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19 pleading to the Complaint.

20 Submitted by:

21 PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

22 By: 

By:  9/6/2017

23 James J. Pisanelli, Esq., Bar No. 4027  
24 Debra L. Spinelli, Esq., Bar No. 9695  
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11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;  
15 PARIS LAS VEGAS OPERATING  
16 COMPANY, LLC; PHWL, LLC; and  
17 BOARDWALK REGENCY CORPORATION  
d/b/a CAESARS ATLANTIC CITY,

18 Plaintiffs,

19 v.

20 ROWEN SEIBEL; LLTQ  
21 ENTERPRISES, LLC; LLTQ  
22 ENTERPRISES 16, LLC; FERG, LLC;  
23 FERG 16, LLC; MOTI PARTNERS, LLC;  
24 MOTI PARTNERS 16, LLC; TPOV  
25 ENTERPRISES, LLC; TPOV ENTERPRISES  
26 16, LLC; DNT ACQUISITION, LLC; GR  
27 BURGR, LLC; and J. JEFFREY  
28 FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO  
LLTQ ENTERPRISES 16, LLC**

**SUMMONS – CIVIL**

**NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU  
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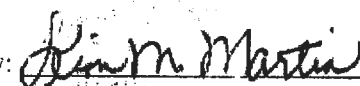
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d/b/a CAESARS ATLANTIC CITY,

17 **Plaintiffs,**

18 **v.**

19 ROWEN SEIBEL; LLTQ

ENTERPRISES, LLC; LLTQ

20 ENTERPRISES 16, LLC; FERG, LLC;

FERG 16, LLC; MOTI PARTNERS, LLC;

21 MOTI PARTNERS 16, LLC; TPOV

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**SUMMONS TO FERG, LLC**

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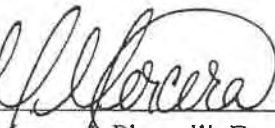
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**SUMMONS TO FERG 16, LLC**

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**SUMMONS TO MOTI PARTNERS, LLC**

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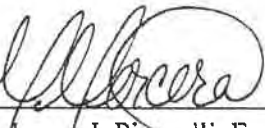
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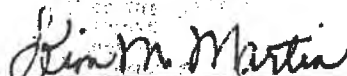
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**SUMMONS TO  
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COMPANY, LLC; PHWLTV, LLC; and  
BOARDWALK REGENCY CORPORATION  
d/b/a CAESARS ATLANTIC CITY,

Plaintiffs,

v.

ROWEN SEIBEL; LLTQ  
ENTERPRISES, LLC; LLTQ  
ENTERPRISES 16, LLC; FERG, LLC;  
FERG 16, LLC; MOTI PARTNERS, LLC;  
MOTI PARTNERS 16, LLC; TPOV  
ENTERPRISES, LLC; TPOV ENTERPRISES  
16, LLC; DNT ACQUISITION, LLC; GR  
BURGR, LLC; and J. JEFFREY  
FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO  
TPOV ENTERPRISES 16, LLC**

**SUMMONS – CIVIL**

**NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU  
WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS.  
READ THE INFORMATION BELOW.**

PISANELLI BICE PLLC  
400 SOUTH 7TH STREET, SUITE 300  
LAS VEGAS, NEVADA 89101  
702.214.2100

**TO DEFENDANT:** A civil Complaint has been filed by the Plaintiff(s) against you for the relief set forth in the Complaint.

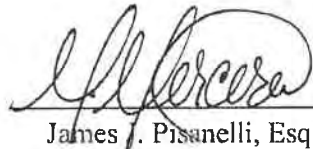
1. If you intend to defend this lawsuit, within 20 days after this Summons is served on you, exclusive of the day of service, you must do the following:
  - (a) File with the Clerk of this Court, whose address is shown below, a formal written response to the Complaint in accordance with the rules of the Court, with the appropriate filing fee.
  - (b) Serve a copy of your response upon the attorney whose name and address is shown below.
2. Unless you respond, your default will be entered upon application of the Plaintiff(s) and failure to so respond will result in a judgment of default against you for the relief demanded in the Complaint, which could result in the taking of money or property or other relief requested in the Complaint.
3. If you intend to seek the advice of an attorney in this matter, you should do so promptly so that your response may be filed on time.
4. The State of Nevada, its political subdivisions, agencies, officers, employees, board members, commission members and legislators each have 45 days after service of this Summons within which to file an Answer or other responsive pleading to the Complaint.

