



APNs: 1318-27-001-009 and  
1318-27-001-011

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Akin Gump Strauss Hauer & Feld LLP  
2029 Century Park East  
Suite 2400  
Los Angeles, CA 90067  
Attn: Daniel Shlomi, Esq.

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

THIS CONSTRUCTION DEED OF TRUST, SECURITY AGREEMENT AND  
FIXTURE FILING WITH ASSIGNMENT OF RENTS AND LEASES (this "Deed of Trust") is  
made as of the 8 day of August, 2014, by Neva One, LLC, a Nevada limited liability  
company ("Trustor"), to Stewart Title Company, as trustee ("Trustee"), for the benefit of ABC  
Funding, LLC, a Delaware limited liability company, acting in its capacity as Administrative  
Agent on behalf of the Lenders ("Beneficiary").

RECITALS

A. Trustor, Beneficiary, and Lenders are parties to that certain Credit Agreement of  
even date herewith, as amended, restated, extended, supplemented or otherwise modified from  
time to time (the "Credit Agreement"). Capitalized terms used but not defined herein shall have  
the meaning given to them in the Credit Agreement and if not defined in the Credit Agreement,  
then as provided in the Nevada Uniform Commercial Code.

B. This Deed of Trust is being provided by Trustor to Beneficiary as security for,  
among other things, the payment and performance of the Obligations under the Credit  
Agreement.

NOW THEREFORE, in consideration of the making of the Loan(s) by Lenders and the  
covenants, agreements, representations and warranties set forth in this Deed of Trust:

I. GRANTS AND OBLIGATIONS SECURED

A. Grants.

1.01. LAND. Trustor hereby irrevocably grants, conveys, transfers and assigns  
to Trustee, in trust, with power of sale and right of entry and possession, for the benefit of



Beneficiary, all right, title and interest of Trustor, now owned or hereafter acquired, in and to that certain real property situated in the County of Douglas, State of Nevada, and more particularly described on Exhibit "A" attached hereto and incorporated herein by reference ("Land"), together with all right, title and interest of Trustor in and to:

(a) Improvements. All buildings and other improvements now or hereafter located on any of the Land; all water, water rights, and water stock (whether riparian, appropriative, or otherwise, and whether or not appurtenant), and all applicable applications, permits, rights of diversion, rights to change the point of diversion, pumps and pumping stations related thereto or used in connection therewith and all shares of stock or other evidences of ownership with respect thereto; and all machinery, equipment, appliances, furnishings, inventory, fixtures and other property used or usable in connection with any of 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 located on any of the Land (collectively, the "Improvements");

(b) Rights of Way and Appurtenant or Related Rights. 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 or related to the use or development of the Land or Improvements, including, without limitation, land use or zoning entitlements, use permits, and Tahoe Regional Planning Agency development rights and/or land coverage allowances or rights;

(c) Income. All revenues, income, rents, issues, proceeds, profits, termination or surrender fees, penalties, deposits, charges for services rendered and other amounts arising from the use or enjoyment of all or any portion of the Land and/or Improvements, including, without limitation, the rental or surrender of any office space, guest rooms, retail space, parking space, halls, stores, and offices of every kind, the rental or licensing of signs, sign space or advertising space and all membership fees and dues, rentals, revenues, receipts, income, accounts, accounts receivable, cancellation fees, penalties, credit card receipts and other receivables relating to or arising from rentals, rent equivalent income, income and profits from guest rooms, meeting rooms, conference and banquet rooms, food and beverage facilities, tennis courts, health clubs, spas, vending machines, parking facilities, telephone and television systems, guest laundry, the provision or sale of other goods and services, and any other items of revenue, receipts or other income as identified in the Uniform System of Accounts for Hotels, current edition, whether paid or accruing before or after the filing by or against Trustor of any petition for relief under 11 U.S.C. §101 et seq., as the same may be amended from time to time (the "Bankruptcy Code"), but excluding any excise, sales, value added, use or occupancy taxes or similar governmental charges which are collected directly from patrons or guests, or as part of the sales price of any goods, services, displays or other items, such as gross receipts, room, admissions, cabaret or similar or equivalent taxes (collectively, the "Hotel Revenues"), and all proceeds



from the sale or other disposition of the Hotel Revenues and, during the continuance of an Event of Default (as defined below), the right to receive and apply the Hotel Revenues to the payment and performance of the Secured Obligations (as defined below);

(d) Leasehold Estates. All leasehold estates and all leases and subleases covering the Land and/or the Improvements or any portion thereof or interest therein now or hereafter existing or entered into; and

(e) Deposits. 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 insurance.

Any of the foregoing arising or acquired by Trustor on and after the date hereof, including without limitation the Land and the property described in subparagraphs (a), (b), (c), (d) and (e) of this Section 1.01 are collectively defined hereinafter as "Property".

1.02. COLLATERAL. Trustor hereby grants a security interest to Beneficiary in all of Trustor's right, title and interest in and to the Property (to the extent any such Property is deemed to be personal property under the Uniform Commercial Code from time to time in effect in the State of Nevada) and the following described property and any and all products and proceeds thereof, now owned or hereafter acquired by Trustor (sometimes all of such being collectively referred to herein as "Collateral"), and this Deed of Trust shall accordingly constitute a security agreement as defined in the Nevada Uniform Commercial Code:

(a) Tangible Property. All existing and future goods and tangible personal property located on the Property or wherever located and used or usable in connection with the use, operation or occupancy of the Property or in construction of the Improvements, including, but not limited to, all appliances, furniture and furnishings, fittings, materials, supplies, equipment and fixtures, and all building material, supplies, and equipment now or hereafter delivered to the Property and installed or used or intended to be installed or used therein whether stored on the Property or elsewhere; and all renewals or replacements thereof or articles in substitution thereof;

(b) General Intangibles. All general intangibles relating to design, development, operation, management and use of the Property or construction of the Improvements, 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 construction of the Improvements; (iii) all permits, licenses, approvals, consents, authorizations, franchises and agreements issued or obtained in connection with the use, occupancy or operation of the Property (other than any gaming or other licenses in which a security interest cannot be granted without the consent of third parties if no such consent has been given); (iv) all materials prepared for filing or filed with any governmental agency in connection with the



Property or the Improvements; and (v) all rights under any contract in connection with the development, design, use, operation, management and construction of the Property;

(c) Contracts. All agreements, contracts (including all construction, service, engineering, consulting, architectural and other similar contracts of any nature (including, without limitation, those of any general contractors, subcontractors and materialmen)), certificates, instruments, franchises, permits, licenses, plans, specifications and other documents, and, to the extent lawfully assignable, all licenses, permits, approvals and consents which are required for the sale and service of alcoholic beverages on the Property heretofore or hereafter obtained from applicable state and local authorities, all rights of Trustor as lessee under all personal property leases with respect to the Property and other documents, in each case, to the extent the same may be encumbered or assigned by Trustor (including, but not limited to, if such encumbrance or assignment is permitted provided consent to such assignment or encumbrance is obtained) pursuant to the terms thereof and to the extent permitted by applicable law, and without impairment of the validity or enforceability thereof, now or hereafter entered into, and all rights therein and thereto, respecting or pertaining to the use, occupation, construction, management or operation of the Land and any part thereof and any Improvements or respecting any business or activity conducted on the Land and any part thereof and all right, title and interest of Trustor therein and thereunder, including, without limitation, the right, upon the happening of any default hereunder, to receive and collect any sums payable to Trustor thereunder;

(d) Leases. All leases for any of the Land or space in the Improvements to the extent such leases are deemed to be personal property;

(e) Intellectual Property. All of Trustor's right, title and interest in, to and under all intellectual property, including all trade names, patents, trademarks, service marks, logos, goodwill, domain names, URLs and other online media, copyrights, licenses, any unpatented proprietary information, systems, technology, software, data and databases, websites, marketing materials, reservation systems, telephone numbers, customer lists, data and all other general intangibles relating to or utilized in connection with the operation of the Property;

(f) Accounts. All (i) accounts receivable (including, without limitation, any account, fees, charges or other payments arising from the use and occupancy of hotel rooms and/or other hotel or public facilities at the Property); (ii) credit card receivables; and (iii) reserves, escrows and deposit accounts maintained by Trustor with respect to the Property, including, without limitation, all deposits or wire transfers made to such accounts, and all cash, checks, drafts, certificates, securities, investment property, financial assets, instruments and other property held therein from time to time, and all proceeds, products, distributions, dividends and/or substitutions thereon and thereof;

(g) Plans and Reports. All architectural drawings, plans, specifications, soil tests and reports, feasibility studies, appraisals, engineering reports and similar materials relating to any portion of or all of the Property;



(h) Sureties. All payment and performance bonds or guarantees and any and all modifications and extensions thereof relating to the Property;

(i) Payments. All reserves, deferred payments, deposits, refunds, cost savings, letters of credit and payments of any kind relating to the construction, design, development, operation, occupancy, use and disposition of all or any portion of the Property;

(j) Financing Commitments. All proceeds of any commitment by any lender to extend permanent or other financing to Trustor relating to the Property;

(k) Claims. 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;

(l) Insurance. 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;

(m) Stock or other evidences of ownership. All shares of stock or other evidence of ownership with respect thereto of any part of the Property that is owned by Trustor in common with others, including all water stock relating to the Property, if any, and all documents or rights of membership in any owners' or members' association or similar group having responsibility for managing or operating any part of the Property;

(n) Gaming devices and related property. All "gaming devices," as defined in Nevada Revised Statutes ("NRS") 463.0155, including, without limitation, "slot machines," as defined in NRS 463.0191; "associated equipment," as defined in NRS 463.0136, spare or replacement parts for any gaming devices and associated equipment, including computer chips for such equipment; "cashless wagering systems," as defined in NRS 463.014; all tangible and intangible personal property or fixtures related to any "interactive gaming facility," as defined in NRS 463.016427, or any "inter-casino linked system", as defined in NRS 463.01643; all "covered assets," as defined in NRS 463.01464; all on-line slot metering systems, as described in Nevada Gaming Control Regulation 6.045; gaming or slot machine chips, tokens and paper tickets, markers, and casino bank roll deposits or reserves (including cash, coins, and currency of any type on hand, in any "casino cage" or in any gaming device or otherwise on or about the Land or Improvements); all tangible and intangible personal property, fixtures, or equipment used in connection with or related to any "slot club" or other customer loyalty program, including data bases or other records (expressly excluding any liabilities with respect to any such club or program); and any and all other tangible and intangible personal property, fixtures, or equipment (including, without limitation, computer hardware and software, computer programs, computer files and storage devices and data, other records, maintenance contracts, and leases pertaining to any of the forgoing and their operations and record keeping systems and capabilities wherever located or otherwise related to any gaming device, or "game" or "gambling machine," as defined in NRS 463.0152.



