

DOC # 729742  
09/10/2008 11:34AM Deputy: EM  
OFFICIAL RECORD  
Requested By:  
TICOR TITLE - RENO  
Douglas County - NV  
Karen Ellison - Recorder  
Page: 1 of 32 Fee: 79.00  
BK-908 PG-1912 RPTT: 0.00



(for Recorder's use only)

APN # 1318-27-002-002, 1318-27-002-003,  
1318-27-002-004, 1318-27-002-005  
AND 1318-27-002-007

**Recording Requested by:**

Name TICOR TITLE COMPANY

Address 5441 KIETZKE LANE

City/State/Zip RENO, NV 89511

DEED OF TRUST, SECURITY AGREEMENT,  
ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING

(Title of Document)

THIS DOCUMENT IS BEING RE-RECORDED TO ATTACH A CORRECTED  
EXHIBIT B THERETO.

This page added to provide additional information required by NRS 111.312 Sections 1-2.  
(Additional recording fee applies)

This cover page must be typed or printed.

Assessor's Parcel Numbers: 1318-27-002-002, 1318-27-002-003,  
1318-27-002-004, 1318-27-002-005  
and 1318-27-002-007

**Recording Requested By:**

Name: Ticor Title Insurance Company  
Address: 5441 Kietzke Lane  
City/State/Zip: Reno, Nevada 89511

**Mail Tax Statements to:**

Name: c/o Harrah's Operating Company, Inc.  
Address: 1023 Cherry Road  
City/State/Zip: Memphis, TN 38120  
Attention: Property Tax Department, 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)

Cheryl L. Perez  
Signature (Print name under signature)  
Cheryl L. Perez

Agent  
Title

**DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND  
LEASES AND FIXTURE FILING**

(Title of Document)

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

Legal descriptions obtained from: Deed, Book: 508 Page: 5922 Document # 723806 recorded May 22, 2008 in the  
Douglas County Recorder's 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)*

DOC # 725493  
06/20/2008 10:40AM Deputy: PK  
OFFICIAL RECORD

Requested By:  
TICOR TITLE - RENO  
Douglas County - NV  
werner Christen - Recorder  
Page: 1 of 30 Fee: 43.00  
BK-608 PG-5414 RPTT: 0.00

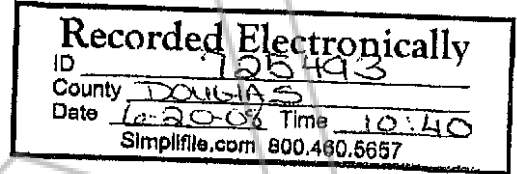


BK-908  
PG-1913

Assessor's Parcel Numbers: 1318-27-002-002, 1318-27-002-003,  
1318-27-002-004, 1318-27-002-005  
and 1318-27-002-007

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Address: 5441 Kietzke Lane  
City/State/Zip: Reno, Nevada 89511



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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)

Cheryl G. Perez  
Signature (Print name under signature)  
Cheryl G. Perez

agent  
Title

**DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND  
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*This page added to provide additional information required by NRS 111.312 Sections 1-4.  
(Additional recording fees apply)*



**DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND  
LEASES AND FIXTURE FILING**

by and from

**Harveys Tahoe Management Company, Inc.,**

as "*Grantor*"

to

**Ticor Title Company of Nevada, Inc.,**

as "*Trustee*" for the benefit of

**Bank of America, N.A., in its capacity as Collateral Agent, "*Beneficiary*"**

**Dated as of June 18, 2008**

**County:** Douglas County  
**State:** Nevada

THIS INSTRUMENT IS TO BE FILED AND INDEXED IN THE REAL ESTATE RECORDS AND IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS OF DOUGLAS COUNTY, NEVADA UNDER THE NAMES OF HARVEYS TAHOE MANAGEMENT COMPANY, INC., AS "DEBTOR" AND BANK OF AMERICA, N.A., AS COLLATERAL AGENT, AS "SECURED PARTY." GRANTOR'S ORGANIZATIONAL NUMBER IS NEVADA FILE NUMBER C20527-1996-001. INFORMATION CONCERNING THE SECURITY INTEREST MAY BE OBTAINED FROM BENEFICIARY AT THE ADDRESS SET FORTH BELOW.

THIS INSTRUMENT SECURES FUTURE ADVANCES. THE MAXIMUM AMOUNT OF PRINCIPAL TO BE SECURED HEREBY IS ELEVEN BILLION DOLLARS (\$11,000,000,000). THIS INSTRUMENT IS TO BE GOVERNED BY THE PROVISIONS OF NRS 106.300 THROUGH NRS 106.400, INCLUSIVE.



**DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND  
LEASES AND FIXTURE FILING**

**THIS DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING** (this "**Deed of Trust**") is dated as of June 18, 2008 by and from Harveys Tahoe Management Company, Inc., a Nevada corporation, as grantor, mortgagor, assignor and debtor (in such capacities and together with any successors in such capacities, "**Grantor**"), whose address is One Caesars Palace Dr., Las Vegas, NV 89109 in favor of Ticor Title Company of Nevada, a Nevada corporation, having an office at 5441 Kietzke Lane, Reno, Nevada 89511, as trustee under this Deed of Trust (together with any successors in such capacities, "**Trustee**") for the benefit of Bank of America, N.A., as Collateral Agent (in such capacity, "**Agent**") for the Secured Parties (as hereinafter defined), as beneficiary, assignee and secured party (in such capacities and, together with its successors and assigns in such capacities, "**Beneficiary**") having an address at 901 Main Street, Mail Code TX1-492-14-11, Dallas, TX 75202.

Reference is made to the Credit Agreement dated as of January 28, 2008 (as amended, restated, supplemented, waived or otherwise modified from time to time, the "**Credit Agreement**"), among Hamlet Merger Inc. (to be merged on the Closing Date with and into Harrah's Entertainment, Inc., "**Holdings**"), Harrah's Operating Company, Inc. (the "**Borrower**"), the Lenders party thereto from time to time, Bank of America, N.A., as administrative agent, the Agent, Deutsche Bank AG New York Branch, as syndication agent, and Citibank N.A., Credit Suisse, Cayman Islands Branch, JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman Sachs Credit Partners L.P., Morgan Stanley Senior Funding, Inc. and Bear Stearns Corporate Lending, Inc., as co-documentation agents.

The Lenders have agreed to extend credit to the Borrower subject to the terms and conditions set forth in the Credit Agreement. The obligations of the Lenders to extend such credit are conditioned upon, among other things, the execution and delivery of this Deed of Trust. Grantor is a subsidiary of the Borrower, will derive substantial benefits from the extension of credit to the Borrower pursuant to the Credit Agreement and is willing to execute and deliver this Deed of Trust in order to induce the Lenders to extend such credit. Accordingly, the parties hereto agree as follows:

**ARTICLE I  
DEFINITIONS**

**Section 1.1 Definitions.** All capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Credit Agreement. The rules of construction specified in Section 1.02 of the Credit Agreement also apply to this Deed of Trust. As used herein, the following terms shall have the following meanings:

(a) "**Charges**": shall mean any and all present and future real estate, property and other taxes, assessments and special assessments, levies, fees, all water and sewer rents and charges and all other governmental charges imposed upon or assessed against, and all claims (including, without limitation, claims for landlords', carriers', mechanics', workmen's,



repairmen's, laborer's, materialmen's, suppliers' and warehousemen's liens and other claims arising by operation of law); judgments or demands against, all or any portion of the Mortgaged Property or other amounts of any nature which, if unpaid, might result in or permit the creation of, a Lien on the Mortgaged Property or which might result in foreclosure of all or any portion of the Mortgaged Property.

(b) "**Closing Date**": means the Closing Date as defined in the Credit Agreement.

(c) "**Collateral Agreement**": That certain Collateral Agreement dated as of January 28, 2008, among the Borrower, each Subsidiary of the Borrower listed on Schedule 1 thereto, each Subsidiary of the Borrower that becomes a party thereto and Bank of America, N.A., as Collateral Agent for the Secured Parties, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time.

(d) "**Event of Default**": An Event of Default under and as defined in the Credit Agreement.