Submitted by:

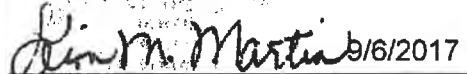
PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

By:



By:



James J. Pisanelli, Esq., Bar No. 4027  
Debra L. Spinelli, Esq., Bar No. 9695  
M. Magali Mercera, Esq., Bar No. 11742  
Brittanie T. Watkins, Esq., Bar No. 13612  
400 South 7th Street, Suite 300  
Las Vegas, Nevada 89101

Deputy Clerk **Kim Martin**  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, NV 89155

*Attorneys for Plaintiffs*

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Steven D. Grierson  
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AFFT  
Pisanelli Bice, PLLC  
James J. Pisanelli, Esq.,  
400 S. 7th Street, Suite 300  
Las Vegas, NV 89101  
State Bar No.: 4027  
Attorney(s) for: Plaintiff(s)

DISTRICT COURT  
CLARK COUNTY, NEVADA

Case No.:  
A-17-760537-B

Desert Palace, Inc.; et al.  
vs  
Rowen Seibel; et al.

Plaintiff(s)

Defendant(s)

Dept. No.: XXVII

Date:  
Time:

AFFIDAVIT OF SERVICE

Tina Irizarry, being duly sworn deposes and says: That at all times herein affiant was and is a citizen of the United States, over 18 years of age and not a party to or interested in the proceeding in which this affidavit is made. The affiant received 1 copy(ies) of the Summons to GR Burgr, LLC; Complaint: Business Court Civil Cover Sheet on the 7th day of September, 2017 and served the same on the 7th day of September, 2017 at 2:25 pm by serving the Defendant(s), GR Burgr, LLC by personally delivering and leaving a copy at Registered Agent, United Corporate Services, 874 Walker Rd., Suite C, Dover, DE 19904 with Tara Fox, Authorized Agent pursuant to NRS 14.020 as a person of suitable age and discretion at the above address, which address is the address of the registered agent as shown on the current certificate of designation filed with the Secretary of State.

State of Delaware, County of Kent

SUBSCRIBED AND SWORN to before me on this

11th day of September, 2017

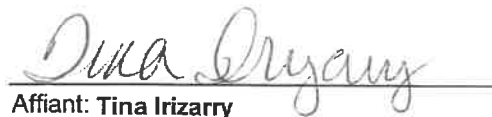


Notary Public

Shelly Rae Miles  
Notary Public  
State of Delaware  
Kent County  
No. 220151229000017

My Commission Expires Dec. 29, 2017

Case Number: A-17-760537-B



Affiant: Tina Irizarry  
Process Server

WorkOrderNo 1706228





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9/14/2017 9:30 AM  
Steven D. Grierson  
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*Steven D. Grierson*

**AFFT**  
Pisanelli Bice, PLLC  
James J. Pisanelli, Esq.,  
400 S. 7th Street, Suite 300  
Las Vegas, NV 89101  
State Bar No.: 4027  
Attorney(s) for: Plaintiff(s)

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

Case No.:  
**A-17-760537-B**

**Desert Palace, Inc.; et al.**  
**vs**  
**Rowen Seibel; et al.**

**Plaintiff(s)**

**Defendant(s)**

Dept. No.: XXVII

Date:  
Time:

**AFFIDAVIT OF SERVICE**

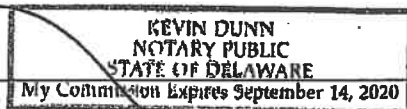
Denorris Britt, being duly sworn deposes and says: That at all times herein affiant was and is a citizen of the United States, over 18 years of age and not a party to or interested in the proceeding in which this affidavit is made. The affiant received 1 copy(ies) of the Summons to DNT Acquisition, LLC: Complaint: Business Court Civil Cover Sheet on the 7th day of September, 2017 and served the same on the 7th day of September, 2017 at 3:40 pm by serving the Defendant(s), DNT Acquisition, LLC by personally delivering and leaving a copy at Registered Agent, Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801 with Amy McLaren, authorized employee pursuant to NRS 14.020 as a person of suitable age and discretion at the above address, which address is the address of the registered agent as shown on the current certificate of designation filed with the Secretary of State.

