior Notes due 2012 and the indebtedness incurred by our subsidiaries, \$1.46 billion of senior subordinated indebtedness, consisting of \$450.0 million of our outstanding 6½% Senior Subordinated Notes due 2014 and \$708.0 million of our outstanding 6⅞% Senior Subordinated Notes due 2016 that ranked equally with the Notes and our subsidiaries had outstanding \$162.3 million of other liabilities that effectively rank senior to the Notes. We have no indebtedness outstanding to which the Notes are senior, and we have no plans to issue any such indebtedness. See Description of the Notes.

Borrowings under our revolving credit facility are secured by substantially all of the assets of the borrowers. In addition, all payments on the Notes will be blocked in the event of a payment default on senior indebtedness and may be blocked for up to 179 of 360 consecutive days in the event of certain non-payment defaults on senior debt. The existing indenture for the existing senior subordinated notes have

subordination provisions substantially similar to the Indenture's provisions. See Description of the Notes Subordination.

***We have a holding company structure and depend on the business of our subsidiaries to satisfy our obligations under the Notes.***

Station Casinos, Inc. is organized as a holding company. We conduct all our operations through our subsidiaries and depend on the earnings and cash flow of our subsidiaries to meet our debt obligations, including our obligations with respect to the existing senior subordinated notes and the senior notes. Because our subsidiaries' assets constitute all of our operating assets and because our subsidiaries do not guaranty the payment of principal and interest on the Notes, the holders of the Notes will have no direct claim to our subsidiaries' assets. Therefore, all existing and future obligations, including debt, taxes, trade and construction payables, of our subsidiaries must be paid in full before any amounts would become available for distribution to the Noteholders.

***We may not be able to purchase your Notes upon a change of control.***

We are required to offer to repurchase all of the notes outstanding under the indentures governing our existing senior subordinated notes and our existing senior notes if:

- (1) we experience a change of control; and
- (2) if the notes under the applicable indenture are not then rated as investment grade, the ratings of those notes are downgraded by either Standard & Poor's Corporation or Moody's Investors Service, Inc. by one or more gradations on or prior to 90 days after the change of control.

As of December 31, 2005, after giving pro forma effect to the sale of the Notes and the application of the net proceeds thereof, we had \$450.0 million in principal amount of the 6½% Senior Subordinated Notes due 2014, \$450.0 million in aggregate principal amount of the 6% Senior Notes due 2012, \$700.0 million in aggregate principal amount of 6⅞% Senior Subordinated Notes due 2016 and \$300.0 million in aggregate principal amount of 6⅝% Senior Subordinated Notes due 2018 outstanding. The repurchase price for the Notes and our existing senior notes and senior subordinated notes would be 101% of the principal amount thereof, plus any accrued and unpaid interest. We cannot assure you that we would have the funds necessary to repurchase the notes. Our failure to repurchase any notes tendered would be a default under the Indenture.

In addition, it is an event of default under our revolving credit facility if we are required to make an offer to purchase any of the Notes or our existing senior notes and senior subordinated notes from the holders thereof. Therefore, for us to repurchase the Notes as a result of a change of control event, we must either obtain the consent of the banks under the revolving credit facility or repay the revolving credit facility in full. Even if such a consent were obtained or the debt is refinanced, we cannot assure you that we would have the funds necessary to purchase the Notes. The failure to make such a repurchase offer would result in an event of default under the Indenture and could cause events of default under certain of our other indebtedness.

***Liquid trading market for the New Notes may not develop.***

There has not been an established trading market for the New Notes. Although each initial purchaser informed us that it intends to make a market in the New Notes, they have no obligation to do so and may discontinue making a market at any time without notice.

The liquidity of any market for the Notes will depend upon the number of holders of the New Notes, our performance, the market for similar securities, the interest of securities dealers in making a market in the New Notes and other factors. A liquid trading market may not develop for the New Notes.

*Restrictions upon transfer of and limited trading market for Old Notes.*

We will issue New Notes in exchange for the Old Notes only after the exchange agent receives tender of your Old Notes. Therefore, you should allow sufficient time to ensure timely delivery of your Old Notes. Neither we nor the exchange agent is under any duty to give notification of defects or irregularities with respect to your tender of the Old Notes for exchange. If you do not tender your Old Notes, or if you do tender your Old Notes and they are not accepted, your Old Notes will continue to be subject to the existing restrictions upon their transfer. Accordingly, after the completion of the exchange offer, you will only be able to offer for sale, sell or otherwise transfer untendered Old Notes as follows:

- to us;
- pursuant to a registration statement that has been declared effective under the Securities Act;
- for so long as the Old Notes are eligible for resale pursuant to Rule 144A under the Securities Act, to a person you reasonably believe is a qualified institutional buyer ( QIB ) within the meaning of Rule 144A, that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A;
- pursuant to offers and sales that occur outside the United States to foreign persons in transactions complying with the provisions of Regulation S under the Securities Act;
- to an accredited investor within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act that is an institutional investor (an Institutional Accredited Investor ) purchasing for its own account or for the account of such an Institutional Accredited Investor, in each case in a minimum principal amount of the Old Notes of \$250,000; or
- pursuant to any other available exemption from the registration requirements of the Securities Act.

To the extent that Old Notes are tendered and accepted in the exchange offer, the liquidity of the trading market for untendered Old Notes could be adversely affected. See The Exchange Offer.