(e) "**Mortgaged Property**": The fee interest in the real property described in Exhibit A attached hereto and incorporated herein by this reference, together with any greater estate therein as hereafter may be acquired by Grantor and all of Grantor's right, title and interest in, to and under all rights, privileges, tenements, hereditaments, rights-of-way, easements, appendages and appurtenances appertaining to the foregoing in each case whether now owned or hereinafter acquired, including without limitation all water rights, mineral, oil and gas rights, easements and rights of way (collectively, the "**Land**"), and all of Grantor's right, title and interest now or hereafter acquired in, to and under (1) all buildings, structures and other improvements now owned or hereafter acquired by Grantor, now or at any time situated, placed or constructed upon, or affixed or permanently moored to, the Land, and, in each case, all appurtenances thereof (the "**Improvements**"); the Land and Improvements are collectively referred to as the "**Premises**"), (2) all materials, supplies, equipment, apparatus and other items of personal property now owned or hereafter acquired by Grantor and now or hereafter attached to, installed in or used in connection with any of the Improvements or the Land, and water, gas, electrical, telephone, storm and sanitary sewer facilities and all other utilities whether or not situated in easements, and all equipment, inventory and other goods in which Grantor now has or hereafter acquires any rights or any power to transfer rights and that are or are to become fixtures (as defined in the UCC, defined below) related to the Land (the "**Fixtures**"), (3) all goods, accounts, inventory, general intangibles, instruments, documents, contract rights and chattel paper, including all such items as defined in the UCC, now owned or hereafter acquired by Grantor and now or hereafter affixed to, placed upon, used in connection with, arising from or otherwise related to the Premises (the "**Personalty**"), (4) all reserves, escrows or impounds required under the Credit Agreement or any of the other Loan Documents and all of Grantor's right, title and interest in all reserves, deferred payments, deposits, refunds and claims of any nature relating to the Mortgaged Property (the "**Deposit Accounts**"), (5) all leases, licenses, concessions, occupancy agreements or other agreements (written or oral, now or at any time in effect) which grant to any person a possessory interest in, or the right to use, all or any part of the Mortgaged Property, together with all related security and other deposits (the "**Leases**"), (6) all of the rents, revenues, royalties, income, proceeds, profits, accounts receivable, security and



other types of deposits, and other benefits paid or payable by parties to the Leases for using, leasing, licensing, possessing, operating from, residing in, selling or otherwise enjoying the Mortgaged Property (the "**Rents**"), (7) all other agreements, such as construction contracts, architects' agreements, engineers' contracts, utility contracts, maintenance agreements, management agreements, service contracts, listing agreements, guaranties, indemnities, warranties, permits, licenses, certificates and entitlements in any way relating to the construction, use, occupancy, operation, maintenance, enjoyment or ownership of the Mortgaged Property (the "**Property Agreements**"), (8) all property tax refunds payable with respect to the Mortgaged Property (the "**Tax Refunds**"), (9) all accessions, replacements and substitutions for any of the foregoing and all proceeds thereof (the "**Proceeds**"), (10) all insurance policies, unearned premiums therefor and proceeds from such policies covering any of the above property now or hereafter acquired by Grantor (the "**Insurance**"), (11) all awards, damages, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any governmental authority pertaining to any condemnation or other taking (or any purchase in lieu thereof) of all or any portion of the Land, Improvements, Fixtures or Personalty (the "**Condemnation Awards**") and (12) any and all right, title and interest of Grantor in and to any and all drawings, plans, specifications, file materials, operating and maintenance records, catalogues, tenant lists, correspondence, advertising materials, operating manuals, warranties, guarantees, appraisals, studies and data relating to the Mortgaged Property or the construction of any alteration relating to the Premises or the maintenance of any Property Agreement (the "**Records**"). As used in this Deed of Trust, the term "Mortgaged Property" shall mean all or, where the context permits or requires, any portion of the above or any interest therein.

(f) "**Nevada Gaming Authorities**": means collectively, the Nevada Gaming Commission, the Nevada State Gaming Control Board and all other state and local regulatory and licensing bodies with authority over gaming in the State of Nevada and its political subdivisions.

(g) "**Nevada Gaming Laws**": means all laws pursuant to which any Nevada Gaming Authority possesses regulatory, licensing or permit authority over gaming within the State of Nevada, including, without limitation, the Nevada Gaming Control Act, as codified in NRS Chapter 463, as amended from time to time, and the regulations promulgated thereunder (the "**Gaming Regulations**"), all as amended from time to time.

(h) "**NRS**": means Nevada Revised Statutes, as amended from time to time.

(i) "**Obligations**": means the "Obligations" as defined in the Collateral Agreement.

(j) "**Permitted Liens**": means Liens defined as Permitted Liens in Section 6.02 of the Credit Agreement.

(k) "**person**": means "person" as defined in the Credit Agreement.

(l) "**Retained Notes**": means the Retained Notes as defined in the Credit Agreement.



(m) “**UCC**”: The Uniform Commercial Code of Nevada or, if the creation, perfection and enforcement of any security interest herein granted is governed by the laws of a state other than Nevada, then, as to the matter in question, the Uniform Commercial Code in effect in that state

## **ARTICLE II** **GRANT**

**Section 2.1 Grant.** To secure the full and timely payment and performance of the Obligations for the benefit of the Secured Parties, Grantor GRANTS, PLEDGES, BARGAINS, ASSIGNS, SELLS, CONVEYS and CONFIRMS, to Trustee, its successors and assigns, in trust, with powers of sale for the use and benefit of Beneficiary and hereby grants to Beneficiary (for its benefit and for the benefit of the other Secured Parties) a security interest in and upon all of Grantor’s estate, right, title and interest in and to the Mortgaged Property, subject, however, only to the matters that are set forth on Exhibit B attached hereto (the “**Permitted Encumbrances**”) and to Permitted Liens, TO HAVE AND TO HOLD the Mortgaged Property to (i) Trustee and its substitutes and successors, to the same extent the same constitutes real property or an interest therein and (ii) Beneficiary, to the extent the same does not constitute real property or an interest therein, in either case for the benefit of Beneficiary and Beneficiary’s successors and assigns, and Grantor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND the title to the Mortgaged Property unto each of Trustee and Beneficiary.

**Section 2.2 Secured Obligations.** This Deed of Trust secures, and the Mortgaged Property is collateral security for, the payment and performance in full when due of the Obligations.

**Section 2.3 Future Advances.** This Deed of Trust shall secure all Obligations, including, without limitation, future advances whenever hereafter made with respect to or under the Credit Agreement or the other Loan Documents and shall secure not only Obligations with respect to presently existing indebtedness under the Credit Agreement or the other Loan Documents, but also any and all other indebtedness which may hereafter be owing to the Secured Parties under the Credit Agreement or the other Loan Documents, however incurred, whether interest, discount or otherwise, and whether the same shall be deferred, accrued or capitalized, including future advances and re-advances, pursuant to the Credit Agreement or the other Loan Documents, whether such advances are obligatory or to be made at the option of the Secured Parties, or otherwise, and any extensions, refinancings, modifications or renewals of all such Obligations whether or not Grantor executes any extension agreement or renewal instrument and, in each case, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust.

**Section 2.4 Maximum Amount of Indebtedness.** The maximum aggregate amount of all indebtedness that is, or under any contingency may be secured at the date hereof or at any time hereafter by this Deed of Trust is Eleven Billion Dollars (\$11,000,000,000) (the “**Secured Amount**”), plus, to the extent permitted by applicable law, collection costs, sums advanced for the payment of taxes, assessments, maintenance and repair charges, insurance premiums and any other costs incurred to protect the security encumbered hereby or the Lien





hereof, and expenses incurred by each of Trustee and Beneficiary by reason of any default by Grantor under the terms hereof, together with interest thereon, all of which amount shall be secured hereby.

**Section 2.5** **Last Dollar Secured.** So long as the aggregate amount of the Obligations exceeds the Secured Amount, any payments and repayments of the Obligations shall not be deemed to be applied against or to reduce the Secured Amount.

**Section 2.6** **No Release.** Nothing set forth in this Deed of Trust shall relieve Grantor from the performance of any term, covenant, condition or agreement on Grantor's part to be performed or observed under or in respect of any of the Mortgaged Property or from any liability to any person under or in respect of any of the Mortgaged Property or shall impose any obligation on Trustee, Beneficiary or any other Secured Party to perform or observe any such term, covenant, condition or agreement on Grantor's part to be so performed or observed or shall impose any liability on Trustee, Beneficiary or any other Secured Party for any act or omission on the part of Grantor relating thereto or for any breach of any representation or warranty on the part of Grantor contained in this Deed of Trust or any other Loan Document, or under or in respect of the Mortgaged Property or made in connection herewith or therewith. The obligations of Grantor contained in this Section 2.6 shall survive the termination hereof and the discharge of Grantor's other obligations under this Deed of Trust and the other Loan Documents.

### **ARTICLE III** **WARRANTIES, REPRESENTATIONS AND COVENANTS**

Grantor warrants, represents and covenants to Trustee and Beneficiary as follows:

**Section 3.1** **Title to Mortgaged Property and Lien of this Instrument.** Grantor has good and marketable fee simple title to the Mortgaged Property free and clear of any Liens, except the Permitted Encumbrances and the Permitted Liens. This Deed of Trust creates valid, enforceable first priority Liens and security interests in favor of Beneficiary against the Mortgaged Property for the benefit of the Secured Parties securing the payment and performance of the Obligations subject only to Permitted Encumbrances and Permitted Liens. Upon recordation in the official real estate records in the county (or other applicable jurisdiction) in which the Premises are located, this Deed of Trust will constitute a valid and enforceable first priority Lien on the Mortgaged Property in favor of Beneficiary for the benefit of the Secured Parties subject only to Permitted Encumbrances and Permitted Liens.