State of Delaware, County of New Castle

SUBSCRIBED AND SWORN to before me on this

14<sup>th</sup> day of Sept., 2017

Notary Public

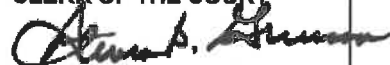


*h*  
Affiant: **Denorris Britt**  
Process Server

WorkOrderNo 1706227



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**IAFD**  
ROBERT E. ATKINSON, ESQ., Bar No. 9958  
Email: robert@nv-lawfirm.com  
**ATKINSON LAW ASSOCIATES LTD.**  
8965 S Eastern Ave, Suite 260  
Las Vegas, NV 89123  
Telephone: (702) 614-0600  
Facsimile: (702) 614-0647  
*Attorney for defendant J. Jeffrey Frederick.*

**EIGHTH JUDICIAL DISTRICT COURT  
CLARK COUNTY, NEVADA**

DESERT PALACE, INC.; PARIS LAS  
VEGAS OPERATING COMPANY, LLC;  
PHWL, LLC; and BOARDWALK  
REGENCY CORPORATION d/b/a CAESARS  
ATLANTIC CITY,

Plaintiffs,

v.

ROWEN SEIBEL; LLTQ ENTERPRISES,  
LLC; LLTQ ENTERPRISES 16, LLC; FERG,  
LLC; FERG 16, LLC; MOTI PARTNERS,  
LLC; MOTI PARTNERS 16, LLC; TPOV  
ENTERPRISES, LLC; TPOV ENTERPRISES  
16, LLC; DNT ACQUISITION, LLC; GR  
BURGR, LLC; and J. JEFFREY FREDERICK,

Defendants.

CASE NO. A-17-760537-B  
DEPT NO. XXVII

**INITIAL APPEARANCE FEE  
DISCLOSURE**

Pursuant to NRS Chapter 19, as amended by Assembly Bills, filing fees are hereby  
submitted for certain parties appearing in the above entitled action, as indicated below:

J. JEFFREY FREDERICK, *defendant* ..... \$1,483.00

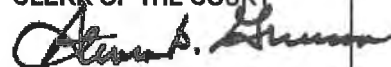
**Total Remitted: \$1,483.00**

DATED: September 26, 2017

**ATKINSON LAW ASSOCIATES LTD.**

By: /s/ Robert Atkinson  
ROBERT E. ATKINSON, ESQ.  
Nevada Bar No. 9958

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9/26/2017 1:25 PM  
Steven D. Grierson  
CLERK OF THE COURT



**NOTA**

ROBERT E. ATKINSON, ESQ., Bar No. 9958

Email: [robert@nv-lawfirm.com](mailto:robert@nv-lawfirm.com)

**ATKINSON LAW ASSOCIATES LTD.**

8965 S Eastern Ave., Suite 260

Las Vegas, NV 89123

Telephone: (702) 614-0600

*Attorney for Defendant J. Jeffrey Frederick*

**EIGHTH JUDICIAL DISTRICT COURT  
CLARK COUNTY, NEVADA**

DESERT PALACE, INC.; PARIS LAS VEGAS  
OPERATING COMPANY, LLC; PHWLTV,  
LLC; and BOARDWALK REGENCY  
CORPORATION d/b/a CAESARS ATLANTIC  
CITY,

Plaintiffs,

v.

ROWEN SEIBEL; LLTQ ENTERPRISES,  
LLC; LLTQ ENTERPRISES 16, LLC; FERG,  
LLC; FERG 16, LLC; MOTI PARTNERS, LLC;  
MOTI PARTNERS 16, LLC; TPOV  
ENTERPRISES, LLC; TPOV ENTERPRISES  
16, LLC; DNT ACQUISITION, LLC; GR  
BURGR, LLC; and J. JEFFREY FREDERICK,

Defendants.

