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OFFICIAL RECORD
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Douglas County - NV
Karen Ellison - Recorder
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1320-29-401-009, 014,
015, 016, 018, 019, and 020

1049243DR

WHEN RECORDED MAIL TO:

Nevada State Bank
1 West Liberty Street
Reno, Nevada 89501



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

**DEED OF TRUST AND SECURITY AGREEMENT AND
FIXTURE FILING WITH ASSIGNMENT OF RENTS**

THIS DEED OF TRUST AND SECURITY AGREEMENT AND FIXTURE FILING WITH ASSIGNMENT OF RENTS (the "Deed of Trust") is made as of the 31 day of October, 2012, by **G PEG II, LLC**, a Nevada limited liability company, as trustor (the "Trustor"), to **STEWART TITLE OF NEVADA**, as trustee (the "Trustee"), for the benefit of **NEVADA STATE BANK**, as beneficiary (the "Beneficiary").

RECITALS:

A. Pursuant to that certain Reducing Revolving Line of Credit Loan Agreement of even date herewith and any amendment, modification or change thereto (the "Loan Agreement") between **G PEG I, LLC**, a Nevada limited liability company, **G PEG II, LLC**, a Nevada limited liability company, and **G PEG III, LLC**, a Nevada limited liability company, as the borrowers (the "Borrowers"), and Beneficiary as lender, Beneficiary has agreed to make a loan to the Borrowers on the terms and conditions set forth therein. Unless the context otherwise requires, all capitalized words or terms used but not otherwise defined herein shall have the meanings described thereto in the Loan Agreement.



B. Pursuant to the Loan Agreement, the Borrowers' obligations evidenced by the Loan Agreement are required to be secured by, among other things, this Deed of Trust.

C. The parties acknowledge that certain provisions of this Deed of Trust may be subject to the laws, rules and regulations (the "Applicable Gaming Laws") of the gaming authorities of the State of Nevada (the "Gaming Authorities") and of other governmental jurisdictions, including, but not limited to, the Nevada State Gaming Control Board, the Nevada Gaming Commission and any gaming and/or liquor board for the City of Minden or Douglas County.

I. GRANTS AND OBLIGATIONS SECURED.

A. Grants.

1.01. Trustor hereby irrevocably grants, transfers and assigns to Trustee, in trust, for the benefit of Beneficiary, with power of sale and right of entry and possession, all right, title and interest of Trustor now and hereafter owned by Trustor in and to that certain real property situated in the Douglas County, State of Nevada, described in **Exhibit "A"** attached hereto and made a part hereof (the "Land"), together with all right, title and interest of Trustor therein and in and to:

(a) All buildings and other improvements now or hereafter located on the Land, all water and water rights (whether riparian, appropriative, or otherwise, and whether or not appurtenant), pumps and pumping stations used in connection therewith and all shares of stock evidencing the same, all machinery, equipment (including Gaming Equipment, as hereinafter defined), appliances, furnishings, inventory, fixtures, and other property used in connection with the Land and the improvements thereon, including, but not limited to, all storage tanks and pipelines, all gas, electric, heating, cooling, air conditioning, refrigeration and plumbing fixtures and equipment, which have been or may hereafter be attached or affixed in any manner to any building now or hereafter on the Land (the "Improvements").

(b) All the rights, rights of way, easements, licenses, profits, privileges, tenements, hereditaments and appurtenances, now or hereafter in any way appertaining and belonging to or used in connection with the Land and/or the Improvements, and any part thereof or as a means of access thereto, including, but not limited to, any claim at law or in equity, and any after acquired title and reversion in or to each and every part of all streets, roads, highways and alleys adjacent to and adjoining the same.

(c) All rentals, earnings, income deposits, security deposits, receipts, royalties, revenues, issues and profits which, after the date hereof, and while any portion of the indebtedness secured hereby remains unpaid, may accrue from the Land and/or the Improvements and any part thereof, subject, however, to the right, power and authority conferred upon Trustor to collect and apply such proceeds set forth herein, including payment of all sums expended or advanced by Beneficiary hereunder, together with interest thereon at the rate payable under the Note,



in the preservation, enforcement and realization of the rights of Beneficiary hereunder or under any of the other obligations secured hereby, including, without limitation, attorney's fees, court costs, other litigation expenses and foreclosure expenses.

(d) All deposits made with or other security given to utility companies by Trustor with respect to the Land and/or the Improvements, and all advance payments of insurance premiums made by Trustor with respect thereto and claims or demands relating to such insurance. Any of the foregoing arising or acquired by Trustor after the date hereof, the Land, the Improvements, and the other property described in subparagraphs (a), (b), (c), and (d) of this Section 1.01 are collectively defined hereinafter as the "Property".

1.02. Trustor hereby grants a security interest to Beneficiary in all of the following described property and any and all proceeds thereof (sometimes all of such being collectively referred to herein as the "Collateral"):

(a) all existing and future goods and tangible personal property located on the Property now owned or hereafter acquired by Trustor and used or useable in connection with the use, operation or occupancy of the Property including, but not limited to, all appliances, furniture, fittings, materials, supplies, equipment (including Gaming Equipment, as hereinafter defined), fixtures, and all building material and supplies now or hereafter delivered to the Property and installed or used or intended to be installed or used therein; and all renewals or replacements thereof or articles in substitution thereof;

(b) all general intangibles relating to design, development, operation, management and use of the Property (except, with respect to Casino Licenses, as prohibited by Applicable Gaming Laws), including, but not limited to, (i) all names under which or by which the Property or the Improvements may at any time be operated or known, all rights to carry on business under any such names or any variant thereof, and all goodwill in any way relating to the Property, (ii) all permits, licenses, authorizations, variances, land use entitlements, approvals and consents issued or obtained in connection with the operation and use of the Property, (iii) all permits, licenses, approvals, consents, authorizations, franchises and agreements issued or obtained in connection with the use, occupancy or operation of the Property (except, with respect to Casino Licenses, as prohibited by Applicable Gaming Laws), (iv) all materials prepared for filing or filed with any governmental agency, and (v) all of Trustor's rights under any contract in connection with the development, design, use, operation and management of the Property;

(c) all construction, service, engineering, consulting, leasing, architectural and other similar contracts of any nature as such may be modified, amended or supplemented from time to time, concerning the management, operation, occupancy, use, and/or disposition of any portion of or all of the Property;



(d) all architectural drawings, plans, specification, soil tests, feasibility studies, appraisals, engineering reports and similar materials relating to any portion of or all of the Property;

(e) all reserves, deferred payments, deposits, refunds, cost savings and payments of any kind relating to the operation, occupancy, use and disposition of any portion of or all of the Property;

(f) all proceeds and claims arising on account of any damage to or taking of the Property or any part thereof, and all causes of action and recoveries for any loss or diminution in the value of the Property;

(g) all policies of, and proceeds resulting from, insurance relating to the Property or any of the above collateral, and any and all riders, amendments, extensions, renewals, supplements or extensions thereof, and all proceeds thereof; and

(h) all proceeds, whether cash, promissory notes, contract rights, or otherwise, of the sale or other disposition of all or any part of the estate of Trustor in and to the Property now or hereafter existing thereon.

The personal property in which Beneficiary has a security interest includes goods which are or shall become fixtures on the Land. This Deed of Trust is intended to serve as a fixture filing pursuant to the terms of the Nevada Uniform Commercial Code. This filing is to be recorded in the real estate records of the county in which the Land is located. In that regard, the following information is provided:

Name of Debtor:	G PEG II, LLC, a Nevada limited liability company
Address of Debtor:	See Paragraph 5.12
Debtor's State of Nevada Organizational Filing Number:	E0330732009-9
Name of Secured Party:	NEVADA STATE BANK
Address of Secured Party:	See Paragraph 5.12

Trustor warrants and agrees that there is no financing statement covering the foregoing Collateral, the Property, or any part thereof, on file in any public office, except for those in favor of Beneficiary and those to be released upon the recordation hereof.



1.03. Trustor hereby assigns and transfers to Beneficiary, as additional security, all damages, royalties and revenue of every kind, nature and description whatsoever that Trustor may be entitled to receive from any person or entity owning or having or hereafter acquiring a right to the oil, gas or mineral rights and reservations of the Property, with the right in Beneficiary to receive and receipt therefor, and apply the same to the indebtedness secured hereby either before or after any default hereunder, and Beneficiary may demand, sue for and recover any such payments but shall not be required to do so.