(o) Proceeds. 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 pertaining to the Property now or hereafter existing thereon;

(p) Sale Contracts. All sales contracts, escrow agreements and broker's agreements concerning the sale of any or all of the Property;

including, without limiting the above items, all Goods, Accounts, Documents, Instruments, Deposit accounts, Equipment, Investment property, Money, Chattel Paper and General intangibles, as those terms are defined in the Uniform Commercial Code from time to time in effect in the State of Nevada (the "Nevada Commercial Code").

The personal property in which Beneficiary has a security interest includes goods which are or shall become fixtures on the Property. This Deed of Trust is intended to serve as a fixture filing pursuant to the terms of NRS 104.9334 and NRS 104.9502 of the Nevada Commercial Code. This filing is to be recorded in the real estate records of the county in which the Property are located. In that regard, the following information is provided:

Name of Debtor: Neva One, LLC,  
a Nevada limited liability company

Address of Debtor: See Section 6.11

Name of Secured Party: ABC Funding, LLC,  
a Delaware limited liability company

Address of Secured Party: See Section 6.11

This Deed of Trust is also a "construction mortgage" within the meaning of and subject to the provisions of NRS 104.9334.

Trustor warrants and agrees that there is no financing statement covering the foregoing Collateral (including but not limited to the Property), or any part thereof, on file in any public office.

1.03. MINERAL RIGHTS. Trustor hereby assigns and transfers to Beneficiary 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, but not obligation, in Beneficiary: (i) to receive and receipt therefor, and apply the same to the Secured Obligations and (ii) the right, but not obligation, to demand, sue for and recover any such payments; provided, however, so long as there shall exist no Event of Default that is continuing, Trustor shall have the right to collect and retain such payments and exercise all rights in connection therewith.

1.04. EXCLUDED PROPERTY. Notwithstanding any provision of this Agreement to the contrary, "Property" and "Collateral" shall not include any property described as "Excluded Property" in the Security Agreement and no security interest shall attach to such



property pursuant to this Agreement to the extent described in the definition of Excluded Property as if such definition was incorporated herein *mutatis mutandis*.

B. Secured Obligations.

1.04. The grants, assignments and transfers made in Sections 1.01, 1.02 and 1.03 and Article II are given for the purpose of securing the Obligations (which may be referred to from time to time herein as the "Secured Obligations").

The provisions of NRS 106.300 to 106.400, inclusive, apply to this Deed of Trust, which is to be governed by those provisions. Without limiting the generality of the forgoing statutes, this Deed of Trust shall secure all future advances to Trustor pursuant to the terms of the Credit Agreement, including, without limitation, future advances made after the date of this Deed of Trust, whether such advances are obligatory or are to be made at the option of Beneficiary, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust. All such future advances are intended to and shall have priority from the date this Deed of Trust is recorded up to the maximum amount set forth below. The maximum amount of the indebtedness secured hereby may increase or decrease from time to time, but the total maximum amount of principal so secured at any one time shall not exceed Seventy Two Million Dollars (\$72,000,000).

II. COVENANTS OF TRUSTOR

A. Condition and Operation of Property.

2.01. MAINTENANCE AND PRESERVATION. Trustor: (i) shall maintain, keep and preserve the Property in good condition and repair; (ii) shall complete promptly and in a good and workmanlike manner any Improvement which may be now or hereafter constructed on the Property, and subject to the terms of the Credit Agreement, promptly restore in like manner any Improvement which may be damaged or destroyed thereon from any cause whatsoever and, subject to any right to contest set forth in the Credit Agreement, pay when due all valid claims for labor performed and materials furnished therefor; (iii) shall not commit or permit any waste or deterioration of the Property; (iv) shall keep and maintain abutting sidewalks, alleys, roads and parking areas in good and neat order and repair to the extent owned by Trustor or to the extent Trustor is otherwise so required by applicable law; (v) shall not take (or fail to take) any action, which if taken (or not so taken) would materially increase in any way the risk of fire or other hazard occurring to or affecting the Property or otherwise would materially impair the security of Beneficiary in the Property; (vi) shall not abandon the Property or any portion thereof or leave the Property unprotected, unguarded, vacant or deserted; (vii) shall not, without the prior written consent of Beneficiary, initiate, join in or consent to any change in any zoning ordinance, general plan, specific plan, private restrictive covenant or other public or private restriction limiting the uses currently conducted on the Property by Trustor or by the owner thereof, including the anticipated operation of the Hotel and Casino in accordance with the terms of the Credit Agreement; and (viii) shall secure and maintain in full force and effect all permits necessary for the use, occupancy and operation of the Property as a Hotel and Casino in accordance with the Credit Agreement.



2.02. COMPLIANCE WITH LAWS. Trustor shall comply with all material Legal Requirements now or hereafter affecting the Property or any part thereof or requiring any alteration or improvement to be made thereon or thereto. Trustor shall not commit, knowingly suffer or permit any act to be done in, upon or to the Property or any part thereof in violation of any such material Legal Requirements. Notwithstanding the foregoing, Trustor shall have the right to contest the imposition of any Legal Requirement affecting the Property provided that (i) such contest is made in good faith and diligently prosecuted by Trustor to completion; (ii) no action for the sale of, or the foreclosure of any lien against, the Property arising from or relating to such Legal Requirements shall have been commenced, or if such action shall have been commenced, Trustor shall have provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or foreclosure; and (iii) such contest shall not materially impair the security of Beneficiary in the Property or materially adversely affect the operation of the Property or Trustor's business.

B. Insurance. Trustor shall, at all times insure the Property and provide, maintain and keep in force all of the insurance coverages required pursuant to the terms and conditions of the Credit Agreement. In the event of any casualty or condemnation of the Property, the provisions of the Credit Agreement, including, without limitation, Article VII, shall govern, including, without limitation, the prosecution and disposition of any insurance proceeds or condemnation awards.

C. Payments. Without limiting any of the Obligations, including the obligations of Trustor under the Credit Agreement, Trustor agrees as follows:

2.03. LOAN. Trustor shall pay the Obligations as set forth in the Credit Agreement (including without limitation, those Obligations arising under this Deed of Trust) .

2.04. LIENS. Trustor shall comply with its obligations with respect to Liens and defend its title to the Property as required by the terms of the Credit Agreement, including without limitation, Section 5.04 and Section 6.01 of the Credit Agreement.

2.05. TAXES AND IMPOSITIONS. Trustor shall pay, or cause to be paid Taxes as provided for in the Credit Agreement, including without limitation, Section 5.03 and Section 5.13(a) of the Credit Agreement.

2.07. REIMBURSEMENT. Among the costs and expenses to be reimbursement pursuant to Section 11.05 of the Credit Agreement, Trustor shall pay all reasonable out-of-pocket sums expended or expenses incurred by Trustee or Beneficiary under any of the terms of this Deed of Trust, including without limitation, any reasonable fees and expenses (including without limitation reasonable attorneys' fees and expenses) incurred in connection with any reconveyance of the Property or any portion thereof, or to compel payment under the Credit Agreement, the Indebtedness or any of the other Loan Documents in connection with any default thereunder, including, without limitation, reasonable attorneys' fees, costs and expenses incurred in any bankruptcy or judicial or nonjudicial foreclosure proceeding, with interest from date such amounts are due and payable by Trustor at the Default Rate (as defined in the Credit Agreement), and said sums shall be secured hereby.





2.08. BENEFICIARY'S STATEMENT FEE. Trustor shall pay the reasonable and customary amount demanded by Beneficiary or its authorized servicing agent for any statement regarding the Secured Obligations; provided, however, that such amount may not exceed the maximum amount allowed by law at the time request for the statement is made.

D. Rents and Leases.

2.09. ASSIGNMENT OF RENTS AND LEASES AND HOTEL REVENUES. In addition to any other grant, transfer or assignment effectuated hereby, and without in any manner limiting the generality of the grants in Article I, Trustor hereby transfers and assigns to Beneficiary, as security for the Secured Obligations, all of Trustor's rights, title, and interest in and to: (i) all current and future leases between Trustor and any of the lessees (collectively, "Lessees") of any portion of the Property and all amendments, modifications, renewals and/or extensions thereof; (ii) any guaranties of the Lessees' obligations under any such leases, modifications, amendments, renewals and/or extensions; (iii) rents, income, receipts, accounts, equitable and contract rights, security deposits, issues and profits however arising from the Property (collectively, "Rents"); and (iv) all Hotel Revenues however arising from the Property. Each of said leases, together with all such modifications, amendments, renewals, extensions, guaranties and Rents shall be hereinafter referred to singularly as a "Lease" and collectively as "Leases". Such assignment constitutes a present absolute, irrevocable assignment to Beneficiary of all of Trustor's rights, title and interest in and to the Leases (which term includes but is not limited to the Rents from the Property). So long as there shall exist no Event of Default that is continuing, Trustor shall have a revocable license to collect all Rents and Hotel Revenues from the Property and to retain, use and operate the same. The parties acknowledge that some of the Property and some of the Rents and Leases may be determined under applicable law to be personal property or fixtures. To the extent such Property, Rents or Leases constitute personal property, Trustor, as debtor, hereby grants to Beneficiary, as secured party, a security interest in all such Property, Rents and Leases, to secure payment and performance of the Secured Obligations, and Trustor, as debtor, also has granted a security interest in such Property, Rents and Leases pursuant to that certain Assignment of Leases and Rents dated concurrently herewith, executed by Trustor in favor of Beneficiary, as amended, restated, extended, supplemented or otherwise modified from time to time. The obligations of Trustor hereunder are in addition to and not limited by the Assignment of Leases and Rents. To the extent of any conflict between this Deed of Trust and the Assignment of Leases and Rents, the provision selected by Beneficiary in its sole subjective discretion shall prevail and be controlling.

