

Dugrove

REORDER FROM
Register, Inc.
514 PIERCE ST.
P.O. BOX 218
ANOVA, MN. 55303
(612) 421-1713

UNIFORM COMMERCIAL CODE-FINANCING STATEMENT-FORM UCC-1 STATE OF NEVADA
IMPORTANT-Read instructions on back before filling out form

This **FINANCING STATEMENT** is presented for filing pursuant to the Nevada Uniform Commercial Code

1. DEBTOR (LAST NAME FIRST) HOLIDAY INNS, INC.		1A. SOCIAL SECURITY OR FEDERAL TAX NO. 62-0524913	
1B. MAILING ADDRESS 3796 Lamar Avenue		1C. CITY, STATE Memphis, TN	1D. ZIP CODE 38195
1E. RESIDENCE ADDRESS (IF AN INDIVIDUAL AND DIFFERENT THAN 1B)		1F. CITY, STATE	1G. ZIP CODE
2. ADDITIONAL DEBTOR (IF ANY) (LAST NAME FIRST)		2A. SOCIAL SECURITY OR FEDERAL TAX NO.	
2B. MAILING ADDRESS		2C. CITY, STATE	2D. ZIP CODE
2E. RESIDENCE ADDRESS (IF AN INDIVIDUAL AND DIFFERENT THAN 2B)		2F. CITY, STATE	2G. ZIP CODE
3. DEBTOR(S) TRADE NAME OR STYLE (IF ANY)		3A. FEDERAL TAX NO.	
4. ADDRESS OF DEBTOR(S) CHIEF PLACE OF BUSINESS (IF ANY) 3796 Lamar Avenue		4A. CITY, STATE Memphis, TN	4B. ZIP CODE 38195
5. SECURED PARTY WILMINGTON TRUST COMPANY and NAME WILLIAM J. WADE, Collateral Trustees MAILING ADDRESS Rodney Square North CITY Wilmington, STATE DE ZIP CODE 19890		5A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO. 51-6165144	
6. ASSIGNEE OF SECURED PARTY (IF ANY) NAME MAILING ADDRESS CITY STATE ZIP CODE		6A. SOCIAL SECURITY NO., FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. NO.	

7. This FINANCING STATEMENT covers the following types or items of property (if crops or timber, include description of real property on which growing or to be grown and name of record owner of such real estate, if fixtures, include description of real property to which affixed or to be affixed and name of record owner of such real estate; if oil, gas or minerals, include description of real property from which to be extracted.

All of the Debtor's now or hereafter arising right, title, and interest in and to all personal property, tangible or intangible, whether now or hereafter in existence, including, without limitation, all accounts, contract rights, franchise agreements, trademarks, tradenames, service marks, intellectual property, management agreements, instruments, leases, chattel paper, general intangibles, equipment, fixtures, documents, inventory, cash, deposit accounts, other obligations now or hereafter existing arising out of the sale or lease of goods or the rendering of services, all related contracts and all proceeds and products of the foregoing, all as more fully described in Exhibit A hereto which is made a part hereof.

7A. _____ SIGNATURE OF RECORD OWNER

7B. _____ (TYPE) RECORD OWNER OF REAL PROPERTY

7C. \$ _____ MAXIMUM AMOUNT OF INDEBTEDNESS TO BE SECURED AT ANY ONE TIME (OPTIONAL)

8. Check if Applicable

A Proceeds of collateral are also covered

B Products of collateral are also covered

C Proceeds of above described original collateral in which a security interest was perfected

D Collateral was brought into this State subject to security interest in another jurisdiction

9. Check if Applicable

DEBTOR IS A "TRANSMITTING UTILITY" IN ACCORDANCE WITH NRS 704.205 AND NRS 104.9403

10. (Date) March 8, 1987

12. This Space for Use of Filing Officer
(Date, Time, File Number and Filing Officer)

HOLIDAY INNS, INC.