B. Definitions of Certain Terms.

1.04. As used herein, the following words or terms shall have the following meanings:

"Applicable Gaming Laws" has the meaning set forth in Recital C above.

"Casino" means a gaming establishment owned, directly or indirectly, by Trustor and any hotel, building, restaurant, theater, amusement park, other entertainment facility, parking facilities, retail shops, land, equipment and other property asset directly ancillary thereto and used or to be used in connection therewith.

"Casino License" means any material license, franchise or other approval or authorization required to own, lease or operate a Casino, or otherwise conduct gaming in any jurisdiction in which Trustor conducts, or proposes in good faith to conduct, gaming business, including any applicable liquor license.

"Gaming Authorities" has the meaning set forth in Recital C above.

"Gaming Equipment" means all equipment and supplies used in the operation of a Casino, including, without limitation, slot machines, gaming tables, cards, dice, gaming chips, player tracking systems, and all other gaming devices (as defined in NRS 463.0155), cashless wagering systems (as defined in NRS 463.014) and associated equipment (as defined in NRS 463.0136).

C. Obligations Secured.

1.05. This Deed of Trust is given for the purpose of securing, in such order of priority as Beneficiary may determine:

(a) Payment of the indebtedness evidenced by a Reducing Revolving Line of Credit Promissory Note of even date herewith and any renewals, extensions, modifications or amendments thereof, in the principal amount of **SIXTEEN MILLION FIVE HUNDRED THOUSAND AND NO/100THS DOLLARS (\$16,500,000.00)** (the "Note"), executed by



Borrowers and payable to Beneficiary, together with interest thereon, which is made a part hereof by reference. The Note contains a provision for changes in the rate of interest charged thereunder from time to time as therein provided. The loan shall be a revolving line of credit and funds may be advanced by Beneficiary, repaid by Borrowers, and subsequently readvanced by Beneficiary, subject to Borrowers' obligation to reduce the maximum committed amount pursuant to the terms that certain Reducing Revolving Line of Credit Loan Agreement of even date herewith between the parties (the "Loan Agreement"). Notwithstanding the amount outstanding at any particular time, this Deed of Trust secures a maximum principal amount specified above, plus all interest, costs and attorneys' fees as specified in the Loan Agreement. All advances under the Note and Loan Agreement by Beneficiary are obligatory and are secured by this Deed of Trust. All such obligatory advances and interests and fees thereon will have the same priority as the funds initially advanced under the Note and Loan Agreement. According to the Loan Agreement, the unpaid balance of the loan may at certain times be zero. Notwithstanding this fact, Beneficiary is obligated under the terms of the Loan Agreement to advance to the Borrowers up to the amount specified above subject to Borrowers' obligation to reduce the maximum committed amount pursuant to the terms of the Note and the Loan Agreement. Therefore, the interest of the Beneficiary will remain in full force and effect, notwithstanding a zero balance under the Note.

(b) Payment of such further sums as Borrowers hereafter may borrow from Beneficiary when evidenced by another note or notes, reciting it is so secured, payable to Beneficiary or order and made by Borrowers and all renewals, extensions, modifications or amendments of such note or notes.

(c) Payment of all other moneys herein agreed or provided to be paid by Trustor and/or Borrowers and performance of all other obligations of Trustor and/or Borrowers contained herein or in the Loan Agreement and any amendment, modification or change hereto or thereto, and any other loan documents executed in connection with the Loan Agreement, including payment of all sums expended or advanced by Beneficiary hereunder, together with interest thereon at the rate payable under the Note, in the preservation, enforcement and realization of the rights of Beneficiary hereunder or under any of the other obligations secured hereby, including, without limitation, attorney's fees, court costs, other litigation expenses and foreclosure expenses.

(d) Performance of each agreement of Trustor and/or Borrowers contained in any other agreement given by Trustor and/or Borrowers to Beneficiary which is for the purpose of further securing any indebtedness or obligation secured hereby.



II. COVENANTS OF TRUSTOR.

A. Condition and Operation of Property.

2.01. Trustor agrees (i) to keep the Property in good condition and repair; (ii) not to commit or permit any waste or deterioration of the Property; (iii) not to commit or permit any substantial removal, demolition or alteration of the Property except for such alterations as may be required by law, ordinance, rule, regulation or order of any governmental authority having jurisdiction over the Property, other than as contemplated under the Loan Agreement; (iv) to complete in good and workmanlike manner any construction or restoration which may be performed on the Property; (v) to promptly restore any portion of the Property which may be damaged or destroyed; (vi) subject to the Loan Agreement, not to permit any mechanics' or materialmen's liens against the Property; and (vii) to perform each of Trustor's obligations set forth in the Loan Agreement.

2.02. Trustor shall not commit, permit or allow to exist, any material violation of any law, ordinance, rule, regulation or order of any governmental authority having jurisdiction over the Property or of any matter of record affecting the Property.

2.03. Trustor shall maintain, or cause to be maintained, proper and accurate books, records and accounts reflecting all items of income and expense in connection with the operation of the Property or in connection with any services, equipment or furnishings provided in connection with the operation of the Property, whether such income or expense be realized by Trustor or by any other person or entity whatsoever excepting persons unrelated to and unaffiliated with Trustor.

B. Insurance.

2.04. Trustor shall, at all times, provide, maintain and keep in force all of the following:

(a) A policy or policies of commercial general liability insurance with respect to the Property, including but not limited to owners and contractors liability, contractual liability, personal injury, completed operations, and broad form property damage, insuring Trustor and Beneficiary, as their interests may appear, against loss for any occurrence resulting in bodily injury to or the death of one or more persons and consequential damages arising therefrom and property damage involving injury or destruction of the tangible property of third parties in the amount of no less than \$2,000,000.00 per occurrence and \$2,000,000.00 in the aggregate. All policies should be on an "occurrence" basis with Beneficiary named as an additional insured under such policy or policies.

(b) A policy or policies of builder's risk insurance insuring the Property against loss or damage on an "All-Risk" basis and against such other risks or hazards as Beneficiary



may from time to time reasonably designate in the amount of not less than 100% of the full replacement value of any improvements constructed on the Property without deduction for physical depreciation. Beneficiary shall be named as Loss Payee under such policy or policies.

(c) If requested by Beneficiary, flood insurance upon the Property in the event that such insurance is available pursuant to the provisions of the Flood Disaster Protection Act of 1973 or other applicable legislation. Beneficiary shall reserve the right to require that Trustor secure flood insurance in excess of the amount provided by the Flood Disaster Protection Act of 1973, if such insurance is commercially available, up to the amount provided in Paragraph 2.04(a) hereof.

(d) If requested by Beneficiary, statutory workers' compensation insurance (including employer's liability in amounts required by the State Industrial Insurance System and, if applicable, insurance covering claims of workers against employers arising under Federal law) covering Trustor and employees of Trustor, in such form as is reasonably satisfactory to Beneficiary and in amounts not less than any minimum amounts established by law.

(e) Any and all other insurance, and in such amounts, as may from time to time be reasonably required by Beneficiary.

Such insurance policies shall be updated at Lender's request, but not less frequently than annually during the Loan term.

2.05. All policies required by Paragraph 2.04, except for workers' compensation insurance, shall (i) be issued by companies duly qualified and licensed to do such business in the State of Nevada and approved by Beneficiary, (ii) be subject to the reasonable approval of Beneficiary as to the insuring companies, amount, content and forms of policies and expiration dates, (iii) with respect to the insurance referred to under Paragraphs 2.04 (b) and (c) above, contain a Non-Contributory Standard Mortgagee Clause and the Lender's Loss Payable Endorsement (Form 438 BFUNS), or their equivalents, in favor of Beneficiary, (iv) with respect to the insurance referred to under Paragraphs 2.04 (b) and (c) above, provide that the proceeds thereof shall be payable to Beneficiary (to the extent of its interest), (v) provide that it cannot be modified or cancelled, to the extent that such modification or cancellation substantially affects the Property, or Beneficiary's interest therein, without thirty days' prior written notice to Beneficiary, and (vi) be primary and non-contributory with any other insurance of Beneficiary.

