

COLLATERAL ASSIGNMENT OF LEASE  
(Park Cattle Lease)

THIS AGREEMENT is made and entered into this <sup>15<sup>th</sup></sup> day of March, 1985, by and between HARVEY'S WAGON WHEEL, INC., a Nevada corporation, Debtor and Assignor, hereinafter referred to as "Assignor", party of the first part, and FIRST INTERSTATE BANK OF NEVADA, N.A., FIRST INTERSTATE BANK OF CALIFORNIA, NATIONAL BANK OF DETROIT, FIRST INTERSTATE BANK OF DENVER, N.A., FIRST INTERSTATE BANK OF WASHINGTON, N.A., and FIRST INTERSTATE BANK OF UTAH, N.A., Secured Parties and Assignees, hereinafter collectively referred to as "Lenders", parties of the second part.

R E C I T A L S:

WHEREAS, pursuant to a certain Loan Agreement of even date herewith (hereinafter referred to as the "Loan Agreement") executed by and between Assignor, as Borrower, and Assignee, as Lenders, Assignee has agreed, subject to the terms and conditions specified therein, to make a loan to Assignor, for the purpose of providing funds to enable Assignor to construct or cause to be constructed on the Real Property, within the time therein set forth, a portion of its Master Plan, including, a 17-floor tower and low-rise structure from the sub-basement to the roof, weather-right exterior skin, fire sprinkler and minimally landscaped, together with the following areas which are to be completed with furniture, fixtures and equipment necessary for the hotel-casino operation, 378 luxury hotel rooms, finished complete (nine floors), convention center with kitchen, stage, meeting rooms, room-service kitchen, expanded restaurant space, expanded casino area, lobby/front-desk/atrium area, escalators from lobby to casino to convention center, passenger elevators and service elevators, employee cafeteria, wardrobe/dressing rooms, personnel office, central mechanical plant, and other support facilities, porte cochere/valet parking area (hereinafter the "Expansion and Remodeling Project").

WHEREAS, First Interstate Bank of Nevada, N.A., a National Banking Association, has been designated as agent bank for Assignee; and

WHEREAS, as additional security for the repayment of the indebtedness in the aggregate principal amount of \$70,000,000.00, or such lesser amount as is disbursed under the terms of Article VI of the Loan Agreement, together with the interest thereon at a rate or rates provided for in the Promissory Note from Assignor to Assignee, executed simultaneously herewith pursuant to the Loan Agreement, and as additional security for the repayment of any additional advance from Assignee to Assignor together with interest thereon at the rate or rates provided for in the Promissory Note from Assignor to Assignee representing such additional advance, executed simultaneously with the disbursement of such additional advance, and to further secure performance by Assignor of all other terms and conditions herein and in connection with the Loan made from Assignee to Assignor, the parties do desire that Assignee be granted a collateral assignment and security interest in and to all right, title

and interest of Assignor under and by virtue of the certain lease dated as of the 9th day of July, 1973, amended April 27, 1979 and February 28, 1985, between Park Cattle Co., as lessor, and Assignor, as lessee, under the terms of which Assignor leases from Park Cattle Co. that certain real property described on "Exhibit A", affixed hereto and by this reference incorporated herein and made a part hereof, (hereinafter the "Park Cattle Lease"); and

WHEREAS, in this Agreement, all capitalized words and terms not defined herein shall have the respective meanings and be construed herein as provided in Section 1.01 of the Loan Agreement and any reference to a provision of the Loan Agreement shall be deemed to incorporate that provision as a part hereof in the same manner and with the same effect as if the same were fully set forth herein; and

WHEREAS, the provisions of Section 1.02 of the Loan Agreement shall be applied to this Agreement in the same manner as applied therein to the Loan Agreement.