**Section 3.2** **First Lien Status.** Grantor shall preserve and protect the first Lien and security interest status of this Deed of Trust. If any Lien or security interest other than a Permitted Encumbrance or a Permitted Lien is asserted against the Mortgaged Property, Grantor shall promptly, and at its expense, (a) give Beneficiary a detailed written notice of such Lien or security interest (including origin, amount and other terms), and (b) pay the underlying claim in full or take such other commercially reasonable action so as to cause it to be released or contest the same in compliance with the requirements of the Credit Agreement (including, if applicable, the requirement of providing a bond or other security reasonably satisfactory to Beneficiary).



**Section 3.3**     Replacement of Fixtures and Personalty. Grantor shall not, without the prior written consent of Beneficiary, permit any of the Fixtures or Personalty owned or leased by Grantor to be removed at any time from the Land or Improvements, unless the removed item is removed temporarily for its protection, maintenance or repair or is not prohibited from being removed by the Credit Agreement or the Collateral Agreement.

**Section 3.4**     Inspection. Grantor shall permit Beneficiary and its respective agents, representatives and employees or, upon the occurrence and during the continuance of an Event of Default, any Lender, upon reasonable prior notice to Grantor, to inspect the Mortgaged Property and all books and records of Grantor located thereon, and to conduct such environmental and engineering studies as Beneficiary or, upon the occurrence and during the continuance of an Event of Default, any Lender may reasonably require, provided that such inspections and studies shall not materially or unreasonably interfere with the use and operation of the Mortgaged Property.

**Section 3.5**     Insurance; Condemnation Awards and Insurance Proceeds.

(a)     Insurance. Prior to the date hereof, Grantor has delivered to Beneficiary Federal Emergency Management Agency Standard Flood Hazard Determination Forms for each portion of the Mortgaged Property on which Improvements are located. If any portion of the Mortgaged Property is located in an area designated a "flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency, then Grantor shall obtain flood insurance prior to the date hereof to the extent required to comply with the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as it may be amended from time to time. In addition, Grantor shall maintain or cause to be maintained all insurance required by the Credit Agreement, including without limitation Section 5.02 of the Credit Agreement.

(b)     Condemnation Awards. Grantor shall cause all Condemnation Awards to be applied in accordance with Section 2.10(c)(i) of the Credit Agreement.

(c)     Insurance Proceeds. Grantor shall cause all proceeds of any insurance policies insuring against loss or damage to the Mortgaged Property to be applied in accordance with Section 2.10(c)(i) of the Credit Agreement.

(d)     Payment of Charges. Grantor shall pay and discharge, or cause to be paid and discharged, from time to time prior to same becoming delinquent, all Charges except to the extent such Charges are Permitted Liens or Permitted Encumbrances. Grantor shall, upon Beneficiary's reasonable written request, deliver to Beneficiary receipts evidencing the payment of all such Charges requiring payment under the provisions of this Section 3.5(d).



**ARTICLE IV**  
**[Intentionally Omitted]**

**ARTICLE V**  
**DEFAULT AND FORECLOSURE**

**Section 5.1 Remedies.** Upon the occurrence and during the continuance of an Event of Default, Beneficiary (and/or Trustee as so required by applicable law) may, at Beneficiary's election, exercise any or all of the following rights, remedies and recourses:

(a) Acceleration. Subject to any provisions of the Loan Documents providing for the automatic acceleration of the Obligations upon the occurrence of certain Events of Default, declare the Obligations to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever (each of which hereby is expressly waived by Grantor), whereupon the same shall become immediately due and payable.

(b) Entry on Mortgaged Property. Enter the Mortgaged Property and take exclusive possession thereof and of all books, records and accounts relating thereto or located thereon. If Grantor remains in possession of the Mortgaged Property following the occurrence and during the continuance of an Event of Default and without Beneficiary's prior written consent, Beneficiary (and/or Trustee as so required by applicable law) may invoke any legal remedies to dispossess Grantor.

(c) Operation of Mortgaged Property. Hold, lease, develop, manage, operate, carry on the business thereof or otherwise use the Mortgaged Property upon such terms and conditions as Beneficiary may deem reasonable under the circumstances (making such repairs, alterations, additions and improvements and taking other actions, from time to time; as Beneficiary deems necessary or desirable), and apply all Rents and other amounts collected by Beneficiary in connection therewith in accordance with the provisions of Section 5.7.

(d) Foreclosure and Sale. Institute proceedings for the complete foreclosure of this Deed of Trust by judicial action or by power of sale, in which case the Mortgaged Property may be sold for cash (or, in the case of Beneficiary, credit) in one or more parcels. With respect to any notices required or permitted under the UCC, Grantor agrees that ten (10) days' prior written notice shall be deemed commercially reasonable. At any such sale by virtue of any judicial proceedings, power of sale, or any other legal right, remedy or recourse, the title to and right of possession of any such property shall pass to the purchaser thereof, and to the fullest extent permitted by law, Grantor shall be completely and irrevocably divested of all of its right, title, interest, claim, equity, equity of redemption, and demand whatsoever, either at law or in equity, in and to the property sold and such sale shall be a perpetual bar both at law and in equity against Grantor, and against all other persons claiming or to claim the property sold or any part thereof, by, through or under Grantor. Beneficiary or any of the other Secured Parties may be a purchaser at such sale. If Beneficiary or such other Secured Party is the highest bidder, Beneficiary or such other Secured Party may credit the portion of the purchase price that would be distributed to Beneficiary or such other Secured Party against the Obligations in lieu of paying cash. In the event this Deed of Trust is foreclosed by judicial action, appraisal of the



Mortgaged Property is waived. Beneficiary (and/or Trustee as so required by applicable law) may adjourn from time to time any sale by it to be made under or by virtue hereof by announcement at the time and place appointed for such sale or for such adjourned sale or sales, and Beneficiary (and/or Trustee as so required by applicable law), without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(e) Receiver. Subject to NRS 107.100, make application to a court of competent jurisdiction for, and obtain from such court as a matter of strict right and without notice to Grantor or regard to the adequacy of the Mortgaged Property for the repayment of the Obligations, the appointment of a receiver of the Mortgaged Property, and Grantor irrevocably consents to such appointment. Any such receiver shall have all the usual powers and duties of receivers in similar cases, including the full power to rent, maintain and otherwise operate the Mortgaged Property upon such terms as may be approved by the court, and shall apply such Rents in accordance with the provisions of Section 5.7; provided, however, notwithstanding the appointment of any receiver, Beneficiary shall be entitled as pledgee to the possession and control of any cash, deposits or instruments at the time held by or payable or deliverable under the terms of the Credit Agreement to Beneficiary.

(f) Other. Exercise all other rights, remedies and recourses granted under the Loan Documents or otherwise available at law or in equity.

**Section 5.2** Separate Sales. The Mortgaged Property may be sold in one or more parcels and in such manner and order as Beneficiary in its sole discretion may elect. The right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

**Section 5.3** Remedies Cumulative, Concurrent and Nonexclusive. Beneficiary and the other Secured Parties shall have all rights, remedies and recourses granted in the Loan Documents and available at law or equity (including the UCC), which rights (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Grantor or others obligated under the Loan Documents, or against the Mortgaged Property, or against any one or more of them, at the sole discretion of Beneficiary or such other Secured Party, as the case may be, (c) may be exercised as often as occasion therefor shall arise, and the exercise or failure to exercise any of them shall not be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive. No action by Trustee, Beneficiary or any other Secured Party in the enforcement of any rights, remedies or recourses under the Loan Documents or otherwise at law or equity shall be deemed to cure any Event of Default.

**Section 5.4** Release of and Resort to Collateral. Beneficiary and, at Beneficiary's written direction, Trustee, may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate Lien on the Mortgaged Property, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the Lien or security interest created in or evidenced by the Loan Documents or their status as a first priority Lien and security interest in and to the Mortgaged Property. For payment of the Obligations, Beneficiary may resort to any other security in such order and manner as Beneficiary may elect.



**Section 5.5**     **Appearance, Waivers, Notice and Marshalling of Assets.** After the occurrence and during the continuance of any Event of Default and immediately upon the commencement of any action, suit or legal proceedings to obtain judgment for the payment or performance of the Obligations or any part thereof, or of any proceedings to foreclose the Lien and security interest created and evidenced hereby or otherwise enforce the provisions hereof or of any other proceedings in aid of the enforcement hereof, Grantor shall enter its voluntary appearance in such action, suit or proceeding. To the fullest extent permitted by law, Grantor hereby irrevocably and unconditionally waives and releases (a) all benefit that might accrue to Grantor by virtue of any present or future statute of limitations or law or judicial decision exempting the Mortgaged Property from attachment, levy or sale on execution or providing for any stay of execution, exemption from civil process, redemption or extension of time for payment, (b) all notices of any Event of Default or of Beneficiary's election to exercise or the actual exercise of any right, remedy or recourse provided for under the Loan Documents, and (c) any right to a marshalling of assets or a sale in inverse order of alienation. Grantor shall not claim, take or insist on any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the Mortgaged Property, or any part thereof, prior to any sale or sales of the Mortgaged Property which may be made pursuant to this Deed of Trust, or pursuant to any decree, judgment or order of any court of competent jurisdiction. Grantor covenants not to hinder, delay or impede the execution of any power granted or delegated to Trustee or Beneficiary by this Deed of Trust but to suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

**Section 5.6**     **Discontinuance of Proceedings.** If Beneficiary or any other Secured Party shall have proceeded to invoke any right, remedy or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon it for any reason, Beneficiary or such other Secured Party, as the case may be, shall have the unqualified right to do so and, in such an event, Grantor, Beneficiary and the other Secured Parties shall be restored to their former positions with respect to the Obligations, the Loan Documents, the Mortgaged Property and otherwise, and the rights, remedies, recourses and powers of Beneficiary and the other Secured Parties shall continue as if the right, remedy or recourse had never been invoked, but no such discontinuance or abandonment shall waive any Event of Default which may then exist or the right of Beneficiary or any other Secured Party thereafter to exercise any right, remedy or recourse under the Loan Documents for such Event of Default.