2.06. Except for workers' compensation insurance, Trustor shall furnish to Beneficiary a certificate of each policy required under Paragraph 2.04 and, at least thirty days prior to expiration of any such policy, proof of issuance of a policy continuing in force the coverage provided by the expiring policy. In the event Trustor shall fail to maintain the insurance coverage required by this Deed of Trust, Beneficiary may (but shall be under no obligation to) take out the required policies of insurance and pay the premiums on the same and all amounts so advanced therefor by



Beneficiary shall become an additional obligation of Trustor to Beneficiary, which amounts, together with interest thereon at the Default Rate (as defined and provided for in the Note), Trustor agrees to pay.

2.07. After the happening of any casualty insured against under Paragraph 2.04, Trustor shall give prompt written notice thereof to Beneficiary.

2.08. Trustor hereby assigns to Beneficiary all casualty insurance proceeds which it may be entitled to receive and such proceeds shall be delivered to and held by Beneficiary to be applied to the restoration of any portion of the Property that has been damaged or destroyed to the same condition, character and value as existed prior to such damage or destruction so long as the following conditions have been satisfied: (i) Trustor is not in default hereunder; (ii) Beneficiary's security is not materially impaired; and (iii) Trustor deposits with Beneficiary any additional amounts necessary to accomplish such restoration. The proceeds disbursed for restoration will be released to Trustor under procedures reasonably required by Beneficiary. In the event that the above conditions are not satisfied, Beneficiary shall have the option to apply the insurance proceeds upon any indebtedness secured hereby in such order as Beneficiary may determine or release such proceeds to Trustor without such release being deemed a payment of any indebtedness secured hereby, rather than to apply such proceeds to the restoration of the Property. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. If the Property is restored at a cost less than the available insurance proceeds and deposits, then such excess proceeds and deposits shall, if Trustor is not then in default hereunder, be paid over to Trustor.

2.09. In the event of the foreclosure of this Deed of Trust or other transfer of the title to the Property in extinguishment, in whole or in part, of the indebtedness secured hereby, all right, title and interest of Trustor in and to any insurance policy then in force shall pass to the purchaser or grantee to the extent that such insurance policy affects the Property.

C. Payments.

2.10. Trustor shall pay the principal, interest and other charges due under the Note and the Loan Agreement according to their terms.

2.11. Trustor shall pay or cause to be paid:

(a) Subject to any right of contest contained in the Loan Agreement, prior to the assessment of any penalty or delinquency, all taxes, assessments and other governmental or public charges affecting the Property, including assessments on appurtenant water stock, and any accrued interest, cost and/or penalty thereon and shall submit paid receipt therefor to Beneficiary upon request.



(b) When due, all encumbrances (including any debt secured by deed of trust), ground rents, liens, and/or charges, with interest, on the Property or any part thereof which appear to be prior or superior hereto and all costs, fees and expenses related thereto.

(c) When due, all charges for utilities or services including, but not limited to, electricity, gas, water and sewer.

2.12. At the request of Beneficiary upon the occurrence and during the continuance of an event of default, Trustor shall pay to Beneficiary on the first day of each month, together with and in addition to the regular installments of principal and interest due under the Note, until the indebtedness secured hereby is paid in full, an amount equal to one-twelfth (1/12) of the yearly taxes and assessments, insurance premiums, and other similar charges as estimated by Beneficiary to be sufficient to enable Beneficiary to pay at least thirty (30) days before they become due, all taxes, assessments, insurance premiums, and other similar charges against the Property. Beneficiary shall not be obligated to pay interest on any such sums. Upon demand of Beneficiary, Trustor shall deliver to Beneficiary such additional sums as are necessary to enable Beneficiary to pay such taxes, assessments, insurance premiums and similar charges. Provided that there then exists no Event of Default under the Loan Agreement, Beneficiary shall apply such sums to the payment of taxes, assessments and/or insurance premiums, as appropriate.

2.13. Trustor shall pay immediately, upon demand, after expenditure, all sums expended or expenses incurred by Trustee and/or Beneficiary under any of the terms of this Deed of Trust, including without limitation, any fees and expenses (including reasonable attorneys' fees) incurred in connection with any reconveyance of the Property or any portion thereof, or to compel payment of the Note or any portion of the indebtedness evidenced thereby or in connection with any default thereunder, including without limitation attorneys' fees incurred in any bankruptcy or judicial or nonjudicial foreclosure proceeding, with interest from date of expenditure at the Interest Rate provided for in the Note.

2.14. Trustor shall pay the reasonable amount demanded by Beneficiary or its authorized servicing agent for any statement regarding the obligations secured hereby; provided, however, that such amount may not exceed the maximum amount allowed by law at the time request for the statement is made.

D. Condemnation.

2.15. If the Property, or any part thereof, is taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner, Beneficiary shall be entitled to all compensation, awards and other payments or relief therefor to which Trustor shall be entitled, and shall be entitled at its option to commence, appear in and prosecute in its own name any action or proceeding or to make any compromise or settlement in connection with such taking or



damage to the extent of the interests of Trustor therein. All such compensation, awards, damages, rights of action and proceeds to which Trustor shall be entitled (the "Proceeds") are hereby assigned to Beneficiary, who shall after deducting therefrom all its reasonable expenses, including attorneys' fees, apply or release the Proceeds with the same effect and as provided in Paragraph 2.08 above with respect to disposition of insurance proceeds; provided, that if there are any excess Proceeds after application thereof to the restoration of the Property, Beneficiary shall be entitled to apply such excess to the reduction of the principal balance due under the Note. Trustor agrees to execute such further assignments of the Proceeds as Beneficiary or Trustee may require. Nothing herein contained shall prevent the accrual of interest as provided in the Note on any portion of the Note to be paid by the Proceeds until the Proceeds are received by Beneficiary.

F. Access Laws.

2.16. Trustor agrees that the Property shall at all times strictly comply with the applicable requirements of the Americans with Disabilities Act of 1990 (including, without limitation, the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities); the Fair Housing Amendments Act of 1988; all other federal and state and local laws and ordinances related to disabled access; and all rules, regulations, and orders issued pursuant thereto; all as amended from time to time (collectively the "Access Laws"). At any time Beneficiary may require Trustor to provide a certificate of compliance with the Access Laws and indemnification in a form reasonably acceptable to Beneficiary. Beneficiary may also require a certificate of compliance with the Access Laws from an architect, engineer, or other third party acceptable to Beneficiary.

2.17 Notwithstanding any provisions set forth herein or in any of the other Loan Documents, Trustor shall not alter or permit any tenant or other person to alter the Property in any manner which would increase Trustor's responsibilities for compliance with the Access Laws without the prior written approval of Beneficiary. In connection with any such approval, Beneficiary may require a certificate of compliance with the Access Laws from an architect, engineer, or other person acceptable to Beneficiary.

2.18. Trustor agrees to give prompt notice to Beneficiary of any claims of violations of any Access Laws and of the commencement of any proceedings or investigations which relate to compliance with any of the Access Laws.

2.19. Trustor shall indemnify and hold harmless Beneficiary from and against any and all claims, demands, damages, costs, expenses, losses, liabilities, penalties, fines, and other proceedings, including without limitation reasonable attorney fees and expenses arising directly or indirectly from or out of or in any way connected with any failure of the Property to comply with any of the Access Laws. The obligations and liabilities of Trustor under this section shall survive any termination, satisfaction, assignment, judicial or nonjudicial foreclosure, or delivery of a deed in lieu of foreclosure.



G. Rents and Leases.

2.20. Trustor shall submit to Beneficiary for its prior written approval the form of the tenant lease to be used by Trustor for leasing any portion of the Improvements, and after approval by Beneficiary, Trustor shall not materially modify such form of lease without the prior written consent of Beneficiary. Beneficiary shall approve, or give reasonable justification for not approving, such lease modification within five (5) days following request by Trustor. Trustor shall promptly provide Beneficiary with a copy of any lease modification. Trustor shall not accept prepayments of rent for more than one (1) month and shall perform all covenants of the lessor under all leases affecting the Property (the "Tenant Leases"). "Tenant Leases", as used herein, includes any extensions or renewals thereof and any amendments consented to by Beneficiary. Except in the event of a default under any Tenant Lease, Trustor shall not terminate any Tenant Lease without the prior written consent of Beneficiary and shall not consent to any assignment under any Tenant Lease without the prior written consent of Beneficiary unless Trustor is required to consent thereto under the terms of such Tenant Lease. Trustor shall immediately give notice to Beneficiary of any default under any of the Tenant Leases it receives or delivers. Beneficiary shall have the right but not the obligation, to cure any default of Trustor under any of the Tenant Leases (if such default is not cured by Trustor within fifteen (15) days following written notice thereof to do so) and all amounts disbursed in connection with said cure shall be deemed to be disbursements under the Loan Agreement.

