

Recording Requested by,
and when Recorded Mail to:

James L. Morgan, Esq.
Henderson & Nelson
164 Hubbard Way, Suite B
Reno, NV 89502

M 7047070C

ASSIGNMENT OF PARK CATTLE LEASE

THIS ASSIGNMENT OF PARK CATTLE LEASE ("Assignment") is made and entered into as of August 14, 1995, by and between HARVEYS CASINO RESORTS, a Nevada corporation, hereinafter referred to as "Assignor", party of the first part, and FIRST INTERSTATE BANK OF NEVADA, N.A., as administrative and collateral agent for the Lenders, the Swingline Lender and the L/C Issuer (all of which are defined by the Credit Agreement referred to below) hereinafter referred to, together with its successors and assigns, in such capacity, as "Agent Bank", party of the second part.

R E C I T A L S:

WHEREAS:

A. Reference is made to that certain Reducing Revolving Credit Agreement (the "Reducing Revolving Credit Agreement") executed concurrently herewith by and among Assignor, Harveys C.C. Management Company, Inc., a Nevada corporation and Harveys Iowa Management Company, Inc., a Nevada corporation, as Borrowers (collectively referred to as "Borrowers"), the Lenders therein named (each, together with their respective successors and assigns, individually being referred to as a "Lender" and collectively as the "Lenders"), First Interstate Bank of Nevada, N.A., as the swingline lender (herein, and therein, in such capacity, together with its successors and assigns, referred to as the "Swingline Lender"), First Interstate Bank of Nevada, N.A., as the issuer of letters of credit thereunder (herein, and therein, in such capacity, together with its successors and assigns, referred to as the "L/C Issuer"), and First Interstate Bank of Nevada, N.A., as administrative and collateral agent for the Lenders, Swingline Lender, and L/C Issuer (herein and therein, together with its successors and assigns, in such capacity, referred to as the "Agent Bank" and, together with the Lenders, Swingline

park.asn/hcr95-3
072795mmf

LAW OFFICES OF
HENDERSON & NELSON
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

368423

BK0895PG2553

Lender, and the L/C Issuer, collectively referred to as the "Banks"). All references herein to the "Credit Agreement" shall be to the Reducing Revolving Credit Agreement and to all amendments, modifications, renewals, restatements and substitutions which are hereinafter made to such Reducing Revolving Credit Agreement. All capitalized words and terms which are used herein (and which are not otherwise defined herein) shall have the respective meanings and be construed herein as provided in Section 1.01 of the Credit Agreement and any reference to a provision of the Credit 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.

B. Pursuant to the Credit Agreement and subject to the terms and conditions specified therein Lenders have agreed to provide a reducing revolving line of credit to Borrowers in an initial maximum principal amount of One Hundred Fifty Million Dollars (\$150,000,000.00) (defined in the Credit Agreement as the "Credit Facility"), including the L/C Facility for issuance of standby and documentary letters of credit by the L/C Issuer and the Swingline Facility for funding, by the Swingline Lender, in smaller minimum amounts and on shorter notice than is required under the Credit Facility.

C. Park Cattle Company, a Nevada corporation (together with its successors and assigns, referred to as "Park Cattle") and Assignor (which was then known as Harvey's Wagon Wheel, Inc., a Nevada corporation) did enter into a Lease under date of July 9, 1973, which Lease was amended by that certain Modification of Lease, by and between Park Cattle and Assignor, under date of April 27, 1979, and which Lease was further amended by that certain Second Amendment to Lease, by and between Park Cattle and Assignor, under date of February 28, 1985 (collectively the "Existing Lease") pursuant to which, among other things, Park Cattle did grant a leasehold interest in the real property which is particularly described by "Exhibit A" attached hereto and incorporated by reference herein (the "Leasehold Real Property"). Record notice of the Existing Lease is granted pursuant to that certain Memorandum of Lease, under date of February 28, 1985, which is recorded in the Official Records of Douglas County, Nevada, on March 18, 1985 in Book 385 at Page 1631 as Document No. 114959. All references herein to the "Lease" shall be to the Existing Lease, as it may hereafter be amended, restated, renewed, extended or otherwise modified.

park.asn/hcr95-3
072795mmf

2

LAW OFFICES OF
HENDERSON & NELSON
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