2.10. LEASE COVENANTS. Trustor shall comply with the terms and conditions of the Credit Agreement as it pertains to any Lease. Beneficiary may request in writing such financial or other information with respect to each proposed Lessee as Beneficiary shall deem reasonably necessary in making its review of such Lease. Without the prior written notice to, and the prior written consent of Beneficiary, Trustor shall not accept prepayments of Rent under any of the Leases for any period in excess of one (1) month prior to accrual. Trustor shall comply with and perform all material covenants, obligations, agreements, warranties and representations of Trustor under each of the Leases in accordance with its terms. Except pursuant to the valid exercise by a Lessee of existing rights under a Lease, Trustor shall not materially modify, amend or alter any of the Leases without the prior written consent of Beneficiary, such consent not to be unreasonably delayed or withheld. Trustor shall not



terminate (except termination of a Lease based on the material default of the Lessee thereunder) or consent to any assignment or subletting under any Leases without the prior written consent of Beneficiary, such consent not to be unreasonably delayed or withheld. Trustor shall neither waive, nor release the Lessees from any material covenants, obligations or conditions under the Leases to be performed by the Lessees. Trustor shall furnish to Beneficiary within thirty (30) days after request by Beneficiary to do so, a written statement containing the names of all Lessees or occupants of the Property, the terms of their respective Leases or tenancies, the spaces occupied and the rentals paid, and if any of such Leases provide for the giving by the Lessee of certificates with respect to the status of such Leases, Trustor shall exercise its right to request such certificates within five (5) Business Days of any demand therefor by Beneficiary. As soon as possible and in any event no later than ten (10) calendar days after any Responsible Officer of Trustor gains knowledge, Trustor shall give notice to Beneficiary of any material default under any of the Leases and give prompt notice to Beneficiary of any notice of default by Trustor under the Leases received by Trustor, together with a complete copy of any such notice. Trustor shall enforce, at its sole cost and expense, short of termination of the Leases, the performance or observance of each and every material covenant, condition and obligation of the Leases to be performed or observed by the Lessees and shall appear in and defend any action in which the validity of any Lease is at issue and shall commence and maintain any action or proceeding necessary to establish or maintain the validity of any Lease and to enforce the provisions thereof. If an Event of Default has occurred and is continuing, Beneficiary shall have the right, but not the obligation, to cure any default of Trustor under any of the Leases and all amounts disbursed in connection with said cure shall be secured by this Deed of Trust.

2.11. FUTURE LEASES. All future Leases must be first be approved by Beneficiary pursuant to the applicable provisions of Section 2.10. Promptly upon execution of any future Lease, Trustor shall deliver a copy of each future Lease to Beneficiary. All future Leases shall be deemed assigned to Beneficiary pursuant to this Deed of Trust. Beneficiary may, at its sole discretion, require that Trustor execute a separate assignment of its interest in any such Leases to Beneficiary.

2.12. WARRANTIES. Trustor warrants and represents to Beneficiary that: (i) Trustor is the sole owner of the entire lessor's interest in the Leases and has not executed any prior assignment of any of Trustor's interest in the Leases or the rights thereunder; (ii) Trustor has not done anything which might prevent Beneficiary from or limit Beneficiary in operating under any of the provisions of Sections 2.10, 2.11, 2.13 and 3.07 with respect to the Leases and the Lessees of the Leases thereunder; (iii) without prior written notice to, and prior written consent of, Beneficiary, Trustor has not accepted and will not accept Rent under the Leases more than one (1) month in advance of its due date; (iv) there are no material defaults now existing under any of the Leases and there exists no state of facts which, with the giving of notice or the passing of time, or both, would constitute a material default under any of the Leases; and (v) each of the Leases are in full force and effect.

2.13. INDEMNIFICATION. Beneficiary shall not be obligated to perform or discharge any obligation under the Leases or hereunder, or by reason of the assignment of Leases to Beneficiary hereunder, and Trustor hereby agrees to hold Beneficiary harmless and indemnify Beneficiary from and against any and all claims, liability, loss, demand or damage which it may or might incur under the Leases accruing prior to the acquisition of title to the Property by



Beneficiary, hereunder, or by reason of such assignment of Leases hereof and of and from any and all claims, liability, loss, damage and demands whatsoever which may be asserted against Beneficiary by reason of any alleged obligation or undertaking on Trustor's part to perform or discharge any of the terms of the Leases, except to the extent arising from the gross negligence, willful misconduct or breach of this Deed of Trust by Trustor; and should Beneficiary incur any such claims, liability, loss, demand or damage under the Leases or hereunder or by reason of the assignment of Leases hereof or in defense against any such claims, liabilities, loss, damages or demands, the amount thereof, including, without limitation, costs, expenses, and reasonable attorneys' fees and expenses, Trustor shall reimburse Beneficiary therefor within fifteen (15) days of demand by Beneficiary, together with interest thereon from the date such amounts are due and payable by Trustor at the Default Rate, and such sums shall be secured hereby.

E. Other Rights and Obligations.

2.14. ASSIGNMENT OF CONTRACTS. In addition to any other grant, transfer or assignment effectuated hereby and without in any manner limiting the generality of the grants in Article I, Trustor shall assign to Beneficiary, as security for the Secured Obligations, Trustor's interest in all agreements, contracts, licenses and permits affecting the Property in any manner whatsoever (other than any gaming or other licenses with respect to which a present assignment cannot be made without the approval of any Gaming Authorities, unless a collateral assignment with respect to a security interest therein may be made without such approval), such assignments to be made, if so requested by Beneficiary, by instruments in a 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.

2.15. PRESERVATION OF PROPERTY AND COLLATERAL. Trustor shall defend and maintain title to the Property as provided for in Section 5.04 of the Credit Agreement.

2.16. MORTGAGE TAX. In the event of the passage, after the date of this Deed of Trust, of any law deducting from the material value of the Property or the Collateral 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 or the Collateral 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: (i) shall neither impose a tax upon Beneficiary, nor increase any tax now payable by Beneficiary; or (ii) shall impose a tax upon Beneficiary or increase any tax now payable by Beneficiary, and prior to the due date of such tax assessment or other similar change: (a) Trustor is permitted by law and can become legally obligated to pay such tax or the increased portion thereof; (b) Trustor does pay such tax or increased portion; and (c) 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 the Collateral or any portion thereof. The obligations of Trustor under such agreement shall be secured hereby. This Section 2.16 is not intended to and shall not obligate Trustor to pay any income taxes imposed on Beneficiary.



2.17. ATTORNEYS' FEES. Without limiting Trustor's obligations under Section 11.05 of the Credit Agreement or otherwise, Trustor shall pay attorneys' fees, costs and expenses in connection with any action and/or actions (including without limitation 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 shall be secured hereby, and Trustor shall reimburse Beneficiary for any payments made by Beneficiary therefor within fifteen (15) days of demand by Beneficiary, together with interest thereon from the date such amounts are due and payable by Trustor at the Default Rate, and such sums shall be secured hereby.

2.18. NO TRANSFER OF PROPERTY. Trustor covenants and agrees that except as may be otherwise expressly provided by the terms of the Loan Documents, there shall be no Transfer (as defined in the Credit Agreement), including, without limitation, no Transfer of all or any portion of the Property, without the prior written consent of Beneficiary. Consent to one such transaction shall not be deemed to be a waiver of Beneficiary's right to require its separate written consent to future or successive transactions. Beneficiary may grant or deny such consent in its sole and absolute discretion; and if such consent is given, any such Transfer of any interest in the Property shall be subject to this Deed of Trust and the other Loan Documents, and any such transferee shall assume all obligations of the transferee hereunder and under the other Loan Documents and agree to be bound by all provisions contained herein and therein (subject to any exculpation provisions provided therein), and Trustor and such transferee shall comply in all other aspects with any requirements set forth in the Loan Documents relating to such Transfer and shall furnish Beneficiary with such documentation and opinions of counsel as Beneficiary may reasonably request in connection with such Transfer of the Property and assumption. Such assumption shall not, however, release Trustor or any other party from any liability to Beneficiary hereunder or under any other Loan Document except as otherwise expressly agreed in writing by Beneficiary.

2.19. FURTHER ASSURANCES. 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 and/or the priority of the lien and security interest granted by Trustor herein.

2.20. PROTECTION OF SECURITY. At the time upon the occurrence and during the continuance of an Event of Default and in the manner herein provided, Beneficiary, or Trustee upon written instructions from Beneficiary (the legality thereof to be determined solely by Beneficiary), may, without notice to or demand upon Trustor, without releasing Trustor from any obligation hereunder and without waiving its right to declare a default as herein provided or impairing any declaration of default or election to cause the Property to be sold or any sale proceeding predicated thereon:

- (a) Take action 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 and/or the Collateral 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, 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 and/or priority of this Deed of Trust, the interest of Beneficiary or the rights, powers and/or duties of Trustee and/or Beneficiary hereunder; and

(d) 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 and/or the Collateral both real and personal, and exclude Trustor and all other persons therefrom; and to operate and manage the Property and/or the Collateral 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, Hotel Revenues, issues, profits and proceeds therefrom, the same being hereby assigned and transferred to Beneficiary for the benefit and protection of Beneficiary, and from time to time apply and/or accumulate such income, Rents, Hotel Revenues, 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 and/or the Collateral, the repayment of any sums theretofore or thereafter advanced pursuant to the terms of this Deed of Trust upon the Secured Obligations, the taxes and assessments upon the Property and/or Collateral then due or next to become due. The collection and/or receipt of income, Rents, Hotel Revenues, issues, profits and/or proceeds 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, Hotel Revenues, issues, profits and/or proceeds. Any such income, Rents, Hotel Revenues, 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 Section 2.20 and any of the actions referred to in this Section 2.20 may be taken by Beneficiary upon the occurrence and during the continuance of an Event of Default irrespective of whether any notice of default or election to sell has been given hereunder and without regard to the adequacy of the security for the indebtedness secured hereby.