**Section 5.7**      **Application of Proceeds.** The proceeds of any sale of, and the Rents and other amounts generated by the holding, leasing, management, operation or other use of the Mortgaged Property, shall be applied by Beneficiary (or the receiver, if one is appointed) in the following order unless otherwise required by applicable law:

(a)      FIRST, to the payment of the costs and expenses incurred by Trustee or Beneficiary of taking possession of the Mortgaged Property and of holding, using, leasing, repairing, improving and selling the same, or otherwise in connection with this Deed of Trust, any other Loan Document or any of the Obligations, including, without limitation (1) receiver's fees and expenses, including the repayment of the amounts evidenced by any receiver's certificates, (2) all court costs (3) the reasonable fees and expenses of its agents and legal counsel and Trustee's agents and legal counsel, (3) the repayment of all advances made by Trustee or Beneficiary hereunder or under any other Loan Document on behalf of any Loan Party, (4) any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Loan Document, and (5) costs of advertisement;

(b)      SECOND, to the payment and performance in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the respective amounts of the Obligations owed to them on the date of any such distribution); and

(c)      THIRD, the balance, if any, to the persons legally entitled thereto.

Beneficiary shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Deed of Trust. Upon any sale of Mortgaged Property by Beneficiary (and/or Trustee as so required by applicable law) (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the purchase money by Beneficiary or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Mortgaged Property so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to Beneficiary or such officer or be answerable in any way for the misapplication thereof.

**Section 5.8**      **Occupancy After Foreclosure.** Any sale of the Mortgaged Property or any part thereof in accordance with Section 5.1(d) will divest all right, title and interest of Grantor in and to the property sold. Subject to applicable law, any purchaser at a foreclosure sale will receive immediate possession of the property purchased. If Grantor retains possession of such property or any part thereof subsequent to such sale, Grantor will be considered a tenant at sufferance of the purchaser, and will, if Grantor remains in possession after demand to remove, be subject to eviction and removal, forcible or otherwise, with or without process of law.

**Section 5.9**      **Additional Advances and Disbursements; Costs of Enforcement.**

(a)      Upon the occurrence and during the continuance of any Event of Default, Beneficiary and each of the other Secured Parties shall have the right, but not the obligation, to



cure such Event of Default in the name and on behalf of Grantor. All reasonable sums advanced and expenses incurred at any time by Trustee, Beneficiary or any other Secured Party under this Section 5.9, or otherwise under this Deed of Trust or applicable law, shall bear interest from the date that such sum is advanced or expense incurred, to and including the date of reimbursement, computed at the highest rate at which interest is then computed on any portion of the Obligations and all such sums, together with interest thereon, shall be secured by this Deed of Trust.

(b) Grantor shall pay all out-of-pocket expenses (including reasonable attorneys' fees and expenses) of or incidental to the perfection and enforcement of this Deed of Trust or the enforcement, compromise or settlement of the Obligations or any claim under this Deed of Trust, and for the curing thereof, or for defending or asserting the rights and claims of Trustee, Beneficiary in respect thereof, by litigation or otherwise.

**Section 5.10 No Beneficiary in Possession.** Neither the enforcement of any of the remedies under this Article V, the assignment of the Rents and Leases under Article VI, the security interests under Article VII, nor any other remedies afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary or any other Secured Party to be deemed or construed to be a beneficiary in possession of the Mortgaged Property, to obligate Beneficiary or any other Secured Party to lease the Mortgaged Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise.

## **ARTICLE VI** **ASSIGNMENT OF RENTS AND LEASES**

**Section 6.1 Assignment.** Subject to the provisions of NRS Chapter 107A, in furtherance of and in addition to the assignment made by Grantor in Section 2.1 of this Deed of Trust, Grantor hereby absolutely and unconditionally assigns, sells, transfers and conveys to Beneficiary all of its right, title and interest in and to all Leases (but only to the extent permitted under the existing Leases), whether now existing or hereafter entered into, and all of its right, title and interest in and to all Rents. This assignment is an absolute assignment and not an assignment for additional security only. So long as no Event of Default shall have occurred and be continuing, Grantor shall have a revocable license from Beneficiary to exercise all rights extended to the landlord under the Leases, including the right to receive and collect all Rents and to hold the Rents in trust for use in the payment and performance of the Obligations and to otherwise use the same. The foregoing license is granted subject to the conditional limitation that no Event of Default shall have occurred and be continuing. Upon the occurrence and during the continuance of an Event of Default, whether or not legal proceedings have commenced, and without regard to waste, adequacy of security for the Obligations or solvency of Grantor, the license herein granted shall, at the election of Beneficiary, expire and terminate, upon written notice to Grantor by Beneficiary.

**Section 6.2 Perfection Upon Recordation.** Grantor acknowledges that Beneficiary has taken all actions necessary to obtain, and that upon recordation of this Deed of Trust Beneficiary shall have, to the extent permitted under applicable law, a valid and fully perfected, first priority, present assignment of the Rents arising out of the Leases and all security for such Leases. Grantor acknowledges and agrees that upon recordation of this Deed of Trust



Beneficiary's interest in the Rents shall be deemed to be fully perfected, "choate" and enforced as to Grantor and to the extent permitted under applicable law, all third parties, including, without limitation, any subsequently appointed trustee in any case under Title 11 of the United States Code (the "**Bankruptcy Code**"), without the necessity of commencing a foreclosure action with respect to this Deed of Trust, making formal demand for the Rents, obtaining the appointment of a receiver or taking any other affirmative action.

**Section 6.3** **Bankruptcy Provisions.** Without limitation of the absolute nature of the assignment of the Rents hereunder, Grantor and Beneficiary agree that (a) this Deed of Trust shall constitute a "security agreement" for purposes of Section 552(b) of the Bankruptcy Code, (b) the security interest created by this Deed of Trust extends to property of Grantor acquired before the commencement of a case in bankruptcy and to all amounts paid as Rents and (c) such security interest shall extend to all Rents acquired by the estate after the commencement of any case in bankruptcy.

**Section 6.4** **No Merger of Estates.** So long as part of the Obligations secured hereby remain unpaid and undischarged, the fee and leasehold estates to the Mortgaged Property shall not merge, but shall remain separate and distinct, notwithstanding the union of such estates either in Grantor, Beneficiary, any tenant or any third party by purchase or otherwise.

## **ARTICLE VII** **SECURITY AGREEMENT**

**Section 7.1** **Security Interest.** This Deed of Trust constitutes a "security agreement" on personal property within the meaning of the UCC and other applicable law and with respect to the Personalty, Fixtures, Leases, Rents, Deposit Accounts, Property Agreements, Tax Refunds, Proceeds, Insurance, Condemnation Awards and Records. To this end, Grantor grants to Beneficiary a first priority security interest in the Personalty, Fixtures, Leases, Rents, Deposit Accounts, Property Agreements, Tax Refunds, Proceeds, Insurance, Condemnation Awards, Records and all other Mortgaged Property which is personal property to secure the payment and performance of the Obligations, and agrees that Beneficiary shall have all the rights and remedies of a secured party under the UCC with respect to such property. Any notice of sale, disposition or other intended action by Beneficiary with respect to the Personalty, Fixtures, Leases, Rents, Deposit Accounts, Property Agreements, Tax Refunds, Proceeds, Insurance, Condemnation Awards and Records sent to Grantor at least ten (10) days prior to any action under the UCC shall constitute reasonable notice to Grantor. In the event of any conflict or inconsistency whatsoever between the terms of this Deed of Trust and the terms of the Collateral Agreement with respect to the collateral covered both therein and herein, including, but not limited to, with respect to whether any such Mortgaged Property is to be subject to a security interest or the use, maintenance or transfer of any such Mortgaged Property, the Collateral Agreement shall control, govern, and prevail, to the extent of any such conflict or inconsistency. For the avoidance of doubt, no personal property of Grantor that does not constitute "Article 9 Collateral" under and as defined in the Collateral Agreement shall be subject to any security interest of Beneficiary or any Secured Party or constitute collateral hereunder. Notwithstanding anything to the contrary in this Deed of Trust, (i) the amount of Obligations that shall be secured by a Lien in favor of Beneficiary or any Secured Party shall at all times be limited to the maximum amount that is permitted to be secured without equally and ratably securing the





Retained Notes in accordance with the terms thereof as in effect on the Closing Date and (ii) for the avoidance of doubt, the provisions of Section 9.23 of the Credit Agreement shall apply to all the terms and provisions of this Deed of Trust.