2.21. Each Tenant Lease of any portion of the Improvements shall be absolutely subordinate to the lien of this Deed of Trust but Beneficiary hereby agrees that in the event of the exercise of the private power of sale or a judicial foreclosure hereunder such Tenant Lease shall not be terminated and shall contain a provision satisfactory to Beneficiary that the tenant thereunder shall attorn to such purchaser and, if requested to do so, shall enter into a new Tenant Lease for the balance of the term of such Tenant Lease then remaining upon the same terms and conditions. Each such Tenant Lease shall, at the request of Beneficiary, be assigned to Beneficiary and each such assignment shall be recorded.

2.22. Notwithstanding anything to the contrary contained herein, but subject to Applicable Gaming Laws, Trustor hereby absolutely and unconditionally assigns and transfers to Beneficiary all the leases, income, rent, issues, deposits, profits and proceeds of the Property to which Trustor may be entitled, whether now due, past due or to become due, and hereby gives to and confers upon Beneficiary the right, power and authority to collect such income, rents, issues, deposits, profits and proceeds of the Property to which Trustor may be entitled, whether now due, past due or to become due. The assignment of the Tenant Leases constitutes an irrevocable direction and authorization of all tenants under the Tenant Leases to pay all rent, income and profits into an account specified by Beneficiary upon demand and without further consent or other action by Trustor. Trustor irrevocably appoints Beneficiary its true and lawful attorney, at the option of Beneficiary at any time, to demand, receive and enforce payment, to give receipts, releases, and satisfactions, and to sue, either in the name of Trustor or in the name of Beneficiary, for all such



income, rents, issues, deposits, profits and proceeds and apply the same to the indebtedness secured hereby. It is understood and agreed that neither the foregoing assignment of leases, income, rents, issues, deposits, profits and proceeds to Beneficiary nor the exercise by Beneficiary of any of its rights or remedies under this Paragraph 2.22 or under Paragraph 2.28 hereof shall be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment or operation of all or any portion thereof. Notwithstanding anything to the contrary contained herein or in the Note secured hereunder, so long as no Event of Default, as defined in the Loan Agreement, shall have occurred, Trustor shall have a license to collect all income, rents, issues, deposits, profits and proceeds from the Property. Upon the occurrence of an Event of Default, such license shall be deemed revoked and any rents received thereafter by Trustor shall be delivered in kind to Beneficiary. Trustor hereby irrevocably constitutes and appoints Beneficiary its true and lawful attorney-in-fact to enforce in Trustor's name or in Beneficiary's name or otherwise all rights of Trustor in the instruments, including without limitation checks and money orders, tendered as payments of rents and to do any and all things necessary and proper to carry out the purposes hereof.

H. Other Rights and Obligations.

2.23. In addition to any other grant, transfer or assignment effectuated hereby, without in any manner limiting the generality of the grants in Article I hereof, Trustor shall collaterally assign to Beneficiary Trustor's interest in all agreements, contracts, leases, licenses and permits affecting the Property in any manner whatsoever, such assignments to be made, if so requested by Beneficiary, by instruments in form satisfactory to Beneficiary but no such assignment shall be construed as a consent by Beneficiary to any agreement, contract, license or permit so assigned, or to impose upon Beneficiary any obligations with respect thereto.

2.24. In the event of the passage, after the date of this Deed of Trust, of any law deducting from the value of the Property for the purpose of taxation, any lien thereon, or changing in any way the laws now in force for the taxation of deeds of trust or debts secured by deeds of trust, or the manner of the collection of any such taxes, so as to affect this Deed of Trust, or imposing payment of the whole or any portion of any taxes, assessments or other similar charges against the Property upon Beneficiary, the indebtedness secured hereby shall immediately become due and payable at the option of Beneficiary; provided, however, that such election by Beneficiary shall be ineffective if such law either (a) shall not impose a tax upon Beneficiary nor increase any tax now payable by Beneficiary or (b) shall impose a tax upon Beneficiary or increase any tax now payable by Beneficiary and prior to the due date: (i) Trustor is permitted by law and can become legally obligated to pay such tax or the increased portion thereof (in addition to all interest, additional interest and other charges payable hereunder and under the Note) without exceeding the applicable limits imposed by the usury laws of the State of Nevada; (ii) Trustor does pay such tax or increased portion; and (iii) Trustor agrees with Beneficiary in writing to pay, or reimburse Beneficiary for the payment of, any such tax or increased portion thereof when thereafter levied or assessed against the



Property or any portion thereof. The obligations of Trustor under such agreement shall be secured hereby.

2.25. If required by Beneficiary at any time during the term of this Deed of Trust, Trustor will execute and deliver to Beneficiary, in form satisfactory to Beneficiary, an additional security agreement and/or financing statement covering all personal property of Trustor which may at any time be furnished, placed on, or annexed or made appurtenant to the Property and used, useful or held for use, in the operation of the improvements thereon. Any breach of or default under such security agreement shall constitute an event of default under this Deed of Trust.

2.26. Trustor shall do any and all acts which, from the character or use of the Property or the Collateral, may be reasonably necessary to protect and preserve the security of Beneficiary, the specific enumerations herein not excluding the general.

2.27. Trustor will faithfully perform each and every covenant to be performed by Trustor under any lien or encumbrance upon or affecting the Property, including, without limiting the generality hereof, mortgages, deeds of trust, leases, declaration of covenants, easements, conditions and/or restrictions and other agreements which affect the Property, in law or in equity, which Beneficiary reasonably believes may be prior and superior to the lien or charge of this Deed of Trust. A breach of or a default under any such lien or encumbrance shall constitute an event of default under this Deed of Trust.

2.28. Upon election of either Beneficiary or Trustee so to do, employment of an attorney is authorized and payment by Trustor of all attorneys' fees, costs and expenses in connection with any action and/or actions (including the cost of evidence or search of title), which may be brought for the foreclosure of this Deed of Trust, and/or for possession of the property covered hereby, and/or for the appointment of a receiver, and/or for the enforcement of any covenant or right in this Deed of Trust contained as hereinafter provided shall be secured hereby.

2.29. No personal property covered by the security interest granted herein may be removed from the Property without the prior written consent of Beneficiary unless Trustor shall immediately replace such personal property with similar property of equivalent value on which Beneficiary has a valid first lien, or unless such removal shall not result in any substantial impairment of Beneficiary's security hereunder.

2.30. In the event that the interest of Trustor in the Property, or any part thereof, or any interest therein is sold, conveyed, alienated, encumbered or otherwise transferred by Trustor, whether by operation of law or otherwise other than to an entity that is majority owned by a member of the Trustor, the Note, irrespective of the maturity dates expressed therein, at the option of Beneficiary, and without demand or notice, shall immediately become due and payable. In the event that Beneficiary does not elect to declare the Note immediately due and payable, then, unless indicated otherwise in writing by Beneficiary, Trustor shall nevertheless remain primarily liable for



the obligations hereunder and under the Note and any other instrument securing the Note. This provision shall apply to each and every sale, conveyance, alienation, encumbrance or other transfer, regardless of whether or not Beneficiary has consented to, or waived, Beneficiary's rights hereunder, whether by action or non-action, in connection with any previous sale, conveyance, alienation, encumbrance or other transfer and whether or not the holder has received any payments after said transfer.

2.31. Trustor agrees to execute such documents and take such action as Beneficiary shall reasonably determine to be necessary or desirable to further evidence, perfect or continue the perfection of the lien and security interest granted by Trustor herein.