CASE NO. A-17-760537-B

DEPT NO. XXVII

**NOTICE OF APPEARANCE FOR  
DEFENDANT J. JEFFREY  
FREDERICK**

TO: ALL PARTIES-IN-INTEREST and their COUNSEL OF RECORD:

ROBERT E. ATKINSON, ESQ. of the law firm ATKINSON LAW ASSOCIATES LTD., hereby enters his appearance on the record in the above-captioned case as attorney of record for defendant J. JEFFREY FREDERICK. Service of all motions, notices, and filed documents and pleadings for this party should be made by electronic service via the Eighth District Court's electronic filing system, or, if by U.S. mail, directed to: Robert E. Atkinson, Esq., Atkinson Law Associates Ltd., 8965 S. Eastern Ave. Suite 260, Las Vegas, NV 89123.

DATED: September 26, 2017

**ATKINSON LAW ASSOCIATES LTD.**

By:           /s/ Robert Atkinson          

ROBERT E. ATKINSON, ESQ. # 9958

*Attorney for J. Jeffrey Frederick*

**CERTIFICATE OF SERVICE**

I hereby certify that, on September 26, 2017, I caused to be served the foregoing document entitled **NOTICE OF APPEARANCE** on the following persons and entities, using the means so indicated:

☒ **BY ELECTRONIC SERVICE:** Pursuant to EDCR 8.05(a) and (f), via the Eighth District Court's electronic filing system, to:

**For Plaintiffs:**

Pisanelli Bice	lit@pisanellibice.com
Magali Mercera	mmm@pisanellibice.com
Debra L Spinelli	dls@pisanellibice.com
Cinda Towne	cct@pisanellibice.com
Brittnie Watkins	btw@pisanellibice.com

DATED: September 26, 2017

/s/ Robert Atkinson  
ROBERT ATKINSON, ESQ.  
*Attorney for J. Jeffrey Frederick*

Honorable Laurel E. Davis  
United States Bankruptcy Judge



Entered on Docket  
December 14, 2017

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

\*\*\*\*\*

DESERT PALACE, INC.; PARIS LAS VEGAS)  
OPERATING COMPANY, LLC; PHWLTV,  
LLC; BOARDWALK REGENCY)  
CORPORATION dba CAESARS ATLANTIC)  
CITY, )

Plaintiffs, )

vs. )

MOTI PARTNERS, LLC; MOTI PARTNER)  
16, LLC; J. JEFFREY FREDERICK; ROWEN)  
SEIBEL; LLTQ ENTERPRISES, LLC; LLTQ)  
ENTERPRISES 16, LLC; FERG, LLC; FERG)  
16 LLC; TPOV ENTERPRISES, LLC; TPOV)  
ENTERPRISES 16, LLC; DNT)  
ACQUISITION, LLC; GR BURGR, LLC, )

Defendants. )

Adv. Proceeding No.: 17-01237-LED

**Date:** December 4, 2017  
**Time:** 1:30 p.m.

**FINDINGS OF FACT AND CONCLUSIONS OF LAW<sup>1</sup>**

On December 4, 2017, the court held a combined hearing on the “Motion to Transfer Venue for Claims against MOTI Defendants” (AECF No. 9) (the “Motion to Transfer Venue”)

<sup>1</sup> All references to “AECF No.” are to the numbers assigned to the documents filed in the above-captioned adversary proceeding as they appear on the docket maintained by the Clerk of Court. All references to “ECF No.” are to the numbers assigned to the documents filed in the bankruptcy proceeding as they appear on the docket maintained by the Clerk of Court of the United States Bankruptcy Court for the Northern District of Illinois in Case No. 15-01145. All references to “FRBP” are to the Federal Rules of Bankruptcy Procedure. All references to “FRCP” are to the Federal Rules of Civil Procedure.

1 and “Plaintiffs’ Amended Motion to Remand” (AECF No. 34) (the “Amended Motion to  
2 Remand”). Appearances were noted on the record.