**Section 7.2**     **Financing Statements**. Grantor shall prepare and deliver to Beneficiary such financing statements, and shall execute and deliver to Beneficiary such other documents, instruments and further assurances, in each case in form and substance reasonably satisfactory to Beneficiary, as Beneficiary may, from time to time, reasonably consider necessary to create, perfect and preserve Beneficiary's security interest hereunder. Grantor hereby irrevocably authorizes Beneficiary to cause financing statements (and amendments thereto and continuations thereof) and any such documents, instruments and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest. Grantor represents and warrants to Beneficiary that Grantor's jurisdiction of organization is the State of Nevada.

**Section 7.3**     **Fixture Filing**. This Deed of Trust shall also constitute a "fixture filing" for the purposes of the UCC against all of the Mortgaged Property which is or is to become fixtures. The information provided in this Section 7.3 is provided so that this Deed of Trust shall comply with the requirements of the UCC for a deed of trust instrument to be filed as a financing statement. Grantor is the "Debtor" and its name and mailing address are set forth in the preamble of this Deed of Trust immediately preceding Article I. Beneficiary is the "Secured Party" and its name and mailing address from which information concerning the security interest granted herein may be obtained are also set forth in the preamble of this Deed of Trust immediately preceding Article I. A statement describing the portion of the Mortgaged Property comprising the fixtures hereby secured is set forth in the definition of "Mortgaged Property" in Section 1.1 of this Deed of Trust. Grantor represents and warrants to Beneficiary that Grantor is the record owner of the Mortgaged Property.

## **ARTICLE VIII MISCELLANEOUS**

**Section 8.1**     **Notices**. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 9.01 of the Credit Agreement, except that all communications and notices given to Grantor shall be given in care of Borrower, with such notice to be given as provided in Section 9.01 of the Credit Agreement.

**Section 8.2**     **Covenants Running with the Land**. All grants, covenants, terms, provisions and conditions contained in this Deed of Trust are intended by Grantor, Trustee and Beneficiary to be, and shall be construed as, covenants running with the Land. As used herein, "Grantor" shall refer to the party named in the first paragraph of this Deed of Trust and to any subsequent owner of all or any portion of the Mortgaged Property. All persons who may have or acquire an interest in the Mortgaged Property shall be deemed to have notice of, and be bound by, the terms of the Credit Agreement and the other Loan Documents; provided, however, that no such party shall be entitled to any rights thereunder without the prior written consent of Beneficiary.



**Section 8.3 Attorney-in-Fact.** Grantor hereby irrevocably appoints Beneficiary as its attorney-in-fact, which agency is coupled with an interest and with full power of substitution, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise (a) to execute and/or record any notices of completion, cessation of labor or any other notices that Beneficiary reasonably deems appropriate to protect Beneficiary's interest, if Grantor shall fail to do so within ten (10) days after written request by Beneficiary, (b) upon the issuance of a deed pursuant to the foreclosure of this Deed of Trust or the delivery of a deed in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the Leases, Rents, Deposit Accounts, Property Agreements, Tax Refunds, Proceeds, Insurance, Condemnation Awards and Records in favor of the grantee of any such deed and as may be necessary or desirable for such purpose, (c) to prepare and file or record financing statements and continuation statements, and to prepare, execute and file or record applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the Mortgaged Property, and (d) after the occurrence and during the continuance of any Event of Default, to perform any obligation of Grantor hereunder; provided, however, that (1) Beneficiary shall not under any circumstances be obligated to perform any obligation of Grantor; (2) any sums advanced by Beneficiary in such performance shall be added to and included in the Obligations and shall bear interest at the highest rate at which interest is then computed on any portion of the Obligations; (3) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (4) Beneficiary shall not be liable to Grantor or any other person or entity for any failure to take any action which it is empowered to take under this Section 8.3. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

**Section 8.4 Successors and Assigns.** Whenever in this Deed of Trust Grantor, Trustee or Beneficiary are referred to, such reference shall be deemed to include the permitted successors and assigns of each of them; and all covenants, promises and agreements by or on behalf of Grantor that are contained in this Deed of Trust shall bind its respective permitted successors and assigns and inure to the benefit of Beneficiary and its successors and assigns. Beneficiary hereunder shall at all times be the same person that is the Agent under the Credit Agreement. Written notice of resignation by the Agent pursuant to the Credit Agreement shall also constitute notice of resignation as Beneficiary under this Deed of Trust. Upon the acceptance of any appointment as the Agent under the Credit Agreement by a successor Agent, that successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Beneficiary and Agent pursuant hereto. Grantor shall not make or permit to be made a sale, conveyance, lease, assignment, transfer or other disposition of the Mortgaged Property, except as expressly permitted by the Credit Agreement. Notwithstanding the foregoing, if Beneficiary shall have notified Grantor that an Event of Default under clause (b), (c), (h) or (i) of Section 7.01 of the Credit Agreement shall have occurred and be continuing, and during the continuance thereof, Grantor shall not sell, convey, lease, assign, transfer or otherwise dispose of any Mortgaged Property to the extent requested by Beneficiary (which notice may be given by telephone if promptly confirmed in writing).

**Section 8.5 Waivers; Amendments.**

(a) No failure or delay by Beneficiary, any L/C Issuer or any other Secured Party in exercising any right, power or remedy hereunder or under any other Loan Document



shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy, or any abandonment or discontinuance of steps to enforce such a right, power or remedy, preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies of Beneficiary, any L/C Issuer and the other Secured Party hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights, powers or remedies that they would otherwise have. No waiver of any provision of this Deed of Trust or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 8.5, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or the issuance of a Letter of Credit shall not be construed as a waiver of any Default or Event of Default, regardless of whether Beneficiary, any other Secured Party or any L/C Issuer may have had notice or knowledge of such Default or Event of Default at the time. No notice or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances.

(b) Neither this Deed of Trust nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Beneficiary and Grantor (and, if required by law, Trustee) subject to any consent required in accordance with Section 9.08 of the Credit Agreement.

**Section 8.6** **WAIVER OF JURY TRIAL.** GRANTOR HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS DEED OF TRUST OR ANY OTHER LOAN DOCUMENT. GRANTOR HERETO CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY, BENEFICIARY OR ANY OTHER SECURED PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT BENEFICIARY OR SUCH OTHER SECURED PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER.

**Section 8.7** **Termination or Release.**

(a) The Liens and security interests created by this Deed of Trust shall automatically terminate and/or be released all without delivery of any instrument or performance of any act by Trustee or Beneficiary, and all rights to the Mortgaged Property shall automatically revert to Grantor, as of the date when all the Obligations (other than contingent or unliquidated obligations or liabilities not then due) have been paid in full in cash or immediately available funds and the Lenders have no further commitment to lend under the Credit Agreement, the Revolving Facility Credit Exposure has been reduced to zero and each L/C Issuer has no further obligations to issue Letters of Credit under the Credit Agreement; provided that, upon payment in full of the Loan Document Obligations, Trustee and Beneficiary may assume that no Obligations are outstanding unless otherwise advised by the Borrower.

(b) Grantor shall automatically be released from its obligations hereunder and the security interests in the Mortgaged Property of such Grantor shall be automatically released upon the consummation of any transaction permitted by the Credit Agreement as a



result of which such Grantor ceases to be the Borrower or a Subsidiary or otherwise ceases to be the Borrower or a Subsidiary Loan Party, all without delivery of any instrument or performance of any act by Trustee or Beneficiary, and all rights to the Mortgaged Property shall automatically revert to such Grantor.

(c) Upon any sale or other transfer by any Grantor of any of the Mortgaged Property that is permitted under the Credit Agreement to any person that is not the Borrower or a Subsidiary Loan Party (including in connection with an Event of Loss), or upon the effectiveness of any written consent to the release of the security interest granted hereby in any Mortgaged Property pursuant to Section 9.08 of the Credit Agreement, the security interest in such Mortgaged Property shall be automatically released, all without delivery of any instrument or performance of any act by Trustee or Beneficiary.

(d) The Liens and security interest created by this Deed of Trust shall be automatically released as to all or any portion of the Mortgaged Property following the delivery of a Project Notice to the Administrative Agent that is applicable to all or any portion of the Mortgaged Property to the extent required by, and in accordance with, the provisions of Section 5.11 of the Credit Agreement.

(e) In connection with any termination or release pursuant to paragraph (a), (b), (c) or (d) of this Section 8.7, Beneficiary and/or Trustee (as so required by applicable law) shall execute and deliver to Grantor, at such Grantor's expense, all documents that such Grantor shall reasonably request to evidence such termination or release (including, without limitation, deed of trust releases or UCC termination statements), and will duly assign and transfer to Grantor, such of the Mortgaged Property that may be in the possession of Trustee or Beneficiary and has not theretofore been sold or otherwise applied or released pursuant to this Deed of Trust. Any execution and delivery of documents pursuant to this Section 8.7 shall be without recourse to or warranty by Trustee and Beneficiary.