NOW, THEREFORE, in consideration of the Loan from Assignee to Assignor and of the promises and covenants contained herein, Assignor assigns to Assignee all of the right, title and interest of Assignor in and to the Park Cattle Lease and all extensions, amendments, additions and modifications thereto additional collateral for Assignee as follows:

1. Assignee has granted, bargained, sold, assigned, transferred and set over and by this presents does hereby grant, bargain, sell, assign, transfer and set over unto Assignee, their respective successors and assigns, all the rights, interests and privileges which Assignor has or may have in or under the Park Cattle Lease including, without limiting the generality of the foregoing, the present and continuing right, with full power and authority, in their own name or in the name of Assignor, or otherwise, (i) to make claim for, enforce, perform, collect, receive and receipt for any and all things which Assignor is or may become entitled to do under the Park Cattle Lease, and (ii) to make all waivers and agreements, give all notices, consents and releases and other instruments and to do any and all other things whatsoever which Assignor is or may become entitled to do under the Park Cattle Lease.

2. The acceptance of this Assignment and the collection of rents, payment or performance under the Park Cattle Lease hereby assigned shall not constitute a waiver of any rights of the Assignee under the terms of any deed of trust or security instrument for the benefit of Assignee, it being understood that, until the occurrence of an Event of Default as defined in the Loan Agreement and the exercise of Assignee's rights under Section 3 hereof, Assignor shall have all rights to the Park Cattle Lease and to retain, use and enjoy the same; provided; however, that even before an Event of Default, Assignor shall keep and perform the following with respect to the Park Cattle Lease:

(a) Assignor will promptly perform and observe all the terms, covenants and conditions required to be performed and observed by Assignor, as tenant, under the Park Cattle Lease, and will do all things necessary to

preserve and keep unimpaired its rights thereunder and will maintain the Park Cattle Lease in full force and effect and will enforce the same and will take such action to that end as Assignee may request;

(b) Except for Permitted Encumbrances, if any, Assignor will not create or permit any lien, charge, or encumbrance upon its respective interest as landlord or tenant in the Park Cattle Lease;

(c) Assignor will promptly cause a copy of each notice, report, demand, request or other document or instrument, received by Assignor from the lessor under the Park Cattle Lease to be delivered to the Assignee together with a writing specifying any default claimed to have been made by Assignor as landlord or tenant under the provisions of the Park Cattle Lease;

(d) Assignor will not, without the prior written consent of the Assignee:

(i) cancel or terminate, or consent to any cancellation, termination or surrender, or permit any event to occur which would entitle the lessor to terminate or cancel the Park Cattle Lease;

(ii) amend or modify the Park Cattle Lease in any material respect;

(iii) waive any default under or breach of the Park Cattle Lease;

(iv) give any consent, waiver or approval which would impair Assignor's interest in the Park Cattle Lease in any material respect.

(e) Assignor will promptly notify the Assignee of the occurrence of any default under the Park Cattle Lease.

3. Assignor, upon the occurrence of an Event of Default, as defined in the Loan Agreement, hereby authorizes Assignee, to enter and take possession of the property which is the subject of the Park Cattle Lease and to use, manage and operate the same and to collect all or any rents accruing therefrom and do all acts required or permitted by the Park Cattle Lease, and perform such other acts in connection with the use, management and operation of the leased property as the Assignee, in their discretion, may deem proper.

4. Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under the Park Cattle Lease, and Assignor hereby agrees to indemnify the Assignor for, and to save them harmless from any and all liability arising from the Park Cattle Lease, and from this Assignment, and, prior to the entry upon the leased property this Assignment shall not place responsibility for the control, use, care, management or repair of the leased property upon the Assignee, or make the Assignee responsible or liable for any negligence in the management, use, upkeep, repair or control

of the leased property resulting in loss or injury or death to any tenant, licensee, employee or stranger.

5. Assignor agrees that this Assignment and the designation and directions herein set forth are irrevocable, and that it will not, while this Assignment or such designation and directions are in effect or thereafter so long as the Loan shall be outstanding, make any other assignment, designation or direction inconsistent therewith, and that any assignment, designation or direction inconsistent herewith shall be void. Assignor will from time to time, upon the request of the Assignee, execute all instruments of further assurance and all such supplemental instruments as Assignee may specify.

6. Neither this Assignment nor any action or inaction on the part of Assignee shall constitute an assumption on the part of Assignee of any obligations or duties under the Park Cattle Lease. No action or inaction on the part of Assignee shall adversely affect or limit in any way the rights of Assignee under this Assignment or, through this Assignment, under the Park Cattle Lease.