In addition, any holder of the Old Notes who tenders in the exchange offer for the purpose of participating in a distribution of the New Notes will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. Each broker-dealer who receives New Notes for its own account in exchange for the Old Notes, where such Old Notes were acquired by such broker-dealer as a result of market-making activities or any other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such New Notes. See Plan of Distribution.

**USE OF PROCEEDS**

We will not receive any proceeds in connection with the exchange offer. In consideration for issuing the New Notes in exchange for the Old Notes as described in this prospectus, we will receive, retire and cancel the Old Notes.

**CAPITALIZATION**

The following table sets forth our consolidated cash and cash equivalents and capitalization as of December 31, 2005, on an actual basis and on an as adjusted basis to give effect to this offering and the application of net proceeds as if they had occurred on December 31, 2005. This table should be read in conjunction with the more detailed information incorporated by reference in this prospectus.

	As of December 31, 2005	
	Actual (dollars in thousands)	As Adjusted
Cash and cash equivalents	\$ 85,552	\$ 85,552
Current portion of long-term debt	\$ 108	\$ 108
Long-term debt:		
Revolving credit facility(1)	\$ 330,000	\$ 34,800
6% Senior Notes due 2012(2)	448,542	448,542
6½% Senior Subordinated Notes due 2014	450,000	450,000
6⅞% Senior Subordinated Notes due 2016(3)	708,003	708,003
6⅝% Notes offered hereby(4)		298,500
Other long-term debt, weighted-average interest of 6.4%, maturity dates ranging from 2007 to 2026	9,244	9,244
Market value of interest rate swaps	(1,461 )	(1,461 )
Total long-term debt, less current portion	1,944,328	1,947,628
Total stockholders' equity	630,814	630,814
Total capitalization	\$ 2,575,142	\$ 2,578,442

(1) As of December 31, 2005, our revolving credit facility provided for borrowings up to an aggregate of \$2.0 billion available to certain of our subsidiaries, which borrowings are guaranteed by us. The availability is subject to compliance with the indebtedness covenants contained in the Indenture and our other existing indentures and by certain ratios under our revolving credit facility. As of December 31, 2005, we had \$14.3 million in letters of credit which reduced our availability under our revolving credit facility and as a result the amount of availability under our revolving credit facility was \$1.7 billion.

(2) Actual and as adjusted amounts shown are net of unamortized discount of \$1.5 million.

(3) Includes unamortized premium of \$8.0 million.

(4) Includes original issue discount of \$1.5 million.

## DESCRIPTION OF THE NOTES

The Old Notes were issued under the Indenture, dated as of March 13, 2006 (the Indenture), between SCI, as issuer, and Law Debenture Trust Company of New York, as trustee (the Trustee). The form and terms of the New Notes will be substantially identical to those of the Old Notes except that the New Notes will have been registered under the Securities Act and hence not subject to certain restrictions, registration rights and related liquidated damages applicable to the Old Notes. The following summary includes a description of all material provisions of the Indenture. The summary of the Indenture and of the related documents hereunder, however, does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the Indenture and related documents, including the definitions contained therein of certain terms and those terms made part of the Indenture by reference to the Trust Indenture Act of 1939 as in effect on the date of the Indenture. Capitalized terms used herein and not otherwise defined in this prospectus have the meanings ascribed to them in the Indenture. As used in this description, the Company refers to SCI and not to any subsidiaries of SCI.

### General

The New Notes will be issued in registered form, without coupons, in denominations of \$1,000 and integral multiples of \$1,000. The New Notes are unsecured general obligations of the Company. The Company will be permitted to issue additional notes from time to time under the Indenture. Any offering of additional notes will be subject to the covenant described under the caption Limitation on Indebtedness. All notes issued under the Indenture, including any notes subsequently issued under the Indenture, will be treated as a single class for all purposes under the Indenture, including, without limitation, with respect to waivers, amendments, redemptions and offers to purchase. The New Notes and any additional notes will mature on March 15, 2018. As of the date of the Indenture and the date of the issuance of the Old Notes, all of the Company's Subsidiaries were Restricted Subsidiaries, other than Green Valley Ranch Gaming LLC, SC Michigan, LLC, MPM Enterprises, LLC, Red Rock Residential, LLC and Aliante Holding, LLC, each of which is an Unrestricted Subsidiary. Under certain circumstances, the Company will be able to designate certain current or future Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries are not subject to many of the restrictive covenants set forth in the Indenture.

### Interest on the Notes

The New Notes will pay interest semiannually at a rate of 65/8% per annum from the date of issuance of the Old Notes until maturity.

Interest on the New Notes will accrue from the most recent interest payment date to which interest has been paid, or if no interest has been paid, from the date of issuance of the Old Notes. Interest on the New Notes will be payable on March 15 and September 15 of each year, commencing September 15, 2006 to the person in whose name the New Note is registered (a Noteholder) at the close of business on the preceding March 1 or September 1, as the case may be.

Principal of and interest on the Notes are payable at the offices of the paying agent for the Notes, Deutsche Bank Trust Company Americas located at 60 Wall Street, New York, NY 10005, provided that the payment of interest may be made at the Company's option by wire or check mailed to a Noteholder's registered address. The Notes are transferable at the offices of the Registrar for the Notes, located at the offices of the paying agent.

### Certain Definitions

Set forth below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indent