3 The court has considered the pleadings, arguments of counsel, the case law and  
4 statutes applicable to this matter, and the court takes judicial notice of the pleadings filed in  
5 the Caesars Bankruptcy Case (defined below) pursuant to Federal Rules of Evidence  
6 201(b). In accordance with FRCP 52, made applicable to adversary proceedings by FRBP  
7 7052, the court makes the following findings of fact and conclusions of law. Any finding of  
8 fact that should be a conclusion of law is deemed a conclusion of law; any conclusion of  
9 law that should be a finding of fact is deemed a finding of fact.

### 10 FINDINGS OF FACT

11 1. In 2009, Desert Palace, Inc. (“Desert Palace”) and MOTI Partners, LLC  
12 entered into an agreement relating to the development and operation of a Las Vegas  
13 restaurant (the “MOTI Agreement”). (AECF No. 1 at ¶ 2; see also AECF No. 1-1 at ¶ 14).

14 2. On January 15, 2015, Desert Palace filed a voluntary chapter 11 petition with  
15 the Bankruptcy Court for the Northern District of Illinois (the “Illinois Bankruptcy Court”)  
16 as Case No. 15-01167. On that same day, the Illinois Bankruptcy Court entered an order  
17 directing joint administration of Desert Palace’s chapter 11 case, among others, with the  
18 lead chapter 11 case filed by Caesars Entertainment Operating Company, Inc. as Case No.  
19 15-01145 (the “Caesars Bankruptcy Case”). (ECF No. 43).

20 3. On September 2, 2016, Desert Palace sent MOTI Partners, LLC a letter  
21 terminating the MOTI Agreement. (AECF No. 1 at ¶ 6; AECF No. 1-1 at ¶ 110).

22 4. On November 30, 2016, MOTI Partners, LLC and MOTI Partners, 16, LLC  
23 (collectively, “MOTI”) filed a “Request for Payment of Administrative Expense” in the  
24 Caesars Bankruptcy Case relating to the termination of the MOTI Agreement (the “MOTI  
25 Administrative Expense Claim”). (ECF No. 5862). The MOTI Administrative Expense  
26 Claim remains pending before the Illinois Bankruptcy Court.



1           5.       On January 17, 2017, the Illinois Bankruptcy Court entered an order (the  
2 “Confirmation Order”) in the Caesars Bankruptcy Case confirming the Third Amended  
3 Joint Plan of Reorganization (the “Confirmed Plan”). (ECF No. 6334).

4           6.       On August 25, 2017, Desert Palace, Paris Las Vegas Operating Company,  
5 LLC, PHWLTV, LLC, and Boardwalk Regency Corporation d/b/a Caesars Atlantic City  
6 (collectively, the “Plaintiffs”) filed a Complaint in the District Court for Clark County,  
7 Nevada (the “State Court”) as Case No. A-17-760537-B (the “State Court Case”) against  
8 Rowen Seibel, J. Jeffrey Frederick, LLTQ Enterprises, LLC, LLTQ Enterprises 16, LLC  
9 (together with LLTQ Enterprises, LLC, “LLTQ”), FERG, LLC, FERG 16, LLC (together  
10 with FERG, LLC, “FERG”), MOTI, TPOV Enterprises, LLC, TPOV Enterprises 16, LLC  
11 (together with TPOV Enterprises, LLC, “TPOV”), DNT Acquisition, LLC (“DNT”), and  
12 GR Burgr, LLC (“GRB,” and collectively with Rowen Seibel, J. Jeffrey Frederick, LLTQ,  
13 FERG, MOTI, TPOV, and DNT, the “Defendants”). (AECF No. 1 at Ex. A).

14           7.       The Complaint alleges three causes of action (the “Removed Claims”)  
15 seeking declaratory judgments relating to contracts, including the MOTI Agreement  
16 (collectively, the “Seibel Agreements”),<sup>2</sup> entered into by and among Plaintiffs and the  
17 Defendants.

18           8.       Count I of the Complaint seeks a “Declaratory Judgment Against All  
19 Defendants Declaring That Caesars Properly Terminated All of the Seibel Agreements.”