By: *[Signature]* (TITLE)

WILMINGTON TRUST COMPANY and
WILLIAM J. WADE, Collateral Trustees

By: *[Signature]* (TITLE)
Clark Wooley (TITLE)
W. J. Wade (TITLE)

06491

11. Return Copy to

NAME

ADDRESS

CITY, STATE AND ZIP

FIRST AMERICAN TITLE
P.O. Box 531
RENO. NV 89504

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2009

THIS SPACE FOR USE OF FILING OFFICER

Exhibit A to Financing Statement of
Holiday Inns, Inc., as Debtor, and
Wilmington Trust Company and William Wade,
Collateral Trustees, as Secured Parties

Continuation of Description of Collateral:

Unless otherwise defined herein, terms used in Article 9 of the Uniform Commercial Code in the State of New York are used herein as therein defined.

This Financing Statement covers the following types (or items) of property:

All of the Debtor's right, title and interest in and to all personal property, tangible or intangible, whether now or hereafter arising, including, without limitation, the following:

(a) All equipment in all of its forms, located in the United States of America, now or hereafter existing (including, but not limited to, all aircraft, gaming equipment and gaming devices, computer software, furniture, tools, spare parts and fuel, books, records and equipment containing books and records or in which books and records are stored), and all parts thereof and all accessions thereto;

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(b) To the extent not included above, all fixtures, now or hereafter existing, and, with respect to any such fixture, from and after the date that the property on which such fixture is located becomes subject to any mortgage, deed of trust, trust deed or leasehold mortgage;

(c) All inventory in all of its forms, located in the United States of America, now or hereafter existing (including, but not limited to, all gaming equipment and gaming devices to the extent not included in paragraph (a) above, food and food products, and furniture) and all accessions thereto and products thereof and documents therefor;

(d) To the extent not covered by paragraphs (e) to (l) inclusive below, all cash, accounts, general intangibles (including, but not limited to, all tax refunds, know-how, trade secrets and other proprietary information), contract rights (including, but not limited to, all rights of the Debtor to receive moneys due and to become due to Debtor for Debtor's account under or pursuant to such accounts, contract rights and general intangibles and all of the Debtor's rights to terminate, and to perform, compel performance and otherwise exercise all remedies under, such accounts, contract rights and general intangibles), chattel paper, instruments, documents covering equipment and inventory and other obligations of any kind, now or hereafter existing,

whether or not arising out of or in connection with the sale or lease of goods or the rendering of services, and all rights now or hereafter existing in and to all mortgages, security agreements, leases and other contracts securing or otherwise relating to any such cash, accounts, contract rights, chattel paper, instruments, general intangibles or other obligations; excluding, however, to the extent not covered in paragraph (j) below, all interest of the Debtor in any partnerships in which it is a partner;

(e) All trademarks, service marks, trademark and service mark applications, trade names, now or hereafter existing, including, without limitation, all renewals thereof, all proceeds thereof (including, but not limited to, all license royalties and proceeds of infringement suits), the right to sue for past, present and future infringement suits, all rights corresponding thereto, and the goodwill of the business related thereto;

(f) All rents, profits, fees and other amounts received, receivable or otherwise distributed to and for the account of Debtor in respect of or otherwise in exchange for (i) management contracts now existing to which the Debtor is a party, and (ii) management contracts hereafter existing to which the Debtor becomes

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a party related to a hotel located in the United States of America (such agreements as so amended or modified and in effect, being the "Management Contracts"), including, without limitation, (i) all rights of the Debtor to receive moneys due and to become due to Debtor for Debtor's account under or pursuant to the Management Contracts, (ii) all rights of the Debtor to receive for its account proceeds of any insurance, indemnity, warranty or guaranty with respect to the Management Contracts, and (iii) claims of the Debtor for damages arising out of or for breach of or default or misrepresentation under the Management Contracts or any documents, instruments or opinions delivered pursuant thereto, provided that this paragraph (f) shall not include "System Fees" (defined herein as fees required to be paid under Management Contracts, Agreements or Commitment Agreements (each as hereinafter defined) for the sole and exclusive purpose of funding (A) generic advertising and the maintenance and operation of a reservation system for Holiday Inns, Inc.'s chain of franchised hotels and (B) the operation of Holiday University, and any taxes required to be paid by any franchisee with respect to such activities), except to the extent of Debtor's interest therein;