7. Assignor covenants and represents that it has full right and title to assign the Park Cattle Lease and the rents, income and profits due or to become due thereunder as additional Collateral for the Loan; except for Permitted Encumbrances, if any, that no other assignment of the tenant interests in the Park Cattle Lease has been made; that the Park Cattle Lease is in full force and effect and has not been modified; that no notice of termination of the Park Cattle Lease has been served on Assignor, and that there are no defaults under the Park Cattle Lease.

8. The full performance of the terms contained in the Loan Agreement and the duly recorded reconveyance of the Deed of Trust shall render this Assignment void. Upon such performance of the Loan Agreement, the Assignee, at the request and expense of Assignor, will deliver to Assignor or as Assignor shall direct, either an instrument cancelling this Assignment or assigning the rights of the Assignee hereunder, as Assignor shall direct.

9. This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assigns. This Assignment may not be modified or terminated orally.

10. Nothing contained in this Assignment and no act done or omitted by Assignee pursuant to its terms shall be deemed a waiver by Assignee of any rights or remedies under the Loan Agreement and this Assignment is made and accepted without prejudice to any rights or remedies possessed by Assignee under the terms of the Loan Agreement. The rights of Assignee to collect the secured principal, interest, and other indebtedness, and to enforce any other security may be exercised by Assignee prior to, simultaneous with, or subsequent to any action taken under this Assignment.



IN WITNESS WHEREOF, the parties have executed the foregoing instrument on the day and year first above written.

ASSIGNOR:

HARVEY'S WAGON WHEEL, INC.,  
a Nevada corporation,

By *William B. Ledbetter*  
William B. Ledbetter,  
President

ASSIGNEE:

FIRST INTERSTATE BANK OF  
NEVADA, N.A.

By *J. Brady*  
Joseph Brady, Corporate  
Finance Officer

FIRST INTERSTATE BANK OF  
CALIFORNIA

By *Daniel A. Conklin*  
Daniel A. Conklin, V.P.

NATIONAL BANK OF DETROIT

By *Garry J. Segal*  
Garry J. Segal, V.P.

FIRST INTERSTATE BANK OF  
DENVER, N.A.

By *Jonathan B. Cott*  
Jonathan B. Cott, Corporate  
Banking Officer

FIRST INTERSTATE BANK OF  
WASHINGTON, N.A.

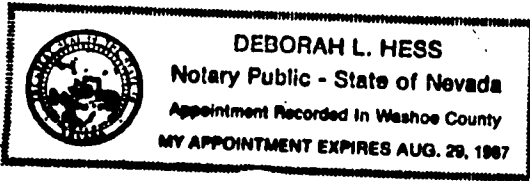
By *Patrick D. Redmond*  
Patrick D. Redmond, V.P.

FIRST INTERSTATE BANK OF  
UTAH, N.A.

By *William J. Murny*  
William J. Murny, V.P.

STATE OF NEVADA )  
 ) ss  
County of Washoe )

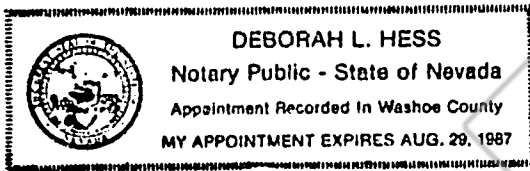
On this 15<sup>th</sup> day of March, 1985,  
personally appeared before me, a Notary Public, WILLIAM B.  
LEDBETTER, known to me to be the person described in and who  
acknowledged that he executed the foregoing instrument.



Deborah L Hess  
Notary Public

STATE OF NEVADA )  
 ) ss  
County of Washoe )

On this 15<sup>th</sup> day of March, 1985,  
personally appeared before me, a Notary Public, JOSEPH  
BRADY, known to me to be the person described in and who  
acknowledged that he executed the foregoing instrument.



Deborah L Hess  
Notary Public

STATE OF NEVADA )  
 ) ss  
County of Washoe )

On this 15<sup>th</sup> day of March, 1985,  
personally appeared before me, a Notary Public, DANIEL A.  
CONKLIN, known to me to be the person described in and who  
acknowledged that he executed the foregoing instrument.