2.21. NOTICES TO TRUSTOR. Trustor shall comply with and promptly furnish to Beneficiary notices as required in Section 5.02 of the Credit Agreement.



### III. DEFAULTS AND REMEDIES

#### A. Defaults.

3.01. EVENT OF DEFAULT. Trustor shall be in default hereunder upon the occurrence of an Event of Default as defined in the Credit Agreement (“Event of Default”). In addition, it shall be an Event of Default hereunder if Trustor delivers notice to Beneficiary pursuant to NRS 106.380 of its election to terminate the operation of this Deed of Trust as security for future advances of principal made after Beneficiary receives such notice.

#### B. Remedies.

3.02. ACCELERATION AND FORECLOSURE. Upon the occurrence and during the continuance of an Event of Default hereunder, 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 any or all of 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 a copy of this Deed of Trust, the Indebtedness 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 such 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 or Beneficiary may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Beneficiary may, but shall not be obligated to, bid at such public auction by offering a “credit bid” in any amount up to the amount of the Secured Obligations then due and payable by Trustor, without the necessity of bidding cash. 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 such 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. RESCISSION OF NOTICE. Beneficiary, from time to time before Trustee’s sale, may rescind any such notice of breach or default and of election to cause such 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 this Deed of Trust or any of the rights, obligations or remedies of the parties hereunder.

3.04. PROCEEDS OF SALE. After deducting all costs, fees and expenses of Trustee and of Trustee's foreclosure under this Deed of Trust, including but not limited to the cost of appraisal and evidence of title in connection with sale and attorneys' fees, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the Default Rate; all other sums then secured hereby; and the remainder, if any, in the manner described in the Credit Agreement.

3.05 REVOCATION OF LICENSE TO COLLECT RENTS AND HOTEL REVENUES. Upon the occurrence and during the continuance of an Event of Default hereunder, then and in each such event the revocable license granted to Trustor to collect the Rents and Hotel Revenues hereunder shall automatically be revoked and, to the maximum extent permitted by applicable law, Beneficiary may enter into or upon the Property, either personally or by its agents, nominees or attorneys and dispossess Trustor and its agents and servants therefrom, without liability for trespass, damages or otherwise and exclude Trustor and its agents or servants wholly therefrom, and take possession of all books, records and accounts relating thereto and Trustor agrees to surrender possession of the Property and of such books, records and accounts to Beneficiary upon demand, and thereupon Beneficiary may, to the maximum extent permitted by applicable law (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Property and conduct the business thereat; (ii) complete any construction on the Property in such manner and form as Beneficiary deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Property; (iv) exercise all rights and powers of Trustor with respect to the Property, whether in the name of Trustor or otherwise, including, without limitation, the right to make, cancel, enforce or modify Leases, obtain and evict tenants and demand, sue for, collect and receive all Rents and Hotel Revenues of the Property and every part thereof; (v) require Trustor to pay monthly in advance to Beneficiary, or to any receiver appointed to collect the Rents and Hotel Revenues, the fair and reasonable rental value for the use and occupation of such part of the Property, if any, as may be occupied by Trustor; (vi) require Trustor to vacate and surrender possession of the Property to Beneficiary or to such receiver and, in default thereof, Trustor may be evicted by summary proceedings or otherwise; and (vii) apply the receipts from the Property to the payment and performance of the Secured Obligations, in such order, priority and proportions as Beneficiary shall deem appropriate in its sole discretion after deducting therefrom all expenses (including reasonable attorneys' fees and costs) incurred in connection with the aforesaid operations and all amounts necessary to pay all expenses in connection with the Property, as well as just and reasonable compensation for the services of Beneficiary, its counsel, agents and employees.

3.06. OTHER SECURITY. If Beneficiary at any time holds additional security for any of the Secured Obligations, 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.



3.07. REMEDIES CUMULATIVE. 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 any 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 any of them may pursue inconsistent remedies; subject to applicable law.

3.08. APPOINTMENT OF RECEIVER. Upon the occurrence and during the continuance of an Event of Default hereunder, Beneficiary, as a matter of right 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 or any portion thereof, and Trustor hereby irrevocably consents to such appointment. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases under applicable law 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. Without limiting the generality of the foregoing, and subject to applicable law, such receiver, or receivers, may: (i) either with or without taking possession of the Property, in its (or their) own name, make demand for, sue or otherwise collect and receive all Rents and Hotel Revenues, including but not limited to those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby in such order as Beneficiary may determine and direct; (ii) enter upon, take possession of, and operate the Property; (iii) make, enforce, modify, and accept the surrender of Leases; (iv) obtain and evict Lessees of the Property; (v) fix or modify Rents and Hotel Revenues; and (vi) do any acts which Beneficiary deems proper to protect the security hereof until all of the Secured Obligations have been fully satisfied.

3.09 APPROVAL OF GAMING AUTHORITIES. To the extent prior approval of any Gaming Authorities is required pursuant to any applicable Gaming Laws for the exercise, operation and effectiveness of any remedy hereunder, including the appointment of any receiver to operate the casino at the Property and any Collateral that is gaming devices or related property, such remedy or action shall be subject to such prior approval of such Gaming Authorities. However, such prior approval shall not be required with respect to any other exercise, operation, or effectiveness of any other right or remedy of Trustee or Beneficiary hereunder. Without limiting the generality of the foregoing, Beneficiary may seek the appointment of a receiver without the approval of any Gaming Authorities with respect to any Collateral that is not subject to such required approvals.

#### IV. COLLATERAL

4.01. BENEFICIARY'S RIGHTS AS A SECURED PARTY. With respect to the security interest granted under Section 1.02, Beneficiary shall have all the rights and remedies granted to a secured party under Article 9 of the Nevada Commercial Code (including without limitation the right to conduct a unified sale of all or any portion of the Property and the Collateral) as well as all other rights and remedies available at law or in equity. Trustor shall,





upon the demand of Beneficiary, assemble all of such Collateral and make it available to Beneficiary at the Property, which is hereby agreed to be reasonably convenient to Beneficiary and Trustee. The proceeds of any sale of any portion of the Collateral 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. TRUSTOR'S COLLECTIONS. 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. Any proceeds received by Trustor shall be in trust for Beneficiary, and, upon written request by Beneficiary, 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'S OBLIGATIONS REGARDING COLLATERAL. Trustor shall: (i) permit representatives of Beneficiary to inspect the Collateral as set forth in Section 5.12 of the Credit Agreement; (ii) as soon as possible and in any event no later than ten (10) calendar days after any Responsible Officer of Trustor gains knowledge, Trustor shall promptly notify Beneficiary of any attachment or other legal process levied against any of the Collateral and any information received by Trustor relative to the Collateral, Trustor's debtors or other persons obligated in connection therewith, which may in any way materially and adversely affect the value of the Collateral or the rights and remedies of Beneficiary in respect thereto; (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, including without limitation each office of Trustor at which records relating to the Collateral are kept; (v) provide, maintain and deliver to Beneficiary policies of insurance as set forth in the Credit Agreement; and (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.

4.04. BENEFICIARY'S COLLECTION OF PROCEEDS. Upon and during the occurrence of an Event of Default, 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 upon and during the occurrence of an Event of Default; provided, however, Trustor shall have a revocable license to collect, retain, use and enjoy such proceeds subject to the terms hereof and the documents securing Trustor's obligations thereunder prior to the occurrence of any Event of Default hereunder or under any of said documents. Upon the occurrence of any Event of Default said license shall be deemed revoked and terminated without any further action or notice by Trustee, Beneficiary or any other party. 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 hereunder (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.)

4.05. REMOVAL. The Trustor shall comply with Section 10(i) of the Security Agreement with respect to removal of Collateral from the Property.

4.06. FINANCING STATEMENTS. Trustor authorizes Beneficiary to file any financing statement, or continuation thereof, with respect to the security interest granted under Section 1.02, in any filing office where such financing statement may be filed pursuant to the Nevada Commercial Code. .

## V. ENVIRONMENTAL COMPLIANCE

5.01. CERTAIN DEFINITIONS. For purposes of this Article V, the following terms shall have the following definitions:

(a) Governmental Authority. "Governmental Authority" means, collectively (i) the United States; (ii) the state, county, city, and any other political subdivision having jurisdiction over Trustor or any portion of the Property; (iii) all other governmental or quasi-governmental authorities, boards, bureaus, agencies, commissions, departments, administrative tribunals, and other instrumentalities or authorities having jurisdiction over Trustor or any portion of the Property; and (iv) all judicial authorities having jurisdiction over Trustor or any portion of the Property.