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(g) All franchise agreements now existing and all franchise agreements hereafter existing entered into by the Debtor relating to a hotel located in the United States of America (such franchise agreements as so amended or modified from time to time being "Agreements"), including, without limitation, (i) all rights of the Debtor to receive moneys due and to become due under or pursuant to such Agreements, (ii) all rights of the Debtor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect to such Agreements, (iii) claims of the Debtor for damages arising out of or for breach of or default or misrepresentation under such Agreements or any documents, instruments or opinions delivered pursuant thereto, (iv) the right of the Debtor to terminate such Agreements, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder to which it is a party, and (v) all rents, profits and other amounts received, receivable or otherwise distributed in respect of or in exchange for any such Agreements, for the Debtor's account including, without limitation, those moneys, rights and claims of the type described in subparagraphs (i), (ii) and (iii) of this paragraph (g), provided that this paragraph (g) shall not include System

Fees except to the extent of the Debtor's interest therein;

(h) All agreements of the Debtor, now or hereafter existing, to enter into a franchise agreement (such agreements as so amended or modified from time to time being "Commitment Agreements"), including, without limitation, (i) all rights of the Debtor to receive moneys due and to become due under or pursuant to the Commitment Agreements, (ii) all rights of the Debtor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect to the Commitment Agreements, (iii) claims of the Debtor for damages arising out of or for breach of or default or misrepresentation under the Commitment Agreements or any documents, instruments or opinions delivered pursuant thereto, and (iv) the right of the Debtor to terminate the Commitment Agreements, to perform thereunder and to compel performance and otherwise exercise all rights thereunder to which it is a party; provided that this paragraph (h) shall not include System Fees except to the extent of the Debtor's interest therein;

(i) All contracts of sale of real property and/or personal property, now or hereafter existing, entered into by the Debtor as seller (such contracts as so

amended or otherwise modified and in effect from time to time being the "Pending Purchase and Sale Agreements"), including, without limitation, (i) all rights of the Debtor to receive moneys due and to become due under or pursuant to the Pending Purchase and Sale Agreements, (ii) all rights of the Debtor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect to the Pending Purchase and Sale Agreements, (iii) claims of the Debtor for damages arising out of or for breach of or default or misrepresentation under the Pending Purchase and Sale Agreements or any documents, instruments or opinions delivered pursuant thereto, and (iv) the rights of the Debtor to terminate the Pending Purchase and Sale Agreements, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder to which it is a party;

(j) All contracts, now or hereafter existing, to which the Debtor is a party the cancellation, non-performance or non-renewal of which by any party thereto would have a material adverse effect on the condition or operations, financial or otherwise, or the properties, prospects or management of the Debtor and its subsidiaries, taken as a whole, or each contract, now or hereafter existing, to which the Debtor is a party for

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the sale or exchange of any real or personal property which involves aggregate consideration (in money or other property) payable to or by the Debtor in excess of \$300,000 or any license or other agreement, now or hereafter existing, relating to software or hardware necessary for the maintenance or operation of any centralized computerized reservation system now or hereafter operated by the Debtor or Holiday Corporation, a Delaware corporation, or any of either's subsidiaries (except Pending Purchase and Sale Agreements unless covered in paragraph (i) above) to which the Debtor is a party (such contracts, licenses and agreements, as so amended or modified and in effect, being, the "Material Contracts"), including without limitation, (i) all rights of the Debtor to receive moneys due and to become due to the Debtor for Debtor's account under or pursuant to the Material Contracts, (ii) all rights of the Debtor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect to any Material Contracts, (iii) claims of the Debtor for damages arising out of or for breach of or default or misrepresentation under the Material Contracts or any documents, instruments or opinions delivered pursuant thereto and (iv) the right of the Debtor to terminate the Material Contracts, to

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perform thereunder and to compel performance and otherwise exercise all remedies thereunder to which it is a party;

(k) All of Harrah's New Jersey, Inc. and Harrah's Atlantic City, Inc. respective partnership interest in Marina Associates and all of its respective right, title and interest in and to the partnership agreement relating to Marina Associates and, with respect to the Debtor, all of its respective partnership interest, now or hereafter, acquired in any Development Company and all of its respective right, title and interest in and to any partnership agreement, now or hereafter acquired, under which such Development Company is organized. For the purposes of this paragraph k, the following definitions shall apply: "Development Company" means a corporation or partnership in which the Development Holding Company (or a Wholly-Owned Subsidiary thereof) owns an equity interest; "Development Holding Company" means a corporation which is a Wholly-Owned Subsidiary of the Debtor which does not engage in any business other than the ownership of equity interests in Development Companies; "Development Property" means any land or buildings (including all fixtures and personal property relating thereto), or any interest in any land or