**Section 8.8** **Waiver of Stay, Moratorium and Similar Rights**. Grantor agrees, to the full extent that it may lawfully do so, that it will not at any time insist upon or plead or in any way take advantage of any stay, marshalling of assets, extension, redemption or moratorium law now or hereafter in force and effect so as to prevent or hinder the enforcement of the provisions of this Deed of Trust or the Obligations secured hereby, or any agreement between Grantor and Beneficiary or any rights or remedies of Beneficiary or any other Secured Party.

**Section 8.9** **Applicable Law**. The provisions of this Deed of Trust shall be governed by and construed under the laws of the state in which the Mortgaged Property is located.

**Section 8.10** **Headings**. The Article, Section and Subsection titles hereof are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing, the text of such Articles, Sections or Subsections.

**Section 8.11** **Severability**. In the event any one or more of the provisions contained in this Deed of Trust should be held invalid, illegal or unenforceable in any respect,



the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Grantor and Beneficiary shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

**Section 8.12 Entire Agreement.** This Deed of Trust and the other Loan Documents embody the entire agreement and understanding between Grantor, Trustee and Beneficiary relating to the subject matter hereof and thereof and supersede all prior agreements and understandings between such parties relating to the subject matter hereof and thereof. Accordingly, the Loan Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

**Section 8.13 Beneficiary as Agent.** Beneficiary has been appointed to act as Agent by the other Secured Parties pursuant to the Credit Agreement. Beneficiary shall have the right hereunder to make demands, to give notices, to exercise or refrain from exercising any rights, and to take or refrain from taking any action (including, without limitation, the release or substitution of the Mortgaged Property) in accordance with the terms of the Credit Agreement and this Deed of Trust. Grantor and all other persons shall be entitled to rely on releases, waivers, consents, approvals, notifications and other acts of Beneficiary, without inquiry into the existence of required consents or approvals of the Secured Parties therefor.

**Section 8.14 Recording Documentation to Assure Security.** Grantor shall, forthwith after the execution and delivery hereof and thereafter, from time to time, cause this Deed of Trust and any financing statement, continuation statement or similar instrument relating to any of the Mortgaged Property or to any property intended to be subject to the Lien hereof or the security interests created hereby to be filed, registered and recorded in such manner and in such places as may be required by any present or future law and shall take such actions as Beneficiary shall reasonably deem necessary in order to publish notice of and fully to protect the validity and priority of the Liens, assignment, and security interests purported to be created upon the Mortgaged Property and the interest and rights of Beneficiary therein. Grantor shall pay or cause to be paid all taxes and fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment thereof, and of any instrument of further assurance, and all Federal or state stamp taxes or other taxes, duties and charges arising out of or in connection with the execution and delivery of such instruments. In the event Trustee or Beneficiary advances any sums to pay the amounts set forth in the preceding sentence, such advances shall be secured by this Deed of Trust.

**Section 8.15 Further Acts.** Grantor shall, at the sole cost and expense of Grantor, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, deeds of trust, mortgages, assignments, notices of assignment, transfers, financing statements, continuation statements, instruments and assurances as Beneficiary or Trustee shall from time to time reasonably request, which may be necessary in the reasonable judgment of Beneficiary from time to time to assure, perfect, convey, assign, pledge, transfer and confirm unto Beneficiary and Trustee, the property and rights hereby conveyed or assigned or which Grantor may be or may hereafter become bound to convey or assign to Beneficiary and Trustee



or for carrying out the intention or facilitating the performance of the terms hereof or the filing, registering or recording hereof. In the event Grantor shall fail after written demand to execute any instrument or take any action required to be executed or taken by Grantor under this Section 8.15, Beneficiary or Trustee may execute or take the same as the attorney-in-fact for Grantor, such power of attorney being coupled with an interest and is irrevocable. Grantor shall pay or cause to be paid all taxes and fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment thereof, and of any instrument of further assurance, and all Federal or state stamp taxes or other taxes, duties and charges arising out of or in connection with the execution and delivery of such instruments. In the event Beneficiary or Trustee advances any sums to pay the amounts set forth in the preceding sentence, such advances shall be secured by this Deed of Trust.

**Section 8.16**     **Additions to Mortgaged Property.** All right, title and interest of Grantor in and to all extensions, amendments, relocations, restakings, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Mortgaged Property hereafter acquired by or released to Grantor or constructed, assembled or placed by Grantor upon the Land, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case without any further pledge, mortgage, conveyance, assignment or other act by Grantor, shall become subject to the Lien and security interest of this Deed of Trust as fully and completely and with the same effect as though now owned by Grantor and specifically described in the grant of the Mortgaged Property above, but at any and all times Grantor will execute and deliver to Beneficiary any and all such further assurances, mortgages, deeds of trust, conveyances or assignments thereof as Beneficiary may reasonably require for the purpose of expressly and specifically subjecting the same to the Lien and security interest of this Deed of Trust.

**Section 8.17**     **Relationship.** The relationship of Beneficiary to Grantor hereunder is strictly and solely that of lender and borrower and grantor and beneficiary and nothing contained in the Credit Agreement, this Deed of Trust or any other document or instrument now existing and delivered in connection therewith or otherwise in connection with the Obligations is intended to create, or shall in any event or under any circumstance be construed as creating a partnership, joint venture, tenancy-in-common, joint tenancy or other relationship of any nature whatsoever between Beneficiary and Grantor other than as lender and borrower and grantor and beneficiary.

**Section 8.18**     **No Claims Against Beneficiary.** Nothing contained in this Deed of Trust shall constitute any consent or request by Beneficiary, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Mortgaged Property or any part thereof, nor as giving Grantor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Beneficiary in respect thereof or any claim that any Lien based on the performance of such labor or services or the furnishing of any such materials or other property is prior to the Lien hereof.



**Section 8.19**      **Beneficiary's Fees and Expenses; Indemnification.**

(a) Grantor agrees that Beneficiary shall be entitled to reimbursement of its expenses incurred hereunder as provided in Section 9.05 of the Credit Agreement.

(b) Without limitation of its indemnification obligations under the other Loan Documents, Grantor agrees to indemnify Beneficiary and the other Indemnitees (as defined in Section 9.05 of the Credit Agreement) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, charges and disbursements (limited to not more than one counsel, plus, if necessary, one local counsel per jurisdiction) (except the allocated costs of in-house counsels), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of, (i) the execution or delivery of this Deed of Trust or any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto and thereto of their respective obligations thereunder or the consummation of the Transactions and other transactions contemplated hereby, (ii) the use of proceeds of the Loans or the use of any Letter of Credit or (iii) any claim, litigation, investigation or proceeding relating to any of the foregoing, or to the Collateral, whether or not any Indemnitee is a party thereto and regardless of whether such matter is initiated by a third party or any Loan Party; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (1) the gross negligence or willful misconduct of such Indemnitee (for purpose of this proviso only, each of Beneficiary, and any Secured Party shall be treated as several and separate Indemnitees, but each of them together with its respective Related Parties, shall be treated as a single Indemnitee) or (2) any material breach of any Loan Document by such Indemnitee.

(c) Any such amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Security Documents. The provisions of this Section 8.19 shall remain operative and in full force and effect regardless of the termination of this Deed of Trust or any other Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Obligations, the invalidity or unenforceability of any term or provision of this Deed of Trust or any other Loan Document, or any investigation made by or on behalf of Beneficiary or any other Secured Party. All amounts due under this Section 8.19 shall be payable on written demand therefor.

**Section 8.20**      **Jurisdiction; Consent to Service of Process.**

(a) Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or federal court of the United States of America sitting in New York County, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Deed of Trust or any other Loan Documents, or for recognition or enforcement of any judgment, and Grantor hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such federal court. Grantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner



provided by law. Nothing in this Deed of Trust shall affect any right that Beneficiary, any L/C Issuer or any Lender may otherwise have to bring any action or proceeding relating to this Deed of Trust or any other Loan Document against Grantor, or its properties, in the courts of any jurisdiction.

(b) Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Deed of Trust or any other Loan Document in any New York State or federal court of the United States of America sitting in New York County, and any appellate court from any thereof. Grantor hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Grantor irrevocably consents to service of process in the manner provided for notices in Section 8.1. Nothing in this Deed of Trust or any other Loan Document will affect the right of Trustee, Beneficiary, any L/C Issuer or any Lender to serve process in any other manner permitted by law.

