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01/28/2008 11:15 AM Deputy: GB
OFFICIAL RECORD
Requested By:
WESTERN TITLE-RENO

Assessor's Parcel Numbers: ~~029-010-20-100~~, 1318-27-01-008 ⁰⁰¹

Recording Requested By:

Name: Lawyers Title of Nevada, Inc.
Address: 1210 Valley View Blvd.
City/State/Zip: Las Vegas, Nevada 89109

Douglas County - NV
Werner Christen - Recorder
Page: 1 Of 6 Fee: 19.00
BK-0108 PG- 5387 RPTT: 0.00



Mail Tax Statements to:

Name: Harrah's Operating Company, Inc.
Address: One Harrah's Court
City/State/Zip: Las Vegas, Nevada 89119
Attention: Jerry Sanders

Please complete Affirmation Statement below:

I the undersigned hereby affirm that this document submitted for recording does not contain the social security number of any person or persons (Per NRS 239B.030)

-OR-

I the undersigned hereby affirm that this document submitted for recording contains the social security number of a person or persons as required by law: _____ (state specific law)

Signature (Print name under signature)
Chris Whitney

V. P.
Title

ASSIGNMENT AND ASSUMPTION OF LEASES
(Title of Document)

If legal description is a metes & bounds description, furnish the following information:

Legal description obtained from: _____, Book: _____ Page: _____ Document # _____ recorded
_____ in the Douglas County Recorders Office.

-OR-

If Surveyor, please provide name and address:

This page added to provide additional information required by NRS 111.312 Sections 1-4.
(Additional recording fees apply)

ASSIGNMENT AND ASSUMPTION OF LEASES

This ASSIGNMENT AND ASSUMPTION OF LEASES (this "Agreement") is made as of this 28th day of January, 2008, by and between HARVEYS TAHOE MANAGEMENT COMPANY, INC., a Nevada corporation (the "Assignor"), and TAHOE PROPCO, LLC, a Delaware limited liability company ("Assignee").

RECITALS

- A. Assignor holds leasehold interests under those certain leases described in Exhibit A attached hereto (collectively, the "Leases") and by this reference made a part hereof.
- B. Assignee is a wholly owned subsidiary of Assignor.
- C. Assignor has determined that it is in Assignor's best interests to assign all of its right, title and interest in and to the Leases to Assignee. Assignor and Assignee have agreed to enter into this Agreement providing for the assignment to Assignee of the Assignor's rights, title, benefits, privileges and interest in, to and under the Leases.

AGREEMENT

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignee and Assignor agree as follows:

1. Assignment. Assignor does hereby SELL, CONVEY, ASSIGN, TRANSFER and DELIVER to Assignee, and Assignee hereby purchases and accepts effective as of the date of this Agreement all of Assignor's right, title and interest in, to and under the Leases.
2. Assumption. Effective as of the date of this Agreement, Assignee does hereby, (a) accept the foregoing assignments of Assignor's rights, title and interest in, to and under the Leases, and (b) assume, undertake and agree to pay, perform, honor and discharge promptly when due all of Assignor's obligations as lessor pursuant to the Leases in accordance with their respective terms.
3. Amendments. This Agreement shall not be amended except by a written instrument making specific reference to this Agreement signed by each of the parties hereto.
4. Governing Law. This Agreement shall be governed by the laws of the State of Nevada, without giving effect to choice of law principles thereof that would cause the application of the laws of any other jurisdiction.
5. Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and representatives.
6. Headings. The subject headings or captions of the paragraphs in this Agreement are inserted for convenience of reference only and shall not affect the meaning, construction or

interpretation of the any provisions contained herein. All capitalized terms defined herein are equally applicable to both the singular and plural forms of such terms.

7. Counterparts. This Agreement may be signed in multiple counterparts, with each counterpart having the same force and effect as if this single instrument were executed by each of the parties hereto and delivered (including by facsimile) to the other party.

8. Third Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

9. Severability. If any provision of this Agreement shall be held invalid, illegal or unenforceable, the validity, legality or enforceability of the other provisions of this Agreement shall not be affected thereby, and there shall be deemed substituted for the provision at issue a valid, legal and enforceable provision as similar as possible to the provision at issue.