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buildings, which is (i) now or hereafter acquired by a Development Company and (ii) used or intended for use as or, in the case of such fixtures and personal property, in connection with a hotel property in the Debtor's business; "Wholly-Owned Subsidiary", with respect to the Debtor, means (i) a corporation 100 percent of whose capital stock with voting power, under ordinary circumstances, to elect directors is at the time, directly or indirectly, owned by the Debtor, and/or one or more Wholly-Owned Subsidiaries of the Debtor or (ii) any other entity (other than a corporation) in which such entity, directly or indirectly, at the date of determination thereof has 100 percent ownership interest.

(1) All of the following collateral:

(i) All shares owned by the Debtor (the "Pledged Shares") of stock issued by any direct or indirect subsidiary or corporation, now or hereafter existing, directly or indirectly controlling, controlled by or under common control (the terms "control", "controlled by" and "under common control with" mean the possession, directly or indirectly, of the power, whether or not exercised, to direct or cause the direction of the management and policies of such corporation, whether through ownership of

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voting securities or by contract or otherwise) with the Holiday Corporation and the certificates representing the Pledged Shares, and all dividends, cash, instruments and other property from time to time received, receivable by or otherwise distributed to Debtor for Debtor's account in respect of or in exchange for any or all of the Pledged Shares;

(ii) All promissory notes payable or endorsed to the Debtor or bearer (the "Pledged Debt"), and the instruments evidencing the Pledged Debt, all liens and security interests securing or purporting to secure the Pledged Debt, together with all mortgages, security agreements and other documents evidencing such liens and security interests, and all interest, cash, instruments and other property from time to time received, receivable by or otherwise distributed to Debtor for Debtor's account in respect of or in exchange for any or all of the Pledged Debt;

(iii) All additional shares of stock of any issuer of the Pledged Shares or any shares of stock of any corporation organized under the laws of any state of the United States of America from time to

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time acquired by the Debtor in any manner, and the certificates representing such additional shares, and all dividends, cash, instruments and other property from time to time received, receivable by or otherwise distributed to Debtor for Debtor's account in respect of or in exchange for any or all of such shares; and

(iv) All additional indebtedness of the type described in subparagraph (ii) above from time to time owed to the Debtor by any obligor and the instruments evidencing such indebtedness, all liens and security interests related to such indebtedness, together with all documents evidencing such liens and security interests, and all interest, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such indebtedness;

(m) All of the following collateral (the "Account Collateral"):

(i) the General Collateral Account, all funds held therein and all certificates and instruments, if any, from time to time representing or evidencing the General Collateral Account. For the purposes of

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this subparagraph (i), the following definitions shall apply: the term "General Collateral Account" shall mean (a) an account maintained by the Secured Parties in their capacities as collateral trustees (the "Collateral Trustees") which shall be entitled the "Holiday Inns Creditors Collateral Account No. 1", (b) an account maintained by the Collateral Trustees which shall be entitled the "Holiday Inns Creditors Collateral Account No. 2", (c) an account maintained by the Collateral Trustees which shall be entitled the "Holiday Inns Creditors Collateral Account No. 3", and (d) an account maintained by the Collateral Trustees which shall be entitled the "Holiday Inns Creditors Collateral Account No. 4"; and

(ii) all promissory notes, certificates of deposit, deposit accounts, checks and other instruments from time to time hereafter delivered to or otherwise possessed by the Secured Parties for or on behalf of the Debtor in substitution for or in addition to any or all of the then existing Account Collateral; and

(iii) all interest, dividends, cash, instruments, general intangibles and other property

from time to time distributed in respect of or in exchange for any or all of the then existing Account Collateral;

(n) All cash and noncash proceeds and products of any and all of the foregoing collateral (including, without limitation, proceeds that constitute property of the types described in paragraphs (a) to (m) inclusive), all payments under insurance (whether or not the Secured Parties are the loss payees thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing collateral, and all cash, wherever located.

REGISTERED BY
First Am. Title Co.
IN OFFICIAL RECORDS OF
ONTARIO

87 APR 17 A8:57

SUBJECT TO CHARGE
REGISTERED
\$ 19.00 PAID BY DEPOSIT

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