

2.52 Machine Gaming (Slot Machine). "Machine Gaming (Slot Machine)" shall mean Gaming utilizing coin, token, bill or to the extent deemed economically advantageous mutual agreement of the parties, other cashless operated gaming equipment of chance operated by player skill that is electric, electronic or mechanical which activates a reel (or simulated reel) spin by either a handle or push button, in which the software or mechanism of the device determines the presence or lack of a winning combination or payout, which has the capability of paying winning wagers through automatic return of either coins or tokens; or any other machine or device which is reasonably determined to be equivalent thereto based on evolving technological standards.

2.53 Management Agreement. "Management Agreement" shall mean this Agreement and may be referred to herein as the "Agreement."

2.54 Management Fee. "Management Fee" shall mean the management fee described in Section 6.1.

2.55 Manager. "Manager" shall mean HCAL Corporation.

2.56 Manager Proprietary Information. "Manager Proprietary Information" shall mean information described in Section 9.23.2.

2.57 Manager's Representatives. "Manager's Representatives" shall mean the persons designated by the Manager to sit on the Enterprise Board.

2.58 Managing Officer. The "Managing Officer" shall be designated by Manager by notice given to the Tribe in accordance with Section 9.2 of this Agreement. The Managing Officer shall serve as a liaison between the Manager and the Tribe. There shall be a Managing Officer during the entire term of this Agreement.

2.59 Material Adverse Change. "Material Adverse Change" shall mean any discovery of a fact or condition or any occurrence, event, or happening which shall have the effect of so increasing the expected cost of developing the Enterprise or of limiting either the scope of the Enterprise or the economic viability of the Enterprise to such a degree that the Enterprise, as defined by the parties hereto, has lost a substantial portion of its economic viability that the parties to this Agreement expected. Examples of events which could be a Material Adverse Change include, but are not limited to; (i) a court finding which has the effect of denying the Tribe the right to offer Machine Gaming (Slot Machine); or (ii) the legalization of Machine Gaming (Slot Machine) in San Diego, California generally; or (iii) the limiting of Slot Machine Gaming to less than 1,200 slot machines at the Facility, provided that in such event the parties shall enter into good faith negotiations to adjust the scope of the Enterprise in such a way that the operation of a lesser number of machines may be mutually acceptable to the parties, or (iv) discovery of facts which would increase the cost of development by above the Agreed Ceiling for Repayment of Development and Construction costs as set forth in the Development Agreement. 6/4

2.60 Material Breach. "Material Breach" shall mean such material breach as described in Section 11.3.

Operative Dates. For purposes of this Section 6, the first year of operations shall begin on the Commencement Date and continue until the first day of the month following the anniversary of the Commencement Date, and each subsequent year of operations shall be the 12-month period following the end of the previous year. Notwithstanding the foregoing, with the exception of Section 4.4.5, the term of this Agreement shall not extend for more than five (5) years after the Commencement Date or the end of the Compact, whichever is later.

6.6 Minimum Guaranteed Monthly Payment. "Minimum Guaranteed Monthly Payment" shall mean that payment due the Tribe beginning the due date of the first payment on the Note following the opening date of the Facility to the public, which payment shall have priority over the Management Fee and retirement of development and construction costs and shall be paid monthly in the amount necessary to equalize the cash distribution to the Tribe, the Management Fee earned and paid to Manager after reserve for or payment of the principal due on the Note and the Capital Replacement Reserve (the "Equalized Payment"). In no event shall the Minimum Guaranteed Monthly Payment be less than _____ per month. The distribution of Net Revenues received by the Tribe during any month shall be credited first to Manager's obligation to pay the Minimum Guaranteed Monthly Payment and, where there is insufficient Net Revenues in a given month, Manager shall advance the funds necessary to compensate for the deficiency and shall be reimbursed by the Tribe, to the extent the Equalized Payment exceeds _____ in any month, in the next succeeding twelve (12) month period in accordance with the schedule of disbursements set forth in this Management Agreement, as Recoupment Payment. In no event, however, shall such recoupment over each successive twelve (12) month period result in the distribution to Manager, monthly (Management Fee paid plus recoupment) of an amount in excess of the cash distribution to the Tribe over the same period. No Minimum Guaranteed Monthly Payment shall be owed for partial months during which Class III gaming is suspended or terminated at the Facility. Payments for partial months of operation of the Facility shall be pro-rated, and the obligation to pay Minimum Guaranteed Monthly Payments shall cease upon termination of this Agreement for any reason.