20           9.       Count II of the Complaint seeks a “Declaratory Judgment Against All  
21 Defendants Declaring That Caesars Does Not Have Any Current or Future Obligations to  
22 Defendants Under the Seibel Agreements.”

---

23  
24  
25  
26           <sup>2</sup> The Complaint defines the contracts as the “Seibel Agreements.”

1           10.     Count III of the Complaint seeks a “Declaratory Judgment Against All  
2 Defendants Declaring that the Seibel Agreements Do Not Prohibit or Limit Existing or  
3 Future Restaurant Ventures Between Caesars and Gordon Ramsay.”

4           11.     On September 27, 2017,<sup>3</sup> MOTI removed the State Court Case to this court  
5 pursuant to 28 U.S.C. §§ 1452(a) and 1334(b) and FRBP 9027.<sup>4</sup> (AECF No. 1). MOTI  
6 argues that the issues made the subject of the Removed Claims are subsumed within the  
7 MOTI Administrative Expense Claim currently pending in the Caesars Bankruptcy Case.

8           12.     On October 2, 2017, MOTI filed a Motion to Transfer Venue, pursuant to  
9 which MOTI seeks to transfer the Removed Claims to the Illinois Bankruptcy Court.

10          13.     On October 6, 2017, the effective date of the Confirmed Plan occurred. (ECF  
11 No. 7482).

12          14.     On October 23, 2017, Plaintiffs filed an objection to the Motion to Transfer  
13 Venue (AECF No. 29)<sup>5</sup> and a Motion to Remand (AECF No. 30), pursuant to which  
14 Plaintiffs seek to remand the Removed Claims back to the State Court.

15          15.     On October 24, 2017, Plaintiffs filed their Amended Motion to Remand.

16          16.     On October 24, 2017, the Plaintiffs and some of the Defendants, including  
17 MOTI, filed a Stipulation to remand certain parties and claims back to the State Court (the  
18 “Stipulation”). (AECF No. 35).

---

21               <sup>3</sup> On September 27, 2017, LLTQ and FERG filed a second Notice of Removal with this  
22 court as Case No. 17-01238-LED. The court will address similar motions for removal and/or  
23 transfer filed in that adversary proceeding by separate findings of fact and conclusions of law  
entered therein.

24               <sup>4</sup> Plaintiffs have not contested the timeliness of MOTI’s removal.

25               <sup>5</sup> On October 18, 2017, J. Jeffrey Frederick also filed a limited objection to the Motion to  
26 Transfer Venue (AECF No. 28), which has since been resolved and is not currently before the  
court.



1 split in the case law but concluding that the bankruptcy court had authority to enter a final  
2 order on a motion to remand).

3 B. “[A] bankruptcy court’s post-confirmation ‘related to’ jurisdiction is  
4 substantially more limited than its pre-confirmation jurisdiction . . . .” Montana v. Goldin  
5 (In re Pegasus Gold Corp.), 394 F.3d 1189, 1191 (9th Cir. 2005). “[T]he essential inquiry  
6 appears to be whether there is a close nexus to the bankruptcy plan or proceeding sufficient  
7 to uphold bankruptcy court jurisdiction over the matter[,]” and “matters affecting ‘the  
8 interpretation, implementation, consummation, execution, or administration of the  
9 confirmed plan will typically have the requisite close nexus.” Id. at 1194 (quoting Binder  
10 v. Price Waterhouse & Co., LLP (In re Resorts Int’l, Inc.), 372 F.3d 154, 166-67 (3d Cir.  
11 2004)).

12 C. Count I seeks a declaration regarding Desert Palace’s right to terminate the  
13 MOTI Agreement based upon Nevada state law, a fact that MOTI concedes. MOTI  
14 nevertheless argues that the “unique circumstances” of the Caesars Bankruptcy Case require  
15 some different conclusion. (See AECF No. 47 at p. 6). The court disagrees.