2.32. Following a fifteen (15) day written notice to Trustor (unless Beneficiary reasonably determines that emergency circumstances exist which would make the giving of such notice impractical), unless Trustor is contesting such matter in accordance with the loan documents executed in connection herewith, at the time and in the manner herein provided, Beneficiary may, without releasing Trustor from any obligation hereunder and without waiving its right to declare a default or impairing any declaration of default as herein provided or any sale proceeding predicated thereon:

(a) Make any payment or perform any act in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary and Trustee being authorized to enter upon and take possession of the Property for such purposes;

(b) Commence, appear in and/or defend any action or proceedings purporting to affect the security hereof, and/or any additional or other security therefor, and/or the interests, rights, powers and/or duties of Trustee and/or Beneficiary hereunder, whether brought by or against Trustor, Trustee or Beneficiary;

(c) Pay, purchase, contest or compromise any claim, debt, lien, charge or encumbrance which in the judgment of either may affect or appear to affect the security of this Deed of Trust, the interest of Beneficiary or the rights, powers and/or duties of Trustee and/or Beneficiary hereunder; and

(d) Upon an Event of Default hereunder or under the Note, and subject to the provisions of the Lease, the rights of subtenants, and the laws, regulations and policies of any governmental or quasi-governmental agency with jurisdiction over the Property, Beneficiary is authorized either by itself or by its agents to be appointed by it for that purpose or by a receiver appointed by a court of competent jurisdiction, to enter into and upon and take and hold possession of any portion or all of the Property, both real and personal, and exclude Trustor and all other persons therefrom; and to operate and manage the Property and rent and lease the same, perform such reasonable acts of repair or protection as may be reasonably necessary or proper to conserve the value thereof, and collect any and all income, rents, issues, profits and proceeds therefrom, the same



being hereby assigned and transferred to Beneficiary for the benefit and protection of Beneficiary (subject to the license in favor of Trustor granted above), and from time to time apply and/or accumulate such income, rents, issues, profits and proceeds in such order and manner as Beneficiary or such receiver in its sole discretion shall consider advisable, to or upon the following: the expense of receivership, if any, the proper costs of upkeep, maintenance, repair and/or operation of the Property, the repayment of any sums theretofore or thereafter advanced pursuant to the terms of this Deed of Trust upon the indebtedness secured hereby, the taxes and assessments upon the Property then due or next to become due, and/or upon the unpaid principal of such indebtedness. The collection and/or receipt of income, rents, issues, profits and/or proceeds from the Property by Beneficiary, its agent or receiver, after declaration of default and election to cause the Property to be sold under and pursuant to the terms of this Deed of Trust shall not affect or impair such default or declaration of default or election to cause the Property to be sold or any sale proceedings predicated thereon, but such proceedings may be conducted and sale effected notwithstanding the receipt and/or collection of any such income, rents, issues, profits and/or proceeds. Any such income, rents, issues, profits and/or proceeds in the possession of Beneficiary, its agent or receiver, at the time of sale and not theretofore applied as herein provided, shall be applied in the same manner and for the same purposes as the proceeds of the sale. Neither Trustee nor Beneficiary shall be under any obligation to make any of the payments or do any of the acts referred to in this Paragraph and any of the actions referred to in this Paragraph may be taken by Beneficiary without regard to the adequacy of the security for the indebtedness evidenced by the Note.

III. DEFAULTS AND REMEDIES.

A. Defaults.

3.01. Subject to any applicable notice requirement and opportunity to cure, an Event of Default under the Loan Agreement shall be an Event of Default hereunder.

B. Remedies.

3.02. Upon the occurrence of any Event of Default hereunder, or under the Loan Agreement or any other documents executed in connection herewith, then and in each such event, Beneficiary may declare all sums secured hereby immediately due and payable either by commencing an action to foreclose this Deed of Trust as a mortgage, or by the delivery to Trustee of a written declaration of default and demand for sale and of written notice of default and of election to cause the Property to be sold, which notice Trustee shall cause to be duly filed for record in case of foreclosure by exercise of the power of sale herein. Should Beneficiary elect to foreclose by exercise of the power of sale herein, Beneficiary shall also deposit with Trustee this Deed of Trust, the Note and such receipts and evidence of expenditures made and secured hereby as Trustee may require, and notice of sale having been given as then required by law and after lapse of such time as may then be required by law after recordation of such notice of default, Trustee, without demand on Trustor, shall sell the Property at the time and place of sale fixed by it in said notice of sale, either as a whole or in



separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed or deeds conveying the Property, or any portion thereof, so sold, but without any covenant or warranty, express or implied. The recitals in such deed or deeds of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at such sale.

3.03. Beneficiary, from time to time before Trustee's sale, may rescind any such notice of breach or default and of election to cause the Property to be sold by executing and delivering to Trustee a written notice of such rescission, which notice, when recorded, shall also constitute a cancellation of any prior declaration of default and demand for sale. The exercise by Beneficiary of such right of rescission shall not constitute a waiver of any breach or default then existing or subsequently occurring, or impair the right of Beneficiary to execute and deliver to Trustee, as above provided, other declarations of default and demand for sale, and notices of breach or default, and of election to cause the Property to be sold to satisfy the obligations hereof, nor otherwise affect any provision, agreement, covenant or condition of the Note, the Loan Agreement and/or of this Deed of Trust or any of the rights, obligations or remedies of the parties hereunder.

3.04. After deducting all costs, fees and expenses of Trustee and of this Trust, including the cost of evidence of title in connection with sale and attorneys' fees, Trustee shall apply the proceeds of sale as required by applicable law.

3.05. If Beneficiary at any time holds additional security for any obligations secured hereby, it may enforce the terms hereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder, and may apply the proceeds upon the indebtedness secured hereby without affecting the status of or waiving any right to exhaust all or any other security, including the security hereunder, and without waiving any breach or default or any right or power whether exercised hereunder or contained herein or in any such other security.

3.06. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by this instrument to Trustee or Beneficiary or to which either of them may be otherwise entitled, may be exercised concurrently or independently, from time to time and as often as may be deemed expedient by Trustee or Beneficiary and either of them may pursue inconsistent remedies.

3.07. Subject to any notice requirement and opportunity to cure contained herein, in the case of an Event of Default hereunder, Beneficiary, as a matter of right and without notice to Trustor or anyone claiming under it, and without regard to the then value of the Property or the



interest of Trustor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Property, and Trustor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Beneficiary in case of entry as provided herein and shall continue as such and exercise all such powers until the date of confirmation of sale of the Property unless such receivership is sooner terminated.

3.08. Beneficiary and Trustee acknowledge, understand and agree that, to the extent the prior approval of the Gaming Authorities is required pursuant to applicable law for the exercise, operation and effectiveness of any remedy hereunder or under any other Loan Document (as defined in the Loan Agreement), or the taking of any action that may be taken by Beneficiary or Trustee hereunder or under any other Loan Document, including without limitation the taking of possession and disposition of collateral consisting of Gaming Equipment, such remedy or action shall be subject to such prior approval of the Gaming Authorities and the Beneficiary or Trustee may be subject to being called forward for licensing or a finding of suitability. 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 provision of Applicable Gaming Laws, and all provisions of this Deed of Trust are intended to be subject to all mandatory provisions of the Applicable Gaming Laws, which may be controlling.

3.09. All rights, remedies and powers in this Deed of Trust may be exercised only to the extent that the exercise thereof does not violate any provision of the Applicable Gaming Laws, and all the provisions of this Deed of Trust are intended to be subject to all mandatory provisions of the Applicable Gaming Laws which may be controlling.

IV. COLLATERAL.

4.01. With respect to the security interest granted in Paragraph 1.02, Beneficiary shall have all the rights and remedies granted to a secured party under Article 9 of the Uniform Commercial Code, as well as all other rights and remedies available at law or in equity; provided that Beneficiary shall first apply for and receive all required approvals of the Gaming Authorities having jurisdiction over the and disposition of Gaming Equipment prior to the sale or disposition thereof. Upon an Event of Default, Trustor shall, upon the demand of Beneficiary, assemble all of such personal property and make it available to Beneficiary at the Property, which is hereby agreed to be reasonably convenient to Beneficiary. The proceeds of any sale of such personal property shall be applied first to the expenses of Beneficiary in retaking, holding, preparing for sale, selling or similar matters, including reasonable attorney's fees.