## **ARTICLE IX** **REGARDING TRUSTEE**

### **Section 9.1 Trustee's Powers and Liabilities.**

Trustee, by acceptance hereof, covenants faithfully to perform and fulfill the trusts herein created, being liable, however, only for gross negligence, bad faith or willful misconduct, and hereby waives any statutory fee for any services rendered by it in accordance with the terms thereof. All authorities, powers and discretions given in this Deed of Trust to Trustee and/or Beneficiary may be exercised by either, without the other, with the same effect as if exercised jointly;

Trustee may resign at any time upon giving thirty (30) days' notice in writing to Grantor and to Beneficiary;

Beneficiary may remove Trustee at any time or from time to time and select a successor trustee. In the event of the death, removal, resignation, refusal to act, inability to act or absence of Trustee from the state in which the Premises are located, or in its sole discretion for any reason whatsoever. Beneficiary may, upon notice to the Grantor and without specifying the reason therefore and without applying to any court, select and appoint a successor trustee, and all powers, rights, duties and authority of the former trustee, as aforesaid, shall thereupon become vested in such successor. Such substitute trustee shall not be required to give bond for the faithful performance of his duties unless required by Beneficiary. Such substitute trustee shall be appointed by written instrument duly recorded in the county where the Land is located. Grantor hereby ratifies and confirms any and all acts that the herein named Trustee, or his successor or successors in this trust, shall do lawfully by virtue hereof. Grantor hereby agrees, on behalf of itself and its heirs, executors, administrators and assigns, that the recitals contained in any deed or deeds executed in due form by any Trustee or substitute trustee, acting under the provisions of





this instrument, shall be prima facie evidence of the facts recited, and that it shall not be necessary to prove in any court, otherwise than by such recitals, the existence of the facts essential to authorize the execution and delivery of such deed or deeds and the passing of title thereby;

Trustee shall not be required to see that this Deed of Trust is recorded nor liable for its validity or its priority as a first deed of trust, or otherwise, nor shall Trustee be answerable or responsible for performance or observance of the covenants and agreements imposed upon Grantor or Beneficiary by this Deed of Trust or any other agreement. Trustee, as well as Beneficiary, shall have authority in their respective discretion to employ agents and attorneys in the execution of this trust and to protect the interest of the Beneficiary hereunder, and to the fullest extent permitted by law they shall be compensated and all expenses relating to the employment of such agents and/or attorneys, including expenses of litigation, shall be paid out of the proceeds of the sale of the Mortgaged Property conveyed hereby should a sale be had, but if no such sale be had, all sums so paid out shall be recoverable to the fullest extent permitted by law by all remedies at law or in equity; and

At any time, or from time to time, without liability therefore and with ten (10) day's prior written notice to Grantor, upon written request of Beneficiary and without affecting the effect of this Deed of Trust upon the remainder of the Mortgaged Property, Trustee may (A) reconvey any part of the Mortgaged Property, (B) consent in writing to the making of any map or plat thereof, so long as Grantor has consented thereto, (C) join in granting any easement thereon, so long as Grantor has consented thereto, or (D) join in any extension agreement or any agreement subordinating the Lien or charge hereof.

## **ARTICLE X** **LOCAL LAW PROVISIONS**

**Section 10.1**     **Local Law Provisions.** Notwithstanding anything herein to the contrary, all rights, remedies and powers provided in this Deed of Trust may be exercised only to the extent that the exercise thereof does not violate any applicable provision of Nevada Gaming Laws and all provisions of this Deed of Trust are intended to be subject to all applicable mandatory provisions of the Nevada Gaming Laws which may be controlling and to be limited to the extent necessary so that they will not render this Deed of Trust invalid or unenforceable, in whole or in part.

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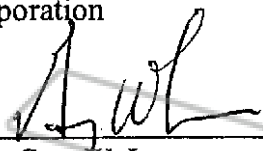


IN WITNESS WHEREOF, Grantor has on the date set forth in the acknowledgement hereto, effective as of the date first above written, caused this instrument to be duly EXECUTED AND DELIVERED by authority duly given.

**GRANTOR:**

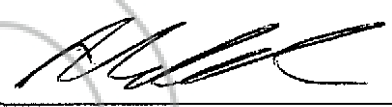
**Harveys Tahoe Management Company,  
Inc.,**  
a Nevada corporation

By: \_\_\_\_\_

  
Name: Gary W. Loveman  
Title: Director + President

Attest:

By: \_\_\_\_\_

  
Name: Michael D. Cohen  
Title: Secretary

S-1

[HARVEYS LAKE TAHOE / BILL'S CASINO LAKE TAHOE / HARRAH'S LAKE TAHOE DEED OF TRUST]



BK-908  
PG-1937



**EXHIBIT A**

**LEGAL DESCRIPTION**

Legal Description of premises commonly known as HARRAH'S LAKE TAHOE, HARVEY'S LAKE TAHOE, and BILL'S LAKE TAHOE and located at 15, 18, 27 and 31 HWY 50, Stateline, Douglas County, NV:

**EXHIBIT A**

All that certain real property situate in the County of Douglas, State of Nevada, described as follows:

PARCEL 1:

All that certain piece or parcel of land situate in the Northeast  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$  of Section 27, Township 13 North, Range 18 East, M.D.B.&M., County of Douglas, State of Nevada, described as follows:

Beginning at the intersection of the California-Nevada State line with the Westerly line of U.S. Highway 50; thence North  $27^{\circ}57'22''$  East along the Westerly line of said U.S. Highway 50, a distance of 154.80 feet; thence North  $56^{\circ}30''$  West, a distance of 291.50 feet; thence North  $27^{\circ}57'22''$  East, a distance of 266.35 feet to a point on the Northerly line of parcel conveyed to Harvey Gross, et al, by Deed recorded June 2, 1944, in Book W of Deeds, Page 597, Douglas County, Nevada, records; thence along the Northerly line of said parcel North  $80^{\circ}14'14''$  West, a distance of 613.15 feet to the Northeasterly corner of parcel conveyed to William McCallum, et al, by Deed recorded November 24, 1952, in Book A-1 of Deeds, Page 351, Douglas County, Nevada, records; thence along the Northeasterly and Southeasterly line of said McCallum parcel, the two following courses and distances: South  $48^{\circ}43'15''$  East, a distance of 211.24 feet and South  $41^{\circ}16'45''$  West, a distance of 50.00 feet to a point on said California-Nevada State Line; thence South  $48^{\circ}43'15''$  East along the last mentioned line, a distance of 697.47 feet to the point of beginning, said parcel being further shown as Parcel No. 1 of that certain Record of Survey filed for record in the office of the County Recorder on June 29, 1971 as File No. 60370, in Book 102, Page 544.

A portion of APN: 1318-27-002-002

Document Number 723806 is provided pursuant to the requirements of Section 1.NRS 111.312

PARCEL 2:

That portion of the Southeast  $\frac{1}{4}$  of Section 27, Township 13 North, Range 18 East, M.D.B.&M., that is described as follows:



Commencing at a point on the Westerly right-of-way line of the Nevada State Highway U.S. 50, which is 154.80 feet North 27°57'22" East of the intersection of the California-Nevada State Line boundary with the Westerly right of way of the Nevada U.S. Route 50; thence first course North 27°57'22" East, a distance of 389.99 feet to a point on the Westerly right of way line of the Nevada State Highway U.S. Route 50; thence second course North 80°14'14" West, a distance of 305.18 (305.48 record) feet; thence third course South 27°57'22" West, a distance of 266.35 feet; thence fourth course South 56°30" East, a distance of 291.50 feet to the point of beginning, said land being further shown as Parcel No. 2 on that certain Record of Survey filed for record in the office of the County Recorder of Douglas County, Nevada on June 29, 1971 as File No. 60370, in Book 102, Page 544.

EXCEPTING THEREFROM 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 California-Nevada State line and the Westerly right of way line of U.S. Highway 50; thence North 27°57'22" East, 449.50 feet along the Westerly right of way line of U.S. Highway 50 to the point of beginning; thence North 62°02'38" West, 289.93 feet to the Northwest corner of Parcel 2 as shown on the map filed within the Official Records of Douglas County, Nevada on June 29, 1971, in Book 102, Page 544 as Document No. 60370; thence South 80°14'14" East, 305.18 feet along the Northerly line of said Parcel 2 to a point on the Westerly line of U.S. Highway 50; thence South 27°57'22" West, 95.29 feet along said Westerly right of way line of U.S. Highway 50 to the point of beginning.

A portion of APN: 1318-27-002-002

Document Number 723806 is provided pursuant to the requirements of Section 1.NRS 111.312

PARCEL 3:

Commencing at the intersection of the Easterly right of way line of U.S. Highway 50 as it now exists and the Nevada-California State Line as it now exists; thence Northeasterly along said right of way line, North 28°02' East, 680.50 feet to the true point of beginning; thence continuing along said right of way line, North 28°02' East, 147.45 feet to a point on the Southerly line of that certain parcel of land as described in the Deed to Barney's Incorporated, recorded June 7, 1961 in Book 7, Page 117, File No. 18139, Official Records; thence along the Southerly and Easterly lines of said parcel as described in the previously mentioned Deed, South 61°58' East, 150.00 feet and North 28°02' East, 49.71 feet to a point on the Northerly line of that certain piece or parcel of land described as Parcel 1 in the Deed from Tahoe Plaza Incorporated to Harrah's Club, recorded October 3, 1961 in Book 8, Page 752 as File No. 18850, Official Records; thence along the Northerly lines of Parcel 1 and Parcel 2 as described in the previously mentioned Deed, South 61°58' East (South 62°02" East, Deed), 420.00 feet to the most Northerly corner of that certain piece or parcel of land described as Parcel 1 in the Deed from Park Cattle Company to Harrah's Club, recorded December 28, 1967 in Book 56, Page 334, File No. 39715, Official Records; thence Southeasterly along the Easterly lines of Parcel 1 and Parcel



2 as described in the previously mentioned Deed, South 32°55' East 147.97 feet; thence North 61°58' West, 247.89 feet; thence South 28°02' West, 87.87 feet; thence North 61°58' West 260.00 feet; thence North 85°19' West 95.69 feet; thence North 61°58' West, 102.73 feet to the true point of beginning.