10. Subsequent Action. If at any time after the date hereof the Assignee or Assignor will consider or be advised that any instruments of conveyance, assignments, filings, assurances or any other actions that are necessary or desirable to vest, perfect or confirm the sale, transfer, assignment, conveyance and delivery of the Leases to the Assignee, or otherwise to carry out this Agreement, the Assignor or Assignee, as the case may be, shall execute and deliver all instruments of conveyance, filings, powers of attorney, assignments and assurances and take and do all such other actions and things as may be reasonably requested by the Assignee or Assignor, as the case may be, in order to vest, perfect or confirm the sale, transfer, conveyance and delivery of the Leases or otherwise to carry out the transactions contemplated by this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

ASSIGNOR:

HARVEYS TAHOE MANAGEMENT
COMPANY, INC.,
a Nevada corporation

By: *Charles L. Atwood*
Name: Charles L. Atwood
Title: Senior Vice President and Treasurer

ASSIGNEE:

TAHOE PROPCO, LLC,
a Delaware limited liability company

By: HARVEYS TAHOE MANAGEMENT COMPANY,
INC., a Nevada corporation, its sole member

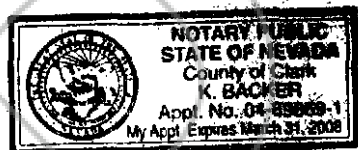
By: *Charles L. Atwood*
Name: Charles L. Atwood
Title: Senior Vice President and Treasurer

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on January 28th, 2008, by Charles L. Atwood as Senior Vice President and Treasurer of Harveys Tahoe Management Company, Inc.

K. Backer

Signature of Notarial Officer



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EXHIBIT A TO ASSIGNMENT AND ASSUMPTION OF LEASES

DESCRIPTION OF LEASES

A Leasehold estate as created by that certain Lease Agreement dated February 28, 1985, executed by Park Cattle Co., a Nevada corporation, as Lessor, and Harveys Wagon Wheel Inc., a Nevada corporation, as Lessee, recorded March 18, 1985 in Book 2410 at Page 354; the interest of Harveys Casino Resorts (formerly Harveys Wagon Wheel Inc.) was assigned to Harveys Tahoe Management Company, Inc., a Nevada corporation, by Memorandum of Lease recorded March 30, 1998 in Book 0398, Page 1293, Document No. 0434234, as to Parcel I;

A Leasehold estate as created by that certain Lease Agreement dated July 9, 1973, executed by Park Cattle Company, as Lessor, and Harveys Wagon Wheel Inc., now known as Harveys Casino Resorts, a Nevada corporation, as Lessee, as amended by that certain Modification of Lease dated April 27, 1997, that certain Second Amendment to Lease Agreement under date of February 28, 1985 and that certain Third Amendment to Lease Agreement between Park Cattle Co., Landlord and Harveys Casino Resorts, formerly known as Harveys Wagon Wheel, Inc., Tenant, under date of June 1, 1997 with the interest of Harveys Casino Resorts under such Lease Agreement, as amended, having been assigned to Harveys Tahoe Management Company, Inc., by an Assignment of Lease dated June 1, 1997, all as evidenced by Memorandum of Lease recorded March 6, 1998 in Book 398, Page 1298, Document No. 434235, Official Records of Douglas County, Nevada, as to Parcel IV; and

A Leasehold estate as created by that certain Net Lease Agreement dated February 28, 1985 executed by Park Cattle Company, as Lessor, and Harveys Wagon Wheel Inc., now known as Harveys Casino Resorts, a Nevada corporation, as Lessee, as amended by that certain First Amendment of Lease dated July 1, 1997 with the interest of Harveys Casino Resorts under such Net Lease Agreement, as amended, having been assigned to Harveys Tahoe Management Company, Inc., by that certain Assignment of Leases, dated June 1, 1997, all as evidenced by Memorandum of Lease dated March 6, 1998 in Book 398, Page 1288, Document No. 434233, Official Records of Douglas County, Nevada, as to Parcel V.

Exhibit A

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