(b) Hazardous Substance. "Hazardous Substance" means any:

(1) Substance, product, waste or other material of any nature whatsoever which is or becomes listed or regulated pursuant to any or all of the following statutes and regulations, as the same may be amended from time to time:

[A] The Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Sections 9601 et seq. ("CERCLA");

[B] The Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, et seq.;

[C] The Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, et seq., ("RCRA");

[D] The Toxic Substances Control Act, 15 U.S.C. Sections 2601, et seq.;

[E] The Clean Water Act, 33 U.S.C. Sections 1251, et seq.;



- [F] NRS Chapter 444 (Sanitation);
  - [G] NRS Chapter 445A (Water Controls);
  - [H] NRS Chapter 445B (Air Pollution);
  - [I] NRS Chapter 445C (Environmental Requirements);
  - [J] NRS Chapter 459 (Hazardous Materials);
  - [K] NRS Chapter 477 (State Fire Marshall);
  - [L] NRS Chapter 590 (Nevada Petroleum Products Inspection Act);
  - [M] NRS Chapter 618 (Occupational Safety and Health);
  - [N] NRS 40.501 through 40.512 (Environmental Impairment of Real Collateral of Secured Lender);
  - [O] NRS 408.141 (Rules; agreements with other states; designation of alternate routes for transportation of hazardous material);
  - [P] NRS 706.173 (Regulations concerning safety for drivers and vehicles; regulations concerning transportation of hazardous materials and hazardous waste); or
  - [Q] All other existing and future federal, state and local laws, ordinances, rules, regulations, orders, requirements, and decrees (in each case having the force of law and applicable to Trustor or the Property) regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material;
- (2) Any substance, product, waste or other material of any nature whatsoever which may give rise to liability (i) under any of the statutes or regulations described in clauses [A] through [Q] of Section 5.01(b)(1); or (ii) under any reported decisions of any state or federal court having jurisdiction over Trustor or any portion of the Property;
  - (3) Petroleum, petroleum products and by-products, gasoline or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; and
  - (4) Asbestos or asbestos containing materials.



(c) Hazardous Substance Laws. “Hazardous Substance Laws” means all existing and future laws, ordinances, rules, regulations, orders and requirements of all Governmental Authorities (including the statutes and regulations identified in Section 5.01(b)(1) and all licenses, permits, plans and approvals granted or issued under or pursuant to such statutes and regulations) in each case having the force of law relating to any or all of the following with respect to the Property:

(1) Any Hazardous Substance, including the use, storage, generation, production, treatment, disposal, handling, release, discharge, transportation, repair, cleanup, remediation, removal or decontamination of any Hazardous Substance; and

(2) The environmental conditions in, on or under any portion of the Property, including soil, air, and groundwater conditions to the extent caused by any Hazardous Substance.

(d) Indemnified Parties. “Indemnified Parties” means Beneficiary, its loan participants and any other Person who acquires an interest in the loan and the Loan Documents pursuant to an assignment by the lender thereunder, and each of them, and each of their respective officers, directors, employees, shareholders, parent companies, subsidiaries, affiliates and successors and assigns by merger, reorganization or sale of substantially all of its assets.

(e) Hazardous Substance Claims and Losses. “Hazardous Substance Claims and Losses” means all claims, demands, damages according to proof, liabilities, actions, causes of action, legal proceedings, administrative proceedings, suits, injuries, costs, losses, debts, liens, interest, fines, charges, penalties and reasonable out-of-pocket expenses (including reasonable attorneys’, accountants’, consultants’, and expert witness fees and costs) of every kind and nature (all of the foregoing are referred to collectively as “Claims and Losses”) which directly or indirectly arise out of or relate to any or all of the following, but only to the extent (i) such Claims and Losses are not caused by the negligence or tortious conduct of any or all of the Indemnified Parties; and (ii) such Claims and Losses are incurred or suffered by any of the Indemnified Parties prior to the Lien Termination Date or are asserted against any or all of the Indemnified Parties prior to the Lien Termination Date:

(1) Any breach by Trustor of any representation, warranty or obligation contained in this Deed of Trust arising from or relating to Hazardous Substances after the expiration of any applicable grace, notice or cure periods;

(2) The existence, presence, use, storage, generation, production, treatment, disposal, or handling of any Hazardous Substance in, on or under any portion of the Property, whether caused by Trustor or any other Person (but excluding any Indemnified Party), including any prior owner, Lessee, or occupant of any portion of the Property;



(3) The release (including any “release” as defined in NRS 40.505), discharge, or transport of any Hazardous Substance onto or from any portion of the Property, including contamination of any Surrounding Property or any natural resources (including groundwater), whether caused by Trustor or any other Person (but excluding any Indemnified Party), including any prior owner, Lessee, or occupant of any portion of the Property;

(4) The violation of any Hazardous Substance Laws, whether by Trustor or any other Person (but excluding any Indemnified Party), including any prior owner, Lessee, or occupant of any portion of the Property or any Surrounding Property; or

(5) To the extent required by any Hazardous Substance Laws, any repair, cleanup, remediation, removal, closure, or decontamination activity relating to any Hazardous Substance in, on or under any portion of the Property or any Surrounding Property (but only to the extent released from the Property with respect to the Surrounding Property), including any preparation for and investigation, testing, and monitoring relating to any such activity; or

(6) Any personal injury, death, or property damage resulting from or relating to any or all of the matters described in clauses (1) through (5) above.

(f) Lien Termination Date. “Lien Termination Date” means with respect to any part of the Property, the earlier to occur of the following dates: (i) the date on which Beneficiary or any other Person acquires title to such part of the Property as a result of a foreclosure or deed in lieu of foreclosure under the Deed of Trust or otherwise; (ii) the date on which Beneficiary reconveys such part of the Property under the Deed of Trust; or (iii) the date on which all Secured Obligations have been fully satisfied.

(g) Person. “Person” means any natural person or entity, including any corporation, partnership, limited liability company, joint venture, trust, unincorporated organization, trustee or Governmental Authority.

(h) Surrounding Property. “Surrounding Property” means all real property which is located adjacent to any part of the Property.

5.02. COMPLIANCE WITH HAZARDOUS SUBSTANCE LAWS. Trustor shall comply with all Hazardous Substance Laws. Without limiting the generality of the preceding sentence, Trustor shall not cause or permit (i) the existence, presence, use, storage, generation, production, treatment, disposal, or handling of any Hazardous Substance in, on, or under the Property, whether such activities are conducted by Trustor or any other Person, including any Lessee or occupant of the Property, including the installation of any underground storage tanks or facilities for the deposit or storage of any Hazardous Substances, in each case in violation of any Hazardous Substance Laws; or (ii) the release or discharge of any Hazardous Substance or the transportation or any Hazardous Substance onto or from the Property, including the contamination of any Surrounding Property or any natural resources, including groundwater, in each case in violation of any Hazardous Substance Laws.



5.03. ENVIRONMENTAL ASSESSMENT. Within thirty (30) days after the occurrence of any of the following events, Trustor shall cause to be prepared and delivered to Beneficiary, at Trustor's expense, an environmental site assessment and report for the Property, or an update of any such environmental site assessment and report which has previously been prepared by or for Trustor, prepared by a qualified, state-registered, professional environmental auditor acceptable to Beneficiary ("Assessment Report"): Beneficiary has learned of or reasonably suspects (i) the existence, presence, use, storage, handling, generation, production, treatment, disposal or handling of any Hazardous Substance in, on, under or about the Property except as otherwise permitted hereunder; (ii) the release, discharge or transport of any Hazardous Substance onto or from the Property except as otherwise permitted hereunder; or (iii) the threatened release, discharge, or transport of any Hazardous Substance onto or from the Property.

5.04. CONTENTS OF ASSESSMENT REPORT. If specifically and reasonably requested by Beneficiary, each Assessment Report shall include the following information: (i) a description of the presence, character, location or amount of Hazardous Substances in, on, or under the Property; (ii) a review and audit of all books, records, permits, notices, citations, orders and other data and information in the possession or control of Trustor (to the extent not privileged or confidential) relating to Hazardous Substances in, on or under the Property or any Surrounding Property, including historical data and information (if such data and information is not covered in any prior Assessment Report received by Beneficiary); (iii) a review and report on any records or listings of any Governmental Authority concerning Hazardous Substances in, on or under the Property or any Surrounding Property; (iv) an investigation and report on the history of ownership and use of the Property or any Surrounding Property, unless covered in any prior Assessment Report received by Beneficiary; (v) a report of interviews with the current Lessees and occupants, if any, of the Property concerning their use of the Property; (vi) an evaluation of the likelihood of any soil or groundwater contamination resulting from any Hazardous Substances in, on or under the Property or any Surrounding Property; and (vii) such other information or recommendations as Beneficiary may reasonably require.

5.05. REMEDIAL ACTIONS BY TRUSTOR. If the existence, presence, use, storage, generation, production, treatment, disposal, or handling of any Hazardous Substance in, on or under the Property, or the release, discharge, or transport of any Hazardous Substance onto or from the Property (i) gives rise to any Hazardous Substance Claims and Losses; (ii) causes or reasonably threatens to cause a significant public health effect; or (iii) pollutes or reasonably threatens to pollute the environment in violation of any Hazardous Substance Laws, then in any of such circumstances, Trustor shall, subject to Section 5.09, promptly commence and diligently prosecute all actions and proceedings which are necessary or appropriate (a) to repair, cleanup, remediate, and decontaminate the Property and any Surrounding Property with respect to such Hazardous Substances (but only to the extent legally obligated and permitted to do so); and (b) to mitigate any exposure to liability by Trustor or Beneficiary with respect to such Hazardous Substances.