16 D. The disclosure statement approved in the Caesars Bankruptcy Case listed an  
17 estimated 1,800 administrative claims that are provided for by either payment in full or  
18 other resolution during the post-confirmation period. (ECF No. 4220-1 at p. 105). Any  
19 state law issue arising in Count I is distinct from the MOTI Administrative Expense Claim.  
20 And, MOTI’s counsel conceded during the December 4 hearing that Count I is a nullity  
21 because Desert Palace had the right to terminate the MOTI Agreement for any reason.  
22 Consequently, the determination of Count I in the State Court Case will not affect the  
23 interpretation, implementation, consummation, execution, or administration of the  
24 Confirmed Plan.

25 E. Language in the Confirmed Plan providing for the Illinois Bankruptcy Court’s  
26 retention of jurisdiction over administrative claims does not alter this conclusion, as the

1 court's subject matter jurisdiction may not be conferred by the parties' consent with respect  
 2 to state law contract claims that do not satisfy the "close nexus" test regarding post-  
 3 confirmation jurisdiction. Go Global, Inc. v. Rogich (In re Go Global, Inc.), 2016 WL  
 4 6901265, at \*7 (B.A.P. 9th Cir. Nov. 22, 2016) (citing In re Resorts Int'l, Inc., 372 F.3d at  
 5 161) ("[T]o the extent the plan could be construed as reserving jurisdiction to the  
 6 bankruptcy court to adjudicate that claim, such a reservation would be, by itself,  
 7 ineffective.").

8 F. Because this court finds and concludes that there is a not a sufficiently "close  
 9 nexus" between Count I and the Caesars Bankruptcy Case, the court does not reach the  
 10 question of supplemental jurisdiction pursuant to 28 U.S.C. § 1367.

11 G. For all of these reasons, the court lacks jurisdiction over Count I, which shall  
 12 be remanded back to the State Court.

### 13 **Remand of Claims**

14 H. Even if the court has jurisdiction over Count I, the court exercises its  
 15 discretion to remand Count I back to the State Court. See Pac. Inv. Mgmt. Co., LLC v.  
 16 OCP Opportunities Fund III, L.P. (In re Enron Corp.), 296 B.R. 505, 508 (C.D. Cal. 2003)  
 17 (citing 28 U.S.C. § 1452(b)) ("Bankruptcy courts have broad discretion to remand cases  
 18 over which they otherwise have jurisdiction on any equitable ground.").

19 I. Pursuant to 28 U.S.C. § 1452(a), a party is authorized to "remove any claim  
 20 or cause of action in a civil action . . . to the district court for the district where such civil  
 21 action is pending, if such district court has jurisdiction of such claim or cause of action  
 22 under section 1334 of this title."

23 J. Pursuant to 28 U.S.C. § 1452(b), "[t]he court to which such claim or cause of  
 24 action is removed may remand such claim or cause of action on any equitable ground."

25 K. "This 'any equitable ground' remand standard is an unusually broad grant of  
 26 authority. It subsumes and reaches beyond all of the reasons for remand under

1 nonbankruptcy removal statutes.” McCarthy v. Prince (In re McCarthy), 230 B.R. 414, 417  
 2 (B.A.P. 9th Cir. 1999). “At bottom, the question is committed to the sound discretion of the  
 3 bankruptcy judge.” Id.

4 L. The court may consider 14 non-exclusive factors during its discretionary  
 5 analysis. See Wood v. Bank of N.Y. (In re Wood), 2011 WL 7145617, at \*8-9 (B.A.P. 9th  
 6 Cir. Dec. 12, 2011). “[A]ny one of the relevant factors may provide a sufficient basis for  
 7 equitable remand . . . .” Fenicle v. Boise Cascade Co., 2015 WL 5948168, at \*6 (N.D. Cal.  
 8 Oct. 13, 2015) (quotations and citations omitted).