4.02. Until Beneficiary exercises its right to collect proceeds of the Collateral pursuant hereto, Trustor will collect with diligence any and all proceeds of the Collateral. Upon an Event of Default and written request by Beneficiary, any proceeds received by Trustor shall be in trust for Beneficiary, and Trustor shall keep all such collections separate and apart from all other



funds and property so as to be capable of identification as the property of Beneficiary and shall deliver such collections at such time as Beneficiary may request to Beneficiary in the identical form received, properly endorsed or assigned when required to enable Beneficiary to complete collection thereof.

4.03. Trustor shall (i) permit representatives of Beneficiary to inspect the Collateral and Trustor's books and records relating to the Collateral and make extracts therefrom and to arrange for verification of the amount of Collateral, under reasonable procedures acceptable to Beneficiary, at Trustor's expense; (ii) promptly notify Beneficiary of any attachment or other legal process levied against any of the Collateral; (iii) reimburse Beneficiary upon demand for any and all costs, including without limitation reasonable attorneys' and accountants' fees, and other expenses incurred in collecting any sums payable by Trustor under any obligation secured hereby, or in the checking, handling and collection of the Collateral and the preparation and enforcement of any agreement relating thereto; (iv) notify Beneficiary of each location at which the Collateral is or will be kept, other than for temporary processing, storage or similar purposes, and of any removal thereof to a new location; (v) provide, maintain and deliver to Beneficiary certificates of insurance insuring the Collateral against loss or damage by such risks and in such amounts, forms and by such companies as Beneficiary may reasonably require and with loss payable to Beneficiary, and in the event Beneficiary takes possession of the Collateral, the insurance policy or policies and any unearned or returned premium thereon shall at the option of Beneficiary become the sole property of Beneficiary unless such insurance is effected through blanket policies; (vi) do all acts necessary to maintain, preserve and protect all Collateral, keep all Collateral in good condition and repair and prevent any waste or unusual or unreasonable depreciation thereof; and (vii) join with Beneficiary at its request from time to time in executing financing statements, amendments thereto and continuation statements, and pay the cost of the filing of the same whenever Beneficiary reasonably deems desirable, and execute and deliver to Beneficiary further documents and instruments and do such other acts and things as Beneficiary may reasonably request in order to effectuate fully the purposes and intent hereof. Trustor hereby authorizes Beneficiary to file financing statements, amendments, and continuation statements in such filing offices as Beneficiary may determine appropriate in connection with the security interest granted herein.

4.04. Beneficiary may at any time, without prior notice to Trustor, collect proceeds of the Collateral and may give notice of assignment to any and all of Trustor's debtors, and Trustor does hereby irrevocably constitute and appoint Beneficiary its true and lawful attorney-in-fact to enforce in Trustor's name or in Beneficiary's name or otherwise all rights of Trustor in the Collateral and to do any and all things necessary and proper to carry out the purposes hereof; provided, however, Trustor shall have the right to collect, retain, use and enjoy such proceeds and enforce such rights subject to the terms hereof and the documents securing Trustor's obligations hereunder prior to any Event of Default under the Loan Agreement. It is hereby recognized that the power of attorney herein granted is coupled with an interest and shall not be revocable and Beneficiary shall have the right to exercise this power of attorney upon any Event of Default under the Loan Agreement. (Beneficiary shall promptly notify Trustor of any action taken by Beneficiary pursuant to this



provision but Beneficiary's failure to do so shall not invalidate any such act, affect any of Trustor's obligations to Beneficiary or give rise to any right, claim or defense on the part of Trustor).

V. MISCELLANEOUS PROVISIONS.

5.01. By accepting payment of any sum secured hereby after its due date or in an amount less than the sum due, Beneficiary does not waive its rights either to require prompt payment when due of all other sums so secured or to declare a default as herein provided for failure to pay the total sum due.

5.02. At any time, or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of the Property, Trustee may: reconvey any part of the Property; consent in writing to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

5.03. Beneficiary shall be subrogated for further security to the lien, although released of record, of any and all encumbrances paid out of the proceeds of the loan secured by this Deed of Trust.

5.04. Subject to the provisions of the Tenant Leases, the rights of any subtenants, and any laws, regulations and policies of any governmental or quasi-governmental entity with jurisdiction over the Property, Beneficiary is authorized by itself, its agents, employees or workmen, to enter at any reasonable time upon any part of the Property for the purpose of inspecting the same, and for the purpose of performing any of the acts it is authorized to perform under the terms of the Loan Agreement and this Deed of Trust.

5.05. Subject to the provisions of Paragraph 2.30 hereof, this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the owner and holder, including pledgees, of the Note, now or hereafter and whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

5.06. Trustee, upon presentation to it of an affidavit signed by or on behalf of Beneficiary, setting forth any fact or facts showing a default by Trustor under any of the terms or conditions of this Deed of Trust, is authorized to accept as true and conclusive all facts and statements in such affidavit and to act hereunder in complete reliance thereon.



5.07. If any provision hereof should be held unenforceable or void, then such provision shall be deemed separable from the remaining provisions and shall in no way affect the validity of this Deed of Trust.

5.08. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. The Trust created hereby is irrevocable by Trustor.

5.09. Trustee shall be under no obligation to notify any party hereto of any action or proceeding of any kind in which Trustor, Beneficiary and/or Trustee shall be a party, unless brought by Trustee, or of any pending sale under any other deed of trust.

5.10. Beneficiary may, from time to time, by a written instrument executed and acknowledged by Beneficiary and recorded in the county or counties where the Property is located, substitute a successor or successors for the Trustee named herein or acting hereunder.

5.11. The right to plead any and all statutes of limitation as a defense to any demand secured by this Deed of Trust is hereby waived to the full extent permitted by law.

5.12. All notices hereunder shall be deemed to have been duly given if by telefax, delivered by courier service or mailed by United States registered or certified mail, with return receipt requested, postage prepaid to the parties at the following addresses (or at such other addresses as shall be given in writing by any party to the others) and shall be deemed complete upon such personal delivery, or on the first day following receipt by courier service or telefax, or five (5) business days following mailing:

To Trustor:

**G PEG II, LLC
1627 U.S. Highway 395 North
Minden, Nevada 89423**

To Beneficiary:

**Nevada State Bank
1 West Liberty Street
Reno, Nevada 89501**

5.13. Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the address set forth above.

5.14. Upon written request of Beneficiary stating that all sums secured hereby have been paid and upon surrender to Trustee of this Deed of Trust and the Note for cancellation and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness



thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto". Upon such reconveyance, any security interest granted herein shall be terminated.

5.15. Without affecting the liability or obligations of any person, including Trustor, for the performance of any obligations secured hereby (excepting only any person or property otherwise expressly released in writing by Beneficiary), Beneficiary may from time to time and without notice release any person liable for payment of any of said indebtedness or the performance of said obligations, extend the time of payment or (with the consent of Trustor) otherwise alter the terms of any of said obligations, accept additional security therefor of any kind, including trust deeds or mortgages, or alter, substitute or release any property securing said obligations.

5.16. The provisions of this Deed of Trust governing the contractual rights and obligations of Trustor, Beneficiary and Trustee shall be construed according to the laws of the State of Nevada. Notwithstanding anything to the contrary contained herein, this Deed of Trust is subject to the Applicable Gaming Laws. Beneficiary and Trustee each agrees to cooperate with the Gaming Authorities in connection with the administration of their regulatory jurisdiction over Trustor, including the provision of such documents and other information as may be requested by the Gaming Authorities relating to Trustor or the Loan Documents. The provisions of this Deed of Trust are intended to be supplemental and in addition to the provisions contained in the Loan Agreement. Any assignment of this Deed of Trust shall be considered an assignment of the Note and the Loan Agreement.

5.17. Whenever in this Deed of Trust a right is given to Beneficiary, which right is affected by Applicable Gaming Laws or the enforcement of which is subject to Applicable Gaming Laws, the enforcement of any such right shall be subject to Applicable Gaming Laws and approval, if so required, of the applicable Gaming Authorities. Without limiting the generality of the foregoing, Beneficiary acknowledges that (a) Beneficiary is subject to being called forward by the Gaming Authorities, in their discretion, for licensing or a finding of suitability as a lender to a gaming licensee, and (b) to the extent the prior approval of the Gaming Authorities is required pursuant to applicable law for the exercise, operation and effectiveness of any remedy hereunder or under any other Loan Document, or the taking of any action that may be taken by Beneficiary or under any other Loan Document, such remedy or action shall be subject to such prior approval of the Gaming Authorities.