368423

BK0895PG2554

D. It is a condition of the Credit Facility that all right, title and interest of Assignor in, and to, the Lease, be presently assigned to Agent Bank as additional security for the Credit Facility and as additional security for the performance of all obligations to be performed by Assignor pursuant to the Credit Agreement and the other Loan Documents (other than the Environmental Certificate), upon the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the Credit Facility, Assignor does hereby assign to Agent Bank all of its right, title and interest in and to the Lease, as follows:

1. Assignor does hereby grant, assign and convey unto Agent Bank all the right, title, interest and privilege which Assignor now has or may hereafter acquire under the Lease, including, without limiting the generality of the foregoing, the present and continuing right with full power and authority, in its own name, in the name of Assignor or otherwise, to make claim for, enforce and perform, as lessee under the Lease, any and all causes of action related to, or arising under, the Lease, and to do any and all things which Assignor may be or may become entitled to do under the Lease, and the right 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 may be or may become entitled to do under the Lease.

2. The acceptance of this Assignment and the payment or performance under the Lease hereby assigned shall not constitute a waiver of any rights of Agent Bank or of the Banks under the terms of the Credit Agreement or any other Loan Document for the benefit of Agent Bank or of the Banks.

3. Assignor shall keep and perform the following with respect to the Lease:

a. Except as may be permitted in the Credit Agreement, Assignor will not further assign any interest in the Lease, or create or permit any lien, charge, or encumbrance upon its interest in the Lease.

b. Assignor will promptly cause a copy of each notice, report, demand, request or other document which is received by the Assignor from the lessor under the Lease, and which purports to claim or provide notice of any default under the Lease, to be promptly delivered to Agent Bank.

park.asn/hcr95-3
072795mmf

3

LAW OFFICES OF
HENDERSON & NELSON
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

368423

BK0895PG2555

c. Assignor will not, without the prior written consent of Agent Bank:

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

(ii) Fail to comply with any material condition or to satisfy any material obligation which may be imposed upon Assignor under the Lease;

(iii) Amend or modify the Lease;

(iv) Waive any material default under or material breach of the Lease; or

(v) Give any consent, waiver or approval which would materially impair Assignor's interest under the Lease.

d. Assignor will promptly notify Agent Bank of the occurrence of any default under the Lease.

4. Notwithstanding any provision to the contrary contained in this Assignment, it is understood and agreed that so long as there shall exist no Event of Default under the Credit Agreement there is reserved to Assignor a license to retain, use and enjoy the Lease. Upon the occurrence of an Event of Default as set forth in the Credit Agreement, such license granted to Assignor shall be immediately revoked without further demand or notice and Agent Bank is hereby empowered to perform such other acts in connection with the use, management and operation of the Leasehold Real Property and the Lease as Agent Bank, in its sole discretion, may deem proper. Should the Event of Default which resulted in any such revocation be cured prior to foreclosure, deed-in-lieu of foreclosure, or a similar conveyance under any of the Tahoe Security Documents, then such license granted to Assignor shall be immediately reinstated without further demand or notice and Agent Bank shall, as soon as reasonably possible, redeliver possession of the Leasehold Real Property to Assignor (and shall execute such notices to third parties as Assignor may reasonably request) and the parties hereto shall each be restored to, and be reinstated in, their respective rights and positions hereunder as if the Event of Default had not occurred (without impairment of or limitation on Agent

park.asn/hcr95-3
072795mmf

4

LAW OFFICES OF
HENDERSON & NELSON
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

368423

BK0895PG2556

Bank's right to proceed hereunder upon subsequent Events of Default).

5. Neither Agent Bank nor any of the Banks shall be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under the Lease. Assignor hereby agrees to indemnify Agent Bank and each of the Banks (collectively, the "Indemnified Parties") for, and to save them harmless from, any and all liability arising from the Lease, or from the management, operation and repair of the Leasehold Real Property. This Assignment shall not place responsibility for the control, care, management, operation or repair of the Leasehold Real Property upon any of the Indemnified Parties; nor shall this Assignment cause any of the Indemnified Parties to be responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Leasehold Real Property which results in loss, injury or death to any tenant, guest, licensee, employee or stranger (provided that this Section 5 shall not act to relieve any Indemnified Party from liability which results from such Indemnified Party's own gross negligence or willful misconduct).

6. 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 any obligation of Assignor under the Credit Facility remains unsatisfied or the Banks, or any of them, have any obligation, whether contingent or otherwise, to advance any funds or issue any letters of credit under the Credit Facility, make any other assignment, designation or direction inconsistent herewith (except as otherwise permitted in the Credit Agreement), and that any assignment, designation or direction inconsistent herewith shall be void. Assignor will, from time to time, execute all instruments of further assurance and all such supplemental instruments as may be requested by Agent Bank.