APN: 1318-27-002-004

Document Number 723806 is provided pursuant to the requirements of Section 1.NRS 111.312

PARCEL 4:

Beginning at the intersection of the Easterly right of way line of U.S. Highway 50 as it now exists and the Nevada-California State Line as it now exists, being the true point of beginning; thence Northeasterly along said right of way line of U.S. Highway 50, North 28°02' East. 680.50 feet; thence leaving Highway 50, South 61°58' East, 102.73 feet; thence South 85°19' East, 95.69 feet; thence South 61°58' East, 260.00 feet; thence North 28°02' East, 87.87 feet; thence South 61°58' East, 247.89 feet, more or less, to a point on the existing fence along the Easterly line of that certain parcel of land described as Parcel 2 in the Deed from Park Cattle Company to Harrah's Club, recorded December 28, 1967 in Book 56, Page 334, File No. 39715 Official Records; thence along said fence line, South 32°55' East, 194.91 feet, more or less to a found brass capped concrete monument marked RE 933; thence continuing along a fence on the Easterly line of that certain parcel of land described as Parcel 2 in the previously mentioned Deed, South 0°25'42" East, 783.03 feet to a point on the North line of the Southeast ¼ of the Southeast ¼ of Section 27, Township 13 North, Range 18 East, M.D.B.&M., said point being marked on the ground by a found brass capped concrete monument marked RE 933; thence Easterly along said line, South 89°51'54" East, 279 feet, more or less, to the West line of the proposed relocation of U.S. Highway 50 right of way; thence Southwesterly and Northwesterly along said line of the proposed relocation of U.S. Highway 50, the following courses per Highway bearings and distances: South 45°26'04" West, 62.60 feet; thence South 62°56'14" West 193.09 feet; thence South 42°34'22" West, 167.96 feet; thence North 73°22'13" West, 88.54 feet; thence North 59°10'02" West, 101.98 feet; thence North 47°54'42" West, 388.23 feet, along a curve to the left the tangent of which bears the last described course with a radius of 500.00 feet through a central angle of 20°36'41" for an arc distance of 179.87 feet to a point on the Nevada-California State Line as it now exists; thence Westerly along the Nevada-California State Line to the point of its intersection with the Easterly line of U.S. Highway 50 as it now exists, to the true point of beginning.

EXCEPTING THEREFROM that portion of said land deeded to Douglas County, a political subdivision of the State of Nevada, by Deed recorded January 9, 1979 in Book 1642, File No. 29467, Official Records.

APN: 1318-27-002-005 and 007

Document Number 723806 is provided pursuant to the requirements of Section 1.NRS 111.312



PARCEL 5:

A parcel of land situated in the Southeast ¼ of Section 27, Township 13 North, Range 18 East, M.D.B.&M., Douglas County, State of Nevada, described as follows:

Commencing at the intersection of the Easterly right of way line of U.S. Highway 50 as it now exists and the Nevada-California State Line as it now exists; from which the state line monument on the South shore of Lake Tahoe bears North 47°52'13" West, a distance of 2827.56 feet, and a GLO Brass Cap at the East quarter corner of said Section 27 bears North 68°16'13" East, a distance of 1945.13 feet; thence North 28°48'16" East along the Easterly line of U.S. Highway 50, a distance of 827.95 feet to the Southwest corner of that parcel of land described in the Deed to Barney's Incorporated, recorded June 7, 1961 in Book 7, Page 117, File No. 18139, Official Records, and the true point of beginning; thence North 28°48'16" East, along the Easterly line of U.S. Highway 50, a distance of 49.71 feet to the Northwest corner of said Barney's parcel; thence South 61°11'44" East, a distance of 150.00 feet to the Northeast corner of said Barney's parcel and an angle point in the Northerly line of Parcel 1 in the Deed from Tahoe Plaza Incorporated to Harrah's Club, recorded October 3, 1961 in Book 8, Page 752, File No. 18850, Official Records; thence South 28°48'16" West, a distance of 49.71 feet; thence North 61°11'44" West, a distance of 150.00 feet to the true point of beginning.

APN: 1318-27-002-003

Document Number 723806 is provided pursuant to the requirements of Section 1.NRS 111.312

PARCEL 6:

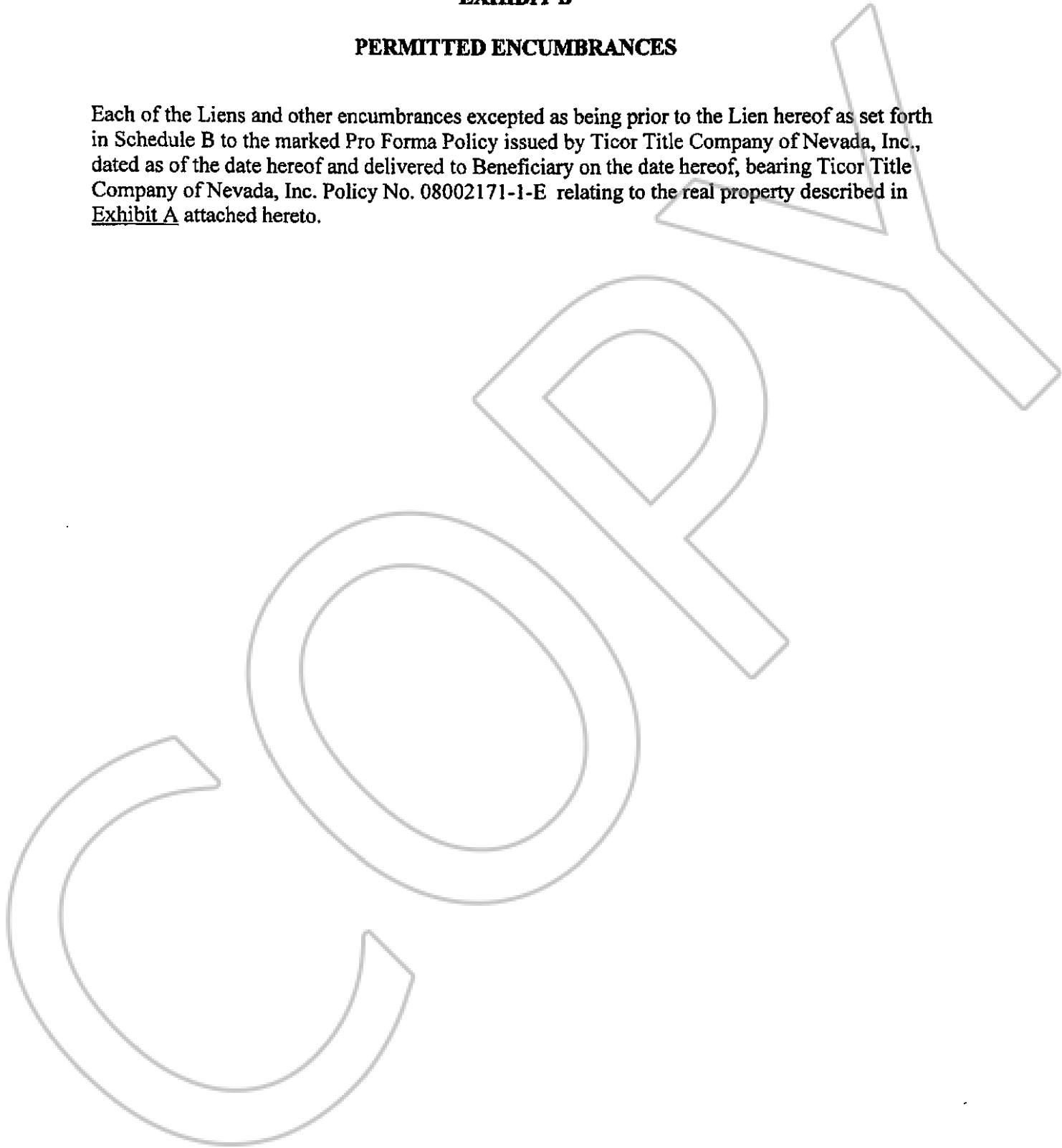
Together with non-exclusive easements and right-of-way for pedestrian and vehicular ingress and egress; and perpetual exclusive encroachment and maintenance easements, as set forth in that certain Reciprocal Easement Agreement recorded May 10, 1990 in Book 590, Page 1628 Doc/Inst. No. 225749, Official Records.



**EXHIBIT B**

**PERMITTED ENCUMBRANCES**

Each of the Liens and other encumbrances excepted as being prior to the Lien hereof as set forth in Schedule B to the marked Pro Forma Policy issued by Ticor Title Company of Nevada, Inc., dated as of the date hereof and delivered to Beneficiary on the date hereof, bearing Ticor Title Company of Nevada, Inc. Policy No. 08002171-1-E relating to the real property described in Exhibit A attached hereto.



Exh. B-1