6.7 Payment of Net Revenues. The Manager is authorized to transfer funds from the bank accounts of the Enterprise to the bank accounts of the Manager and the Tribe in order to distribute Net Revenues and any other amounts due under this Section 6. The Net Revenues paid to the Tribe pursuant to this Section 6 shall be payable to the Tribal bank account specified by the Business Committee pursuant to Section 9.2.

6.8 Development Debt Refinancing. Tribe agrees to not refinance the Loan Agreement during the first twenty-four (24) months of operation of the Enterprise. Thereafter, if the Loan Agreement is refinanced, Manager is removed as guarantor, and the refinanced interest rate is no greater than two (2) percentage points over Prime, then from and after the effective date of such refinancing, the Management Fee shall be reduced from _____ of Net Revenues and Manager shall have the option, subject to the approval of the Chairman of NIGC, to extend the Term of this Management Agreement by _____. In no event, however, shall refinancing be allowed for any amount in excess of the outstanding principal of the Note at the time of refinancing.

6.9 Radius Restriction on Competition and Effect on Management Agreement. Manager shall not engage in any Indian gaming development within San Diego, Santa Ana, Metropolitan Statistical Areas ("MSA"), nor on the Pechanga and Morongo Indian

If Manager develops another Class III Gaming casino on any other Indian lands in San Bernadino/Riverside MSA, then upon the opening of said casino, the Management Fee shall be reduced to _____ of Net Revenues. Further, should the events of Section 6.8 also occur, the Management Fee shall be reduced to _____ of Net Revenues.

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Enterprise Names, Trade Marks and Service Marks.

Enterprise Name. The Enterprise shall be operated under a business name to be agreed upon by Harrah's and the Business Committee (the "Enterprise Name"), which shall include Harrah's followed by a geographic designation, which is descriptive of the location of the Enterprise and readily identifiable to the public.

7.2 System Marks. Prior to the Commencement Date and from time to time during the term hereof, Manager agrees to erect and install, in accordance with Tribal ordinances, rules and regulations, all signs Manager deems necessary in, on or about the Facility, including, but not limited to, signs bearing the System Marks as part of the Enterprise Name. The costs of purchasing, leasing, transporting, constructing, maintaining and installing the signs and systems shall be part of the Pre-Opening Budget as a start-up cost.

The Tribe agrees to recognize the exclusive right of ownership of Harrah's Operating Company, Inc., a Delaware corporation, to all Harrah's service marks, trademarks, copyrights, patents, games, patents or other similar rights or registrations now or hereafter held or applied for in connection therewith (collectively, the "System Marks"). The Tribe hereby disclaims any interest therein, regardless of any legal protection afforded thereto. The Tribe acknowledges that all of System Marks might not be used in connection with the Enterprise, and Manager, with the prior written consent of Harrah's Operating Company, Inc., shall have discretion to determine which System Marks shall be so used. The Tribe covenants that in the event of termination, cancellation or expiration of this Agreement, whether as a result of default by Manager or otherwise, the Tribe shall not hold itself out as, or continue operation of the Enterprise as a Harrah's casino nor will it utilize any of System Marks or any variant thereof in the name or operation of the Enterprise. The Tribe agrees that Manager or Harrah's Operating Company, Inc. or their respective representative may, at any time thereafter, upon not less than ten days' prior notice to the Tribe, and with the accompaniment of one or more representatives enter the Facility and may remove all signs, furnishings, printed materials, emblems, slogans or other distinguishing characteristics which are now or hereafter connected or identified with Manager or which carry any Harrah's Mark. The Tribe shall not use the name Harrah's, or any variation thereof, directly or indirectly, in connection with the private placement or public sale of securities or other comparable means of financing or public releases and other public communications related to the financial performance of the Enterprise other than those directed exclusively to the Tribal membership, without the prior written approval of Manager, which consent shall not be unreasonably withheld or delayed.

7.3 Litigation Involving System Marks. Tribe and Manager agree that, in the event Manager and/or Manager is or are the subject of any litigation or action brought by any party seeking to restrain the use by Tribe or Manager, or either of them, of any System Mark used by Manager for or on or in connection with the Facility or Enterprise, any such litigation or action shall be defended entirely by and at the expense of Manager, notwithstanding that Manager shall not be named as a party thereto. The Tribe shall not have the right to bring suit against Manager or any of the System Marks. In all cases, the conduct of any suit, whether brought by