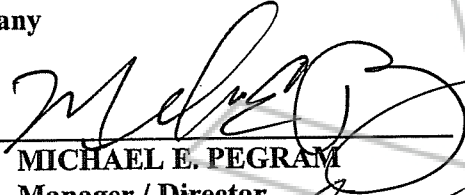
5.18. This Deed of Trust may be executed in counterparts, all of which executed counterparts shall together constitute a single document. Signature pages may be detached from the counterparts and attached to a single copy of this document to physically form one document.

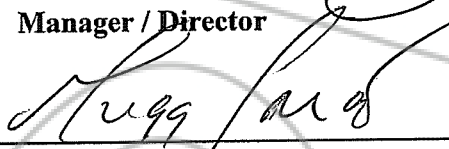
5.19. In the event that Beneficiary forecloses the lien of this Deed of Trust, such foreclosure shall not result in a merger of the fee simple estate and the leasehold estate.



IN WITNESS WHEREOF, Trustor has executed this Deed of Trust and Security Agreement and Fixture Filing with Assignment of Rents as of the day first written above.

G PEG II, LLC, a Nevada limited liability company

By: 
MICHAEL E. PEGRAM
Manager / Director

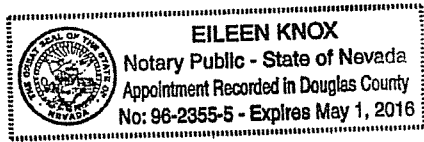
By: 
GREGG CARANO
Manager / Director

"Trustor"



STATE OF NEVADA)
)ss.
COUNTY OF Douglas)

This instrument was acknowledged before me on October 29, 2012, by Michael E. Pegram, as Manager / Director of G PEG II, LLC.



Eileen Knox
Notary Public
My Commission Expires: 5-1-2016

STATE OF NEVADA)
)ss.
COUNTY OF Washoe)

This instrument was acknowledged before me on October 29, 2012, by Gregg Carano, as Manager / Director of G PEG II, LLC.



Kerrri LaFERRIERE-HOOPER
Notary Public
My Commission Expires: 3-25-15



EXHIBIT "A"

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of Douglas, described as follows:

PARCEL 1

A parcel of land situate in the Southeast Quarter of the Southwest Quarter of Section 29, Township 13 North, Range 20 East, MDM, and being more particularly described as follows;

Beginning at the Northwest corner of that Parcel shown as A.P.N. 1320-29-401-006 on that Record of Survey for Douglas County, Recorded as Document No. 673541, April 27, 2006, Official Records of Douglas County;

Thence S33°24'41"W, a distance of 222.88 feet;

Thence N62°02'04"W, a distance of 47.82 feet;

Thence S27°13'20"W, a distance of 37.63 feet;

Thence S79°46'18"W, a distance of 95.20 feet;

Thence N62°39'08"W, a distance of 76.71 feet;

Thence S27°21'18"W, a distance of 118.07 feet;

Thence S62°41'32"E, a distance of 82.00 feet to the Westerly Right-of-Way of Eighth Street;

Thence S26°59'53"W, along said Westerly Right-of-Way, a distance of 42.00 feet;

Thence N62°40'37"W, leaving said Westerly Right-of-Way, a distance of 132.33 feet;

Thence along a non-tangent curve to the left, having a radius of 85.00 feet, through a central angle of 56°45'57", and an arc length of 84.21 feet, a chord bearing of S55°44'17"W, a chord distance of 80.81;

Thence S27°21'45"W, a distance of 81.55 feet to the North Right-of-Way of Highway 395;

Thence along said Northerly Right-of-Way, N62°38'42"W, a distance of 495.58 feet;

Thence leaving said Northerly Right-of-Way, N27°21'18"E, a distance of 120.00 feet;

Thence N62°38'45"W, a distance of 207.70 feet;

Thence N27°42'56"E, a distance of 58.83 feet;

Thence along a non-tangent curve to the left, with a radial bearing of N37°00'14"E, having a radius of 22.13 feet, through a central angle of 89°19'03", and an arc length of 34.50 feet;



Thence N27°15'37"E, a distance of 258.43 feet;

Thence along a curve to the left, having a radius of 12.07 feet, through a central angle of 38°58'22", and an arc length of 8.21 feet;

Thence N31°02'07"W, a distance of 62.90 feet;

Thence N71°52'56"W, a distance of 397.31 feet to the East line of Parcel 1A-1, as shown on that Record of Survey for Mulreany Associates on file as Document No. 588800, Official Records for Douglas County;

Thence N00°59'13"E, along said East line, a distance of 427.85 feet;

Thence S68°20'03"E, leaving said East line, a distance of 1031.14 feet;

Thence S27°21'15"W, a distance of 146.91 feet;

Thence S62°38'42"E, a distance of 767.66 feet;

Thence S27°21'18"W, a distance of 105.13 feet;

Thence N75°01'00"W, a distance of 168.86 feet to the Point of Beginning.

Also shown as Parcel 1 on Record of Survey Map recorded May 19, 2011 in as File No. 783462, Official Records

Document No. 783461 is provided to comply with the requirements of NRS 111.312

APN: 1320-29-401-018

PARCEL 2

A parcel of land situate in the Southeast Quarter of Section 30 and the Southwest Quarter of Section 29, Township 13 North, Range 20 East, MDM, and being more particularly described as follows;

Commencing at the Northwest corner of that Parcel shown as A.P.N. 1320-29-401-006 on that Record of Survey for Douglas County, Recorded as Document No. 673541, April 27, 2006, Official Records of Douglas County;

Thence N69°57'00"W, a distance at 1055.17 feet to the Point of Beginning;

Thence S31°02'07"E, a distance of 62.90 feet;

Thence along a curve to the right, having a radius of 12.07 feet, through a central angle of 38°58'22", and an arc length at 8.21 feet;

Thence S27°15'37"W, a distance of 258.43 feet;



Thence along a curve to the right, having a radius of 22.13 feet, through a central angle of 89°19'03", and an arc length of 34.50 feet;

Thence S27°42'56"W, a distance of 106.58 feet;

Thence N62°38'46"W, a distance of 65.00 feet;

Thence N27°21'24"E, a distance of 57.00 feet;

Thence N62°38'45"W, a distance of 209.92 feet;

Thence 801°02'47"W, a distance of 144.17 feet to the North Right-of-Way of Highway 395;

Thence N62°38'42"W, along said North Right-of-Way, a distance of 41.44 feet to the Easterly line of Parcel 4A, as shown on that Record of Survey for Mulreany Associates on file as Document No. 588800, Official Records for Douglas County;

Thence N06°15'15"E, along said Easterly line, a distance of 420.94 feet;

Thence N00°59'13"E, continuing along said Easterly line, a distance of 43.44 feet;

Thence S71°52'56"E, leaving said Easterly line, a distance of 397.31 feet to the Point of Beginning.

Also shown as Parcel 3 on Record of Survey Map recorded May 19, 2011 in as File No. 783462, Official Records

Document No. 783461 is provided to comply with the requirements of NRS 111.312

APN 1320-29-401-020

PARCEL 3

A parcel of land situate in the Southeast Quarter of the Southwest Quarter of Section 29, Township 13 North, Range 20 East, MDM, and being more particularly described as follows;

Commencing at the Northwest corner of that Parcel shown as A.P.N. 1320-29-401-006 on that Record of Survey for Douglas County, Recorded as Document No. 673541, April 27, 2006, Official Records of Douglas County;

Thence S33°24'41"W, a distance of 129.24 feet;

Thence S33°24'41"W, a distance of 93.47 feet;

Thence N62°02'04"W, a distance of 47.82 feet;

Thence S27°13'20"W, a distance of 37.63 feet;

Thence S79°46'18"W, a distance of 95.20 feet;



Thence N62°39'08"W, a distance of 76.71 feet;

Thence S27°21'18"W, a distance of 118.07 feet;

Thence N62°43'35"W, a distance of 36.92 feet;

Thence S79°46'18"W, a distance of 42.47 feet;

Thence along a curve to the left, having a radius of 110.00 feet, through a central angle of 52°25'00", and an arc length of 110.63 feet;

Thence S27°21'45"W, a distance of 71.56 feet;

Thence along a curve to the right, having a radius of 10.00 feet, through a central angle of 90°00'00", and an arc length of 15.71 feet to the Northerly Right-of-Way of Highway 395;

Thence along said Northerly Right-of-Way, N62°38'42"W, a distance of 460.59 feet to the Point of Beginning;

Thence leaving said Northerly Right-of-Way, N27°21'18"E, a distance of 120.00 feet;

Thence N62°38'45"W, a distance of 207.70 feet;

Thence S27°42'56"W, a distance of 47.75 feet;

Thence N62°38'46"W, a distance of 65.00 feet;

Thence S27°21'24"W, a distance of 72.24 feet to said Northerly Right-of-Way of Highway 395;

Thence along said Northerly Right-of-Way, S62°38'42"E, a distance of 273.00 feet and the Point of Beginning.