5.06. INDEMNITY. Trustor shall indemnify and hold Beneficiary and the other Indemnified Parties harmless from and against any and all Hazardous Substance Claims and Losses. Any amounts paid or required to be paid by any Indemnified Party in connection with



any Hazardous Substance Claims and Losses (i) shall be due and payable by Trustor to such Indemnified Party within fifteen (15) days of such Indemnified Party's demand (which demand shall be accompanied by evidence in reasonable detail of such amounts by the Indemnified Party); and (ii) shall bear interest from the date such amounts are due and payable by Trustor at the Default Rate. Notwithstanding anything to the contrary contained in this Deed of Trust, Trustor's obligations under this Section 5.06 shall survive and remain effective (a) following the repayment of the Secured Obligations and the reconveyance of the Property under this Deed of Trust; and (b) following any foreclosure, deed in lieu of foreclosure, or similar proceeding through which Beneficiary or any other Person obtains title to the Property. Without limiting any of the terms of the Loan Documents, each of the Indemnified Parties, in its reasonable discretion (x) shall have the right to select, retain and direct attorneys, accountants, consultants, and experts acceptable to such Indemnified Party to represent or advise it in connection with any of the Hazardous Substance Claims and Losses (provided, however, that each of the Indemnified Parties shall cooperate with Trustor to avoid any unreasonable duplication of efforts and unnecessary costs and expenses, and until an Event of Default occurs that is continuing, Trustor, subject to the reasonable approval of the Indemnified Parties, may hire and engage such parties and shall take the lead in all matters), and all reasonable out-of-pocket costs, fees expenses and advances made or incurred by such Indemnified Party in connection therewith shall be deemed to be included in the Hazardous Substance Claims and Losses; and (y) following the occurrence of an Event of Default that is continuing, shall have the right to settle, compromise, adjust, and pay any or all of the Hazardous Substance Claims and Losses asserted against or incurred or suffered by it for such amounts and on such terms as the Indemnified Party may reasonably determine. Nothing contained in this Deed of Trust shall be deemed to obligate any Indemnified Party to pay any Hazardous Substance Claims and Losses.

**5.07. NO IMPAIRMENT OF TRUSTOR'S INDEMNIFICATION OBLIGATIONS.** Trustor's indemnification obligations under Section 5.06 shall not be impaired, diminished, or otherwise affected in any way as a result of any information, data, documents, or notice given to or received or obtained by any Indemnified Party regarding or relating to the release, threatened release, presence, existence, character, or magnitude of any Hazardous Substances in, on or under the Property or any Surrounding Property. Each Indemnified Party shall provide Trustor on a prompt basis all material notices and information received by such party (to the extent not privileged or confidential) with respect to Hazardous Substance Claims and Losses.

**5.08. NOTICES.** Promptly upon receipt by Trustor, Trustor shall deliver complete and accurate copies of all material notices, correspondence, and information which Trustor receives from or forwards to any Governmental Authority (but only to the extent not privileged or confidential) regarding (i) any Hazardous Substance in, on or under the Property or the Surrounding Property; or (ii) any actions instituted or threatened by any such Governmental Authority concerning any Hazardous Substance which affects or may affect the Property or any Surrounding Property. Trustor shall promptly notify Beneficiary in writing of (a) any material written information that Trustor obtains regarding any Hazardous Substance in, on or under the Property or the Surrounding Property (to the extent not privileged or confidential); (b) any material written information that Trustor obtains regarding the release, discharge, or transport of any Hazardous Substance onto or from the Property or any Surrounding Property (to the extent not privileged or confidential); or (c) any Hazardous Substance Claims and Losses of which



Trustor receives written notice. Upon one (1) day's prior notice to Trustor, Beneficiary, or its designee, shall have the right from time to time during normal business hours to examine and make copies thereof of all books and records (to the extent not privileged or confidential) of Trustor relating to Hazardous Substances in, on or about the Property or any Surrounding Property.

5.09. NOTICE TO BENEFICIARY OF REMEDIAL ACTIONS. As soon as reasonably possible (i) prior to (to the extent possible under applicable Hazardous Substance Laws) taking any material action in response to the existence, presence, use, storage, generation, production, treatment, disposal, or handling of any Hazardous Substance in, on, under or about the Property or any Surrounding Property, or to the release, discharge, or transport of any Hazardous Substance onto or from the Property; or (ii) prior to entering into any settlement agreement, consent decree, or other compromise or agreement regarding any Hazardous Substance Claims and Losses (such agreements and decrees are referred to collectively as "Hazardous Substance Agreements"), Trustor shall provide Beneficiary with a written notice ("Remediation Notice") describing in reasonable detail the action proposed to be taken by Trustor or the nature of the Hazardous Substance Agreement to be entered into by Trustor as described in clauses (i) and (ii) of this Section. Beneficiary, at its option, shall have the right to notify Trustor of any reasonable objections which Beneficiary has with respect to any matter described in the Remediation Notice. In the event of any such objection by Beneficiary, Trustor (a) shall not take the actions described in the Remediation Notice as to which Beneficiary has objected; and (b) shall take such actions as may be reasonably required by Beneficiary to address and resolve Beneficiary's objections. If Beneficiary fails to give Trustor written notice of any such objections and its reasons therefor by Beneficiary within ten (10) days after Beneficiary's receipt of the Remediation Notice, Trustor may proceed to take the actions described in the Remediation Notice; provided, however, that neither Beneficiary's failure to object, in whole or in part, to any proposed action described in any Remediation Notice, nor any communication between Beneficiary and Trustor relating to any such proposed action, shall constitute or be construed as Beneficiary's approval of any such actions, unless Beneficiary consents thereto in writing. Trustor shall have the sole responsibility for all aspects of Trustor's business and the development, use, ownership, operation, maintenance, and repair of the Property, including [1] the suitability and adequacy of any proposed actions described in any Remediation Notice; and [2] the suitability and adequacy of any other action taken by Trustor with respect to the existence, presence, use, storage, generation, production, treatment, disposal, or handling of any Hazardous Substance in, on, under or about the Property or any Surrounding Property or the release, discharge, or transport of any Hazardous Substance onto or from the Property. Without limiting any of the terms of the Loan Documents, Trustor agrees that Beneficiary shall not be liable or responsible in any way or under any circumstances to Trustor or any other Person within Trustor's control for any or all of the matters described in clauses (i) and (ii) of this Section. Trustor shall not be required to provide Beneficiary with a Remediation Notice pursuant to this Section if Trustor reasonably determines that (x) immediate action is reasonably required in connection with any matter described in clauses (i) or (ii) of this Section and it is not practical to give Beneficiary the Remediation Notice prior to taking such action; or (y) the matter described in clauses (i) or (ii) of this Section for which a Remediation Notice would otherwise be required does not materially adversely affect the Property or Trustor's ability to perform its obligations under the Loan Documents. Under such circumstances, Trustor shall provide Beneficiary with written notice of any such action taken by Trustor as soon as reasonably





practicable. If Trustor breaches any of its obligations under this Article V, Beneficiary, at its option and its sole and absolute discretion, but without any obligation whatsoever to do so and following the expiration of any applicable grace, notice or cure periods, may enter upon the Property and take any or all actions which Trustor was obligated to take and which Beneficiary determines to be necessary or appropriate [A] to repair, cleanup, remediate, or decontaminate the Property and any Surrounding Property with respect to any Hazardous Substances; and [B] to mitigate any exposure to Hazardous Substance Claims and Losses by Beneficiary with respect to any Hazardous Substances.

**5.10. DEFENSE OF ACTIONS AND PROTECTION OF SECURITY BY BENEFICIARY.** If an Event of Default has occurred and is continuing, Beneficiary shall have the right, but not the obligation, to appear in and defend any action or proceeding, whether commenced by or against Trustor or any other Person, relating to any Hazardous Substance Claims and Losses. Beneficiary shall have the right to incur and pay all reasonable costs, fees, expenses and liabilities that Beneficiary determines to be reasonably necessary or appropriate in connection with any such action or proceeding, and all such costs, fees, expenses and liabilities incurred or paid by Beneficiary (i) shall be due and payable by Trustor to Beneficiary on Beneficiary's demand (which demand shall be accompanied by evidence in reasonable detail of the expenditures made by Beneficiary); (ii) shall constitute additional indebtedness of Trustor to Beneficiary; and (iii) shall bear interest from the date such amounts are due and payable at the Default Rate. Nothing contained in this Deed of Trust shall be deemed to obligate Beneficiary to make any appearance in or defend any action or proceeding.

**5.11. INSPECTION; APPOINTMENT OF RECEIVER.** Beneficiary, acting directly through its authorized agents or through a court-appointed receiver, shall have the right to enter upon and inspect the Property for the purpose of determining the existence, character, and magnitude of any Hazardous Substances in, on or under the Property. Such entry by Beneficiary shall be made during normal business hours and upon not less than twenty-four (24) hours prior written notice by Beneficiary to Trustor, except when Beneficiary in good faith determines that an emergency exists, in which case Beneficiary shall have the right to enter upon the Property without notice and at such different times as Beneficiary in good faith determines may be necessary or appropriate for the protection of Beneficiary's interests. In connection with the foregoing, Beneficiary shall use reasonable efforts not to disturb any of the occupants or tenants of the Property. Whether or not Beneficiary has elected to accelerate any or all of the Secured Obligations, and if an Event of Default exists that is continuing, Beneficiary shall have the absolute and unconditional right to apply to any court of competent jurisdiction and obtain the appointment of a receiver or receivers to enforce Beneficiary's inspection rights relating to Hazardous Substances as authorized by Nevada law. If Beneficiary obtains the appointment of a receiver under any of the terms of this Deed of Trust or applicable law, Beneficiary, in its sole and absolute discretion, shall have the right to seek and obtain a court order authorizing the receiver (i) to operate and maintain the Property and take custody of all Rents, Hotel Revenues and profits and use and apply the Rents, Hotel Revenues and profits in order to repair, cleanup, remediate, and decontaminate the Property with respect to any Hazardous Substances existing in violation of any Hazardous Substance Laws, and bring the Property into compliance with Hazardous Substance Laws; (ii) to take any other action necessary or appropriate to ensure each Property's compliance with Hazardous Substance Laws, including the retention of consultants and contractors and negotiations with Governmental Authorities; and (iii) to incur such other



obligations and take such other actions as are ordinarily incurred by owners of real property, without any personal liability on the part of the receiver. Beneficiary shall have no obligation or duty of any kind to enter on or inspect the Property or to examine or review any of Trustor's books and records relating to any Hazardous Substances. All such inspections and reviews by Beneficiary, including Beneficiary's review of any Assessment Report or proposed plan of testing, monitoring, cleanup or remediation, shall be for Beneficiary's sole benefit and not for the benefit of Trustor or any other Person. No inspection of the Property by Beneficiary shall constitute or be construed as a representation or determination by Beneficiary that the Property complies with any Hazardous Substance Laws or that Hazardous Substances are or are not present in, on or under the Property or any Surrounding Property. All information prepared by or for Beneficiary in connection with the exercise of its rights under this Deed of Trust shall at all times be and remain Beneficiary's property, and Beneficiary shall have no obligation to disclose or otherwise make such information available to Trustor or any other Person, except as otherwise required by applicable law.