Deborah L Hess  
Notary Public

STATE OF NEVADA )  
 ) ss  
County of Washoe )

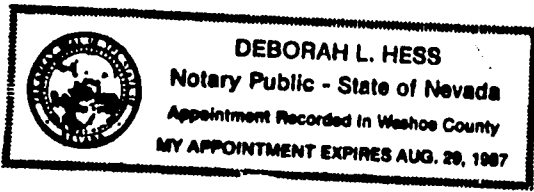
On this 15<sup>th</sup> day of March, 1985,  
personally appeared before me, a Notary Public, GARRY J.  
SEGAL, known to me to be the person described in and who  
acknowledged that he executed the foregoing instrument.



Deborah L Hess  
Notary Public

STATE OF NEVADA )  
 ) ss  
County of Washoe )

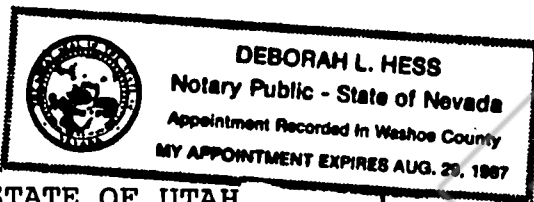
On this 15<sup>th</sup> day of March, 1985,  
personally appeared before me, a Notary Public, JONATHAN B.  
COTT, known to me to be the person described in and who  
acknowledged that he executed the foregoing instrument.



Deborah L Hess  
Notary Public

STATE OF NEVADA )  
 ) ss  
County of Washoe )

On this 15<sup>th</sup> day of March, 1985,  
personally appeared before me, a Notary Public, PATRICK D.  
REDMOND, known to me to be the person described in and who  
acknowledged that he executed the foregoing instrument.



Deborah L Hess  
Notary Public

STATE OF UTAH )  
 ) ss  
County of Salt Lake )

On this 14<sup>th</sup> day of MARCH, 1985,  
personally appeared before me, a Notary Public, WILLIAM J.  
MURRY, known to me to be the person described in and who  
acknowledged that he executed the foregoing instrument.

William J. Murry  
Notary Public

SEAL

**EXHIBIT A**

**PARCEL 3:**

A parcel of land located within a portion of Section 27, Township 13 North, Range 18 East, M.D.B.&M., Douglas County, Nevada, being more particularly described as follows:

COMMENCING at a point lying at the intersection of the California-Nevada State Line and the Westerly right of way line of U. S. Highway 50; thence North  $48^{\circ}42'34''$  West, 990.12 feet along the California-Nevada State Line to the point of beginning; thence North  $48^{\circ}42'34''$  West, 117.90 feet along the California-Nevada State Line; thence North  $30^{\circ}18'30''$  East, 172.01 feet; thence North  $70^{\circ}15'01''$  West, 157.23 feet; thence North  $29^{\circ}43'25''$  West, 86.29 feet; thence North  $00^{\circ}50'44''$  East, 33.27 feet; thence North  $62^{\circ}26'55''$  West, 72.14 feet to a point on the Easterly right of way line of Stateline Loop Road; thence North  $23^{\circ}57'13''$  East, 121.09 feet along said Easterly right of way line; thence along said Easterly right of way line, 144.33 feet along the arc of a curve to the right, having a central angle of  $07^{\circ}04'04''$ , and a radius of 1170.00 feet (chord bears North  $27^{\circ}29'15''$  East, 144.24 feet); thence South  $62^{\circ}03'50''$  East, 1396.61 feet to a point on the Westerly right of way line of U. S. Highway 50; thence South  $27^{\circ}57'22''$  West, 296.01 feet along the Westerly right of way of U. S. Highway 50; thence North  $62^{\circ}02'38''$  West, 289.93 feet; thence North  $80^{\circ}14'14''$  West, 709.00 feet to the point of beginning.

**EXHIBIT A**

REQUESTED BY  
**LAWYERS TITLE**  
IN OFFICIAL RECORDS OF  
DOUGLAS CO. NEVADA

'85 MAR 18 P1:31

SUZANNE BEAUDREAU  
RECORDER

\$12<sup>00</sup> PAID *Ju* DEPUTY

**114963**

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