Also shown as Parcel 3 on that Record of Survey recorded on January 4, 2010 as Document No. 756590, Official Records.

Document No. 756591 is provided to comply with the requirements of NRS 111.312.

APN: 1320-29-401-014

PARCEL 4:

That portion of the Southwest one-quarter of Section 29, Township 13 North, Range 20 East, M.D.B.&M., more particularly described as follows:

COMMENCING at the intersection of the Northerly right of way line of U.S. Route 395, also known as Railroad Avenue, and the Easterly right of way line, extension of Seventh Street as shown on that certain Record of Survey recorded September 2, 1980, in Book 980, Page 057, Document No. 48058, Official Records of Douglas County, State of Nevada, being the True



Point of Beginning; thence North 63°25'00" West, 70.25 feet; thence North 26°35'00" East, 110.00 feet; thence South 63°25'00" East, 70.25 feet; thence South 26°35'00" West, 110.00 feet to the TRUE POINT OF BEGINNING.

Reference is made to Record of Survey recorded September 2, 1980 in Book 980, Page 57, Document No. 48058, Official Records, Douglas County, Nevada.

Together with a Non-exclusive easement for road and incidental purposes, over, under and across the East 13 feet of the following described Parcel of land:

A rectangular piece of parcel of land situate, lying and being in the Southwest 1/4 of the Southwest 1/4 of Section 29, Township 13 North, Range 20 East, M.D.B.&M., adjacent to the Northern side of Railroad Avenue (U.S. 395) in the Town of Minden, Douglas County, Nevada, more particularly described as follows:

Beginning at the point of intersection of the Western Boundary of Seventh Street extended Northerly and the Northern Boundary of Railroad Avenue (U.S. 395) in said Town of Minden; thence North 63°25' West, along said Northern Boundary, a distance of 159 feet to a point; thence North 26°35' East, a distance of 120 feet to a point; thence South 63°25' East, a distance of 159 feet to a point; thence South 26°35' West, a distance of 120 feet to POINT OF BEGINNING.

Document No. 418590 is provided to comply with the provisions of NRS111.312

APN: 1320-29-401-009

PARCEL 5:

A parcel of land situate in the Southeast Quarter of the Southwest Quarter of Section 29, Township 13 North, Range 20 East, MDM, and being more particularly described as follows;

Commencing at the Northwest corner of that Parcel shown as A.P.N. 1320-29-401-006 on that Record of Survey for Douglas County, Recorded as Document No. 673541, April 27, 2006, Official Records at Douglas County;

Thence S87°07'33"W, a distance of 1250.51 feet to a point on the North Right-of-Way at Highway 395 and the Point of Beginning;

Thence N62°38'42"W, along said North Right-of-Way, a distance of 146.02 feet;

Thence N01°02'47"E, leaving said North Right-of-Way, a distance of 144.17 feet;

Thence S62°38'45"E, a distance of 209.92 feet;

Thence S27°21'24"W, a distance of 129.24 feet to the Point of Beginning.

Also shown as Parcel 1 on Record of Survey Map recorded May 19, 2011 in as File No. 783462

Document No. 783461 is provided to comply with the requirements of NRS 111.312



APN: 1320-29-401-019

PARCEL 6:

Being a portion of the Southeast 1/4 of Section 30, Township 13 North, Range 20 East, M.D.B.&M. in the County of Douglas, State of Nevada, being more particularly described as follows:

Beginning at the Southeasterly corner of Parcel 4 of the Record of Survey in support of a Boundary Line Adjustment recorded in Book 497, at Page 3362, as Document No. 411708 of the Official Records of said Douglas County, said corner being on the Northeasterly right-of-way line of U.S. Highway 395; thence Northwesterly along said right-of-way line, North 63°25'00" West, 222.97 feet; thence North 23°37'31" East, 104.73 feet; thence North 66°17'29" West, 57.99 feet to a point on the Northwesterly line of that certain parcel described in the Grant, Bargain and Sale Deed, recorded in Book 1286, at Page 4355, as Document No. 147792 of the Official Records of said Douglas County; thence Northeasterly along said Northwesterly line North 23°46'21" East, 284.45 feet; thence South 66°13'39" East, 150.16 feet to a point on the Easterly line of said Parcel 4; thence Southerly along the Easterly line of said Parcel 4, South 0°15'05" West, 9.28 feet; thence South 5°47'19" West, 411.65 feet to the Point of Beginning.

Said parcel of land further imposed as Parcel 4A on that certain Record of Survey recorded September 4, 2003, as Document No. 588800.

Document No. 588801 is provided to comply with the requirements of NRS 111.312.

APN: 1320-30-803-004

PARCEL 7:

A parcel of land situate in the Southeast Quarter of the Southwest Quarter of Section 29, Township 13 North, Range 20 East, MDM, and being more particularly described as follows;

Commencing at the Northwest corner of that Parcel shown as AP.N. 1320-29-401-006 on that Record of Survey for Douglas County, Recorded as Document No. 673541, April 27, 2006, Official Records of Douglas County;

Thence S33°24'41"W, a distance of 222.88 feet;

Thence N62°02'04"W, a distance of 47.82 feet;

Thence S27°13'20"W, a distance of 37.63 feet to the Point of Beginning;

Thence S79°46'18"W, a distance of 95.20 feet;

Thence N62°39'08"W, a distance of 76.71 feet;

Thence S27°21'18"W, a distance of 118.07 feet;

Thence S62°40'37"E, a distance of 82.00 feet to a point on the Westerly Right-of-Way of 8th



Street

Thence N26°59'50"E, along said Right-of-Way a distance of 8.19 feet;

Thence continuing along said Right-of-Way, along a non-tangent curve to the right, having a radius of 41.00 feet, through a central angle of 111°40'34", and an arc length of 79.91 feet, a chord bearing of S55°37'44"E and distance of 67.85 feet;

Thence N28°17'01"E, leaving said Right-of-Way a distance of 176.22 feet to the Point of Beginning.

Document No. 781617 is provided to comply with the requirements of NRS 111.312

APN: 1320-29-401-015

PARCEL 8:

A parcel of land situate in the Southwest Quarter of Section 29, Township 13 North, Range 20 East, MDM, and being more particularly described as follows;

Commencing at the intersection of the northerly Right of Way line of U.S. Highway 395, also known as Railroad Avenue, and the Westerly Right of Way line of Seventh Street extended as shown on the certain Record of Survey recorded September 2, 1980, in Book 980, Page 057, as Document No. 48058 of the Official Record of Douglas County, Nevada;

Thence N62°38'42"W, along said Right of Way of U.S. Highway 395 a distance of 159.00 feet the Point of Beginning;

Thence N62°38'42"W, continuing along said Right of Way a distance of 182.17 feet;

Thence N27°21'45"E, leaving said Right of Way a distance of 81.55 feet;

Thence along a curve to the Right, having a radius of 85.00 feet, through a central angle of 56°45'57", an arc length of 84.21 feet;

Thence S62°40'37"E, a distance of 132.33 feet;

Thence S26°59'53"W, a distance of 42.24 feet to the South Right-at-Way of Eighth Street;

Thence S62°38'42"E, along said South Right-at-Way, a distance of 11.17 feet;

Thence S27°21'38"W, leaving said South Right-at-Way, a distance of 110.49 feet to the Point of Beginning.

Document No. 781617 is provided to comply with the requirements of NRS 111.312

APN: 1320-29-401-016