5.12. ENVIRONMENTAL PROVISIONS. For purposes of this Deed of Trust, the term "Environmental Provisions" means, collectively, all of the terms of this Article V. All Environmental Provisions contained in the Loan Documents shall be deemed to constitute "environmental provisions" within the meaning of NRS 40.502.

5.13. BENEFICIARY'S RIGHT TO BRING SEPARATE ACTIONS TO ENFORCE ENVIRONMENTAL PROVISIONS. Pursuant to NRS 40.458, upon the occurrence of an Event of Default with respect to any Environmental Provisions that is continuing, Trustor agrees that Beneficiary shall have the right to commence and prosecute one or more separate actions (i) for Trustor's breach of such Environmental Provisions; (ii) for the recovery of damages based upon any such breach; (iii) for enforcement of any of the Environmental Provisions, including Trustor's obligation to indemnify the Indemnified Parties with respect to Hazardous Substance Claims and Losses; and (iv) for injunctive relief enforcing any or all of the Environmental Provisions. Pursuant to NRS 40.430(6)(n), no such separate action shall in any way be deemed to be an "action" within the meaning of NRS 40.430. Trustor agrees that Beneficiary shall have the right to bring one or more actions under this Section without acceleration of the Secured Obligations or commencement of foreclosure proceedings under this Deed of Trust.

5.14. WAIVER OF LIEN AT BENEFICIARY'S SOLE OPTION. Pursuant to NRS 40.512, if the Property is "environmentally impaired" (as defined in NRS 40.503), upon the occurrence of an Event of Default that is continuing, Beneficiary, at its option and in its sole and absolute discretion, but without any obligation whatsoever to do so, shall have the right (i) to waive its lien against all or part of the Property, and (ii) if such lien is waived as to all of the Property, to exercise any and all rights and remedies of an unsecured creditor against Trustor and all of Trustor's assets and property, and if such lien is waived as to a portion of the Property, exercise its rights hereunder with respect to the unimpaired portion of the Property and otherwise seek a deficiency judgment against Trustor purpose to applicable laws. As between Beneficiary and Trustor, for purposes of NRS 40.512(3), Trustor shall have the burden of proving that Trustor had actual knowledge of the environmental impairment of the Property at the time this Deed of Trust was recorded. Nothing contained in this Deed of Trust shall be deemed to obligate Beneficiary to exercise any election that Beneficiary may have under NRS 40.512.



5.15. ARBITRATION REGARDING ENVIRONMENTAL IMPAIRMENT. If a dispute between Beneficiary and Trustor arises with respect to the issue of whether or not all or part of the Property is “environmentally impaired” within the meaning of NRS 40.503, then either Beneficiary or Trustor, at its option and in its sole and absolute discretion, may elect by written notice to the other party to have such dispute resolved and settled by arbitration on the following terms and conditions:

(a) American Arbitration Association Rules. The arbitration shall be determined by three (3) arbitrators (“Arbitrators”) in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the decision rendered by the Arbitrators in such proceeding may be entered in any court of competent jurisdiction.

(b) Procedure. In the arbitration proceeding, to the extent not inconsistent with this Deed of Trust, the provisions of Section 11.18 of the Credit Agreement shall be applicable. The judgment upon the decision rendered in any such arbitration shall be final and binding on the parties. The Arbitrators shall use their reasonable efforts to render a decision in such arbitration proceeding as expeditiously as possible and, in any event, within ninety (90) days after written notice of intention to arbitrate has been given by Beneficiary to Trustor or Trustor to Beneficiary, as the case may be. The Arbitrators shall have the power and authority to render a decision solely with respect to the issue of whether or not the Property, or the portion thereof which is the subject of the arbitration proceeding, is “environmentally impaired” within the meaning of NRS 40.503. The Arbitrators shall render their decision in writing and shall cause a copy of such decision to be provided to the parties.

(c) Costs. All costs and expenses of any arbitration proceeding, excluding attorneys’ fees, shall be shared equally by Beneficiary and Trustor. Each party shall bear its own attorneys’ fees; provided, however (i) that if the Arbitrators determine that the Property is environmentally impaired under NRS 40.503, Trustor shall pay all costs and expenses of Beneficiary in the arbitration proceeding, including reasonable attorneys’ fees and costs incurred by Beneficiary; and (ii) that if the Arbitrators determine that the Property is not environmentally impaired under NRS 40.503, Beneficiary shall pay all costs and expenses of Trustor in the arbitration proceeding, including reasonable attorneys’ fees and costs incurred by Trustor.

## VI. MISCELLANEOUS PROVISIONS

6.01. NO WAIVER. 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.

6.02. TRUSTEE’S POWERS. 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 for endorsement, and without affecting the personal liability of any person for



payment of all or any portion of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of the Property, Trustee may (i) reconvey any part of the Property; (ii) consent in writing to the making of any map or plat thereof; (iii) join in granting any easement thereon, or (iv) join in any extension agreement or any agreement subordinating the lien or charge hereof.

6.03. BENEFICIARY'S RIGHT TO ENTER, INSPECT AND CURE.

Beneficiary is authorized by itself, its contractors, agents, employees or workmen, to enter at any reasonable time upon reasonable notice to the Trustor 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 this Deed of Trust.

6.04. SUCCESSORS IN INTEREST. 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. 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.

6.05. AFFIDAVIT TO TRUSTEE. 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.

6.06. SEVERABILITY. 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.

6.07. TRUSTEE'S ACCEPTANCE. 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.

6.08. NO OBLIGATION TO NOTIFY. 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.

6.09. SUBSTITUTION OF TRUSTEE. 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.

6.10. WAIVER OF STATUTE OF LIMITATIONS. 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.



6.11. NOTICES. All notices, requests, demands, consents, instructions or other communications under this Agreement shall be given in the manner provided in Section 11.02 of the Credit Agreement and to the addresses set forth below:

If to Trustor:

Neva One, LLC  
1300 Buckeye Road  
Suite A  
Minden, NV 89423  
Attention: John Park and David Park, Managers  
Telephone: (775) 782-7275  
Facsimile: (775) 783-9106  
Email: [david@parklivestock.com](mailto:david@parklivestock.com); [jonpark19@yahoo.com](mailto:jonpark19@yahoo.com)

With a copy to:

Allison, MacKenzie, Pavlakis, Wright & Fagan, Ltd.  
402 N. Division Street  
P.O. Box 646  
Carson City, NV 89702  
Attention: Mike Pavlakis  
Telephone: (775) 687-0202  
Facsimile: (775) 882-7918  
Email: [mpavlakis@allisonmackenzie.com](mailto:mpavlakis@allisonmackenzie.com)

If to Beneficiary:

ABC Funding, LLC  
c/o Summit Partners LP  
Attention: James Freeland and Adam Britt  
222 Berkeley Street, 18th Floor  
Boston, MA 02116  
Tel: (617) 598-4802  
Fax: (617) 598-4902  
Email: [jfreeland@summitpartners.com](mailto:jfreeland@summitpartners.com)  
[abritt@summitpartners.com](mailto:abritt@summitpartners.com)

With a copy to:

Akin Gump Strauss Hauer & Feld LLP  
Attention: Frank Reddick  
2029 Century Park East, Suite 2400  
Los Angeles, CA 90067  
Tel: (310) 728-3204  
Fax: (310) 229-1001  
Email: [freddick@akingump.com](mailto:freddick@akingump.com)



If to Trustee:

Stewart Title Company  
376 East Warm Springs Road, Suite 190  
Las Vegas , NV 89119.

or at such other address as the party to be served with notice may have furnished by the giving of 30 days' prior written notice to the party seeking or desiring to serve notice as a place for the service of notice. Trustor shall give Beneficiary prior written notice of any change in the location of its place of business or its chief executive office if it has more than one place of business.

6.12. NOTICE TO TRUSTOR. 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.

6.13. RECONVEYANCE. Upon written request of Beneficiary stating that all Secured Obligations have been satisfied and upon surrender to Trustee of this Deed of Trust for cancellation and retention 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."

6.14. RELEASES, EXTENSIONS, MODIFICATIONS AND ADDITIONAL SECURITY. Without affecting the liability or obligations of any person, including Trustor, for the performance of any Secured Obligations (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 any of said obligations, extend the time of payment or 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 (including the Property) securing said obligations.

6.15. HEADINGS. Article, Section and other headings in this Deed of Trust are included in this Deed of Trust for the convenience of reference only and shall not constitute a part of this Deed of Trust for any other purposes.

6.16. GOVERNING LAW. THIS DEED OF TRUST WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK; PROVIDED HOWEVER THAT MATTERS RELATED TO GAMING, GAMING OPERATIONS, GAMING DEVICES AND GAMING EQUIPMENT SHALL BE GOVERNED BY THE APPLICABLE PROVISIONS OF THE GAMING ACT, PROVIDED FURTHER THAT TO THE EXTENT ANY OF SUCH LAWS MAY NOW OR HEREAFTER BE PREEMPTED BY FEDERAL LAW, SUCH FEDERAL LAW SHALL SO GOVERN AND BE CONTROLLING; AND PROVIDED FURTHER THAT THE LAWS OF THE STATE IN WHICH THE REAL ESTATE IS LOCATED SHALL GOVERN AS TO THE CREATION,



**PRIORITY AND ENFORCEMENT OF LIENS AND SECURITY INTERESTS IN PROPERTY LOCATED IN SUCH STATE.**

6.17 STATUTORY COVENANTS. The following Covenants, Nos. 1, 3, 4 (at the Default Rate), 5, 6, 7 (reasonable counsel fees and costs actually incurred), 8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust, with “grantor” as used therein meaning Trustor hereunder; provided, however, that the express covenants of this Deed of Trust shall control to the extent that the same are inconsistent with any of the foregoing Covenants 1, 3, 4, 5, and 9; and, provided further, that Covenants Nos. 6, 7 and 8 shall control over the express covenants of this Deed of Trust to the extent the same are inconsistent with Covenants Nos. 6, 7 and 8.