7. No action or inaction on the part of Agent Bank or any of the Banks shall constitute an assumption on the part of Agent Bank or any of the Banks of any obligations or duties under the Lease. No action or inaction on the part of Assignor shall adversely affect or limit in any way the rights of Agent Bank under this Assignment or, through this Assignment, under the Lease.

park.asn/hcr95-3
072795mmf

5

LAW OFFICES OF
HENDERSON & NELSON
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

368423

BK0895PG2557

8. Assignor warrants and represents that no other assignments of its interest in the Lease have been made; that no notice of termination has been served on it with respect to the Lease; and that there are presently no defaults existing under the Lease.

9. The full performance of the terms contained in the Credit Agreement and the Notes and the due release and termination of the Tahoe Security Documents which are executed and delivered concurrently herewith shall render this Assignment void. Upon such release and termination Agent Bank, at the request and the expense of Assignor, will deliver either an instrument canceling this Assignment or assigning the rights of Agent Bank hereunder, as Assignor shall direct.

10. Assignor and Agent Bank intend, subject to the license, granted above, that this Assignment shall be a present, absolute and unconditional assignment, and shall not result in the mere passing of a security interest. The Lease shall not, during the term of this Assignment, constitute property of Assignor (or any estate of Assignor) within the meaning of 11 U.S.C. § 541 (as it may be amended from time to time).

11. 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.

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

13. Upon the occurrence of an Event of Default, Assignor shall be deemed to have appointed and does hereby appoint Assignee the attorney-in-fact of Assignor to prepare, sign, file and/or record such documents or instruments, or take such other actions, as may be reasonably necessary to perfect and preserve, against third parties, the interest in the Lease which is granted to Agent Bank hereunder.

park.asn/hcr95-3
072795mmf

6

LAW OFFICES OF
HENDERSON & NELSON
164 HUBBARD WAY
SUITE B
RENO, NEVADA 89502

368423

BK0895PG2558

14. This Assignment shall be governed, to the fullest extent permitted by applicable law, by the internal laws of the State of Nevada, without regard to principles of conflict of law.

15. This Assignment may be executed in any number of separate counterparts with the same effect as if the signatures hereto and hereby were upon the same instrument. All such counterparts shall together constitute one and the same document.

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

ASSIGNOR:

AGENT BANK:

HARVEYS CASINO RESORTS,
a Nevada corporation

FIRST INTERSTATE BANK OF
NEVADA, N.A., as Agent Bank
for the Lenders, the
Swingline Lender and the L/C
Issuer

By Thomas M. Yturbide
Thomas M. Yturbide,
President

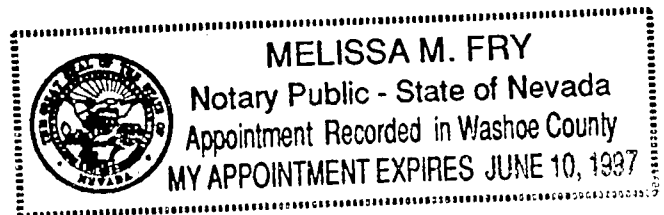
By Joseph L. Brady
Joseph L. Brady,
Vice President

By William B. Ledbetter
William B. Ledbetter,
Secretary

STATE OF NEVADA)
) SS
COUNTY OF WASHOE)

This instrument was acknowledged before me on August 14, 1995, by as THOMAS M. YTURBIDE as President of/for HARVEYS CASINO RESORTS.

Melissa M. Fry
Notary Public



park.asn/hcr95-3
072795mmf

STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

This instrument was acknowledged before me on August 14, 1995, by WILLIAM B. LEDBETTER as Secretary of/for HARVEYS CASINO RESORTS.

Melissa M Fry
Notary Public

MELISSA M. FRY
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES JUNE 10, 1997

STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

This instrument was acknowledged before me on August 14, 1995, by JOSEPH L. BRADY as Vice President of/for FIRST INTERSTATE BANK OF NEVADA, N.A.

Melissa M Fry
Notary Public

MELISSA M. FRY
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES JUNE 10, 1997

park.asn/hcr95-3
072795mmf

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.

A PORTION OF 17-140-10

REQUESTED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'95 AUG 16 A9:12

LINDA SLATER
RECORDER

\$15⁰⁰ PAID *Kg* DEPUTY

EXHIBIT A

368423

BK0895PG2561