6.18 GAMING LAWS. Notwithstanding any other provision contained in this Deed of Trust, all provisions herein are subject to the laws, regulations and orders pursuant to which any Gaming Authority possesses regulatory, licensing or permitting authority over gambling, gaming or casino activities conducted by Trustor (collectively, “Gaming Laws”) and the remedies provided by this Deed of Trust shall not include the right to take any action that violates applicable Gaming Laws. Trustee and Beneficiary agree that they will obtain all approvals required of any Gaming Authorities before taking any actions hereunder for which such approvals are required. To the extent Trustor’s cooperation is required for Trustee or Beneficiary to obtain any such approvals, Trustor agrees to cooperate fully and in good faith at its cost and expense with Trustee’s or Beneficiary’s efforts to obtain such approvals.

**[Signatures on Following Page]**



IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day first written above.

**TRUSTOR:**

**Neva One, LLC,**  
a Nevada limited liability company

By: 

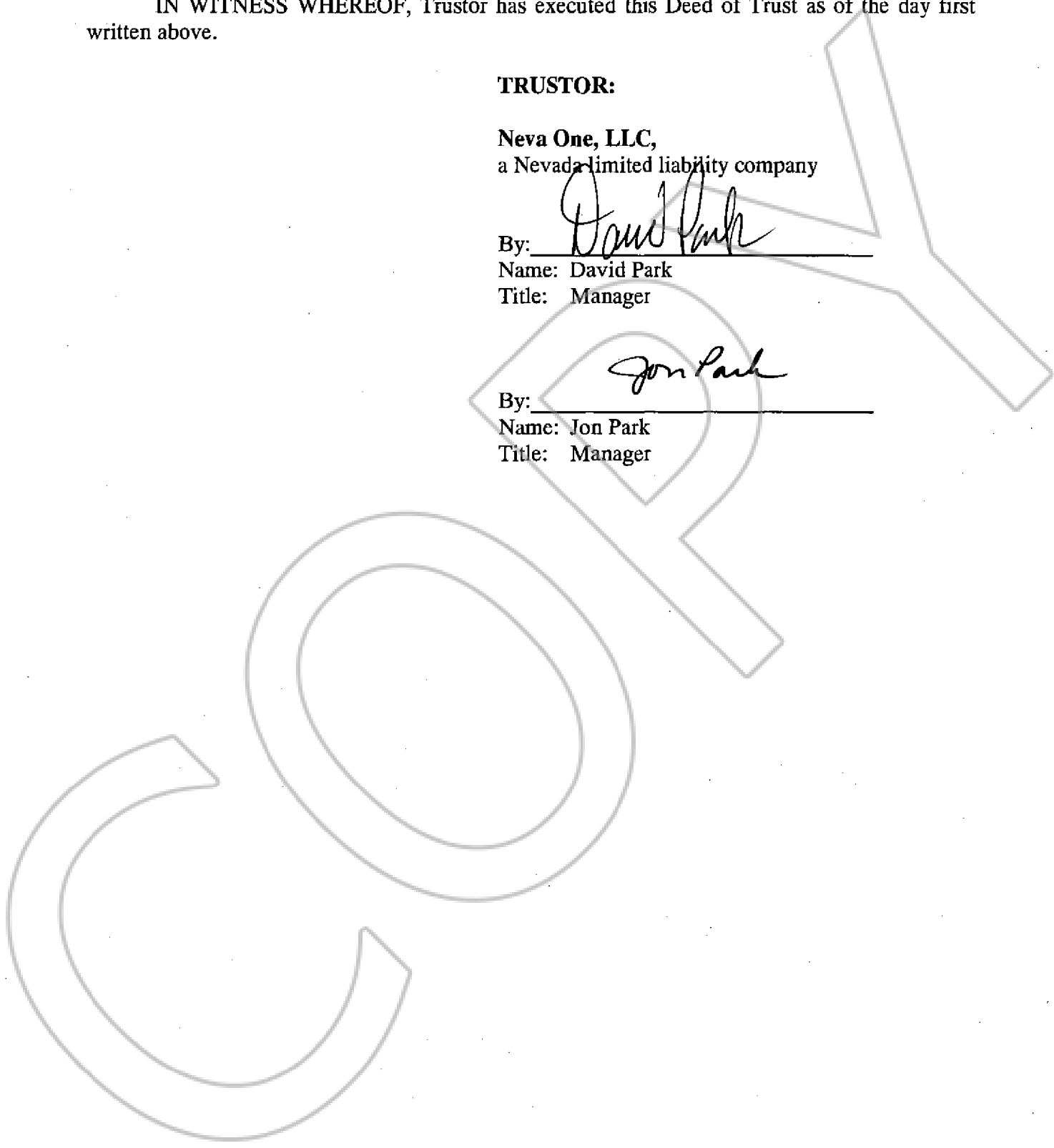
Name: David Park

Title: Manager

By: 

Name: Jon Park

Title: Manager







STATE OF Nevada §

COUNTY OF Carson City §

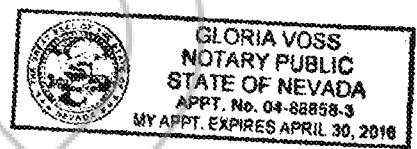
On July 27, 2014, before me, Gloria Voss, Notary Public, personally appeared David Park, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Nevada that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Gloria Voss  
Notary Public

(Seal)



Notary Clarification:  
Gloria Voss  
Appt. No. 04-88858-3  
Expires April 30, 2016



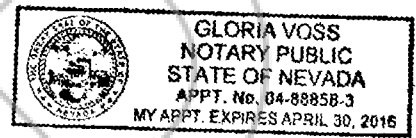
STATE OF Nevada §  
§  
COUNTY OF Carson City §

On July 27, 2014, before me, Gloria Voss, Notary Public, personally appeared Jon Park, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Nevada that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Gloria Voss  
Notary Public



(Seal)

Notary Clarificaiton:  
Gloria Voss  
Appt. No. 04-88858-3  
Expires April 30, 2016



**EXHIBIT A**

(Legal description of the Land)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF DOUGLAS, STATE OF NEVADA, AND IS DESCRIBED AS FOLLOWS:

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

PARCEL 1:

A parcel of land located within a portion of the East one-half of Section 27, Township 13 North, Range 18 East, MDB&M, Douglas County, Nevada, being more particularly described as follows:

COMMENCING at a point, being the intersection of the Westerly right-of-way line of U.S. Highway 50 and the Nevada/California state line, which bears S 48°39'46" E., 991.89 feet from the General Land Office State Line Monument as shown on the Record of Survey for Park Cattle Company, Document No. 155945 of the Douglas County Recorder's Office;

Thence N. 27°59'57" E., along said Westerly right-of-way line, 745.71 feet to the True Point of Beginning;

Thence N 62°01'24" W., 1105.54 feet to a Brass Cap in concrete;

Thence N 27°58'53" E., 713.86 feet to a 5/8" rebar and cap marked LS#625 on the Southerly right-of-way line of Loop Road per Document No. 24881 of the Douglas County Recorder's Office;

Thence 161.15 feet along said Southerly right-of-way line and along the arc of a curve to the right having a central angle of 07°53'30" and a radius of 1170.00 feet, (chord bears N. 73°30'38" E., 161.02 feet);

Thence S 62°00'03" E., 990.89 feet to said Westerly right-of-way line;

Thence S. 27°59'57" W., along said Westerly right-of-way line, 826.26 feet to the POINT OF BEGINNING.

Said land is also shown on that certain Record of Survey Supporting a Boundary Line Adjustment for Park Cattle Co., filed in the office of the County Recorder of Douglas County, State of Nevada on March 27, 1992, in Book 392, Page 4659, as Document No. 274260, Official Records.

APN: 1318-27-001-009

Document Number 274257 is provided pursuant to the requirements of Section 6.NRS 111.312

PARCEL 2:



A parcel of land located within a portion of the East one-half of Section 27, Township 13 North, Range 18, East, MDB&M., Douglas County, Nevada, being more particularly described as follows:

COMMENCING at a point, being the intersection of the Westerly right-of-way line of U.S. Highway 50 and the Nevada/California state line, which bears S. 48°39'46" E., 991.89 feet from the General Land Office State Line Monument as shown on the Record of Survey for Park Cattle Company, Document No. 155945 of the Douglas County Recorder's Office;

Thence N. 27°59'57" E., along said Westerly right-of-way line; 1571.97 feet to the True Point of Beginning;

Thence N. 62°00'03" W., 990.89 feet to the Southerly right-of-way of Loop Road per Document No. 24881 of the Douglas County Recorder's Office;

Thence 657.67 feet along said southerly right-of-way line and along the arc of a curve to the right having a central angle of 32°12'23" and a radius of 1170.00 feet, (chord bears S. 86°26'25" E., 649.04 feet), to the Northwest corner of the First Interstate Bank parcel;

Thence S. 27°59'57" W., along the Westerly line of said parcel, 187.06 feet;

Thence S. 62°00'03" E., along the Southerly line of said parcel, 400.00 feet to said Westerly right-of-way line;

Thence S. 27°59'57" W., along said Westerly right-of-way line, 81.47 feet to the POINT OF BEGINNING.

Said land is also shown on that certain Record of Survey Supporting a Boundary Line Adjustment for Park Cattle Co., filed in the office of the County Recorder of Douglas County, State of Nevada on March 27, 1992, in Book 392, Page 4659, as Document No. 274260, Official Records.

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