9 M. The first factor involves “the effect or lack thereof on the efficient  
 10 administration of the estate if the Court recommends [remand] . . . .” In re Wood, 2011 WL  
 11 7145617, at \*8. The court finds and concludes that remand will not affect the efficient  
 12 administration of the Caesars Bankruptcy Case because any state law issue involving Count  
 13 I is distinct from the MOTI Administrative Expense Claim, which is only one of an  
 14 estimated 1,800 such claims that are provided for by the Confirmed Plan. Furthermore,  
 15 MOTI’s counsel conceded during the December 4 hearing that Count I is a nullity because  
 16 Desert Palace had the right to terminate the MOTI Agreement for any reason. See  
 17 Christensen v. Tucson Estates, Inc. (In re Tucson Estates, Inc.), 912 F.2d 1162, 1169 (9th  
 18 Cir. 1990) (finding that issues involving state law interpretation of a restrictive covenant’s  
 19 reach “are distinct from the administration of the bankruptcy estate.”); In re Go Global, Inc.,  
 20 2016 WL 6901265, at \*7 (holding that the court lacked post-confirmation jurisdiction to  
 21 decide a cause of action that was not discussed in the disclosure statement or confirmed  
 22 plan); Machine Zone, Inc. v. Peak Web LLC (In re Peak Web LLC), 559 B.R. 738, 741-42  
 23 (Bankr. D. Or. 2016) (finding that the first factor weighed in favor of remand because  
 24 “reorganization is not dependent on resolution of the [removed] claims.”). See also RG  
 25 Adding L.L.C. v. Carrier Mid-Atlantic HQ (In re Fedders N. Am., Inc.), 2009 WL 2151245,  
 26 at \*1-2 (Bankr. D. Del. July 17, 2009) (abstaining from deciding an action to collect a



1 receivable purchased during the bankruptcy case because, among other things, state law  
 2 predominates and resolution of this action “will have no effect on the administration of the  
 3 estate because the Debtor’s plan has been confirmed . . . .”); Sun Healthcare Group, Inc. v.  
 4 Levin (In re Sun Healthcare Group, Inc.), 267 B.R. 673, 679 (Bankr. D. Del. 2000)  
 5 (abstaining from hearing the debtor’s adversary proceeding involving breach of contract  
 6 and tortious interference with business relations’ claims because, among other things, “there  
 7 is no impact on the administration of the bankruptcy estate . . . .”).

8 N. The second factor involves the “extent to which state law issues predominate  
 9 over bankruptcy issues . . . .” In re Wood, 2011 WL 7145617, at \*9. As MOTI has  
 10 acknowledged, the court finds and concludes that this factor strongly weighs in favor of  
 11 remand because Count I involves a state law contract issue. See AECF No. 47 at p. 6  
 12 (stating that the Removed Claims involve a “state law contract dispute . . . .”); see also In re  
 13 Peak Web LLC, 559 B.R. at 742 (finding that the second factor weighed in favor of remand  
 14 because state law issues predominate and “no bankruptcy issues . . . need to be determined  
 15 before the case can be tried.”).

16 O. The third factor involves whether there are “difficult or unsettled [issues] of  
 17 applicable law . . . .” In re Wood, 2011 WL 7145617, at \*9. Although the parties did not  
 18 argue this factor, MOTI’s counsel conceded that Desert Palace had the right to terminate the  
 19 MOTI Agreement for any reason. In light of this concession, the court finds and concludes  
 20 that this factor weighs in favor of remand.

21 P. The fourth factor involves the “presence of a related proceeding commenced  
 22 in state court or other nonbankruptcy proceeding . . . .” Id. The State Court Case  
 23 constitutes a related proceeding to which this court has already remanded certain claims and  
 24 parties pursuant to the Stipulation. See Maya, LLC v. Cytodyn of N. Mexico, Inc. (In re  
 25 Cytodyn of N. Mexico, Inc.), 374 B.R. 733, 739 (Bankr. C.D. Cal. 2007) (finding this factor  
 26 weighed in favor of remand even though the state court case may have technically been

1 “extinguished” upon removal). Furthermore, after considering the pleadings and counsels’  
 2 arguments, the court is convinced that similar issues involving Nevada law permeate all of  
 3 the Removed Claims, as well as the claims that have already been remanded back to the  
 4 State Court. Indeed, Plaintiffs’ counsel represented to the court that all parties have agreed  
 5 that if the Removed Claims are remanded back to the State Court, then the State Court Case  
 6 will be consolidated with another related Nevada state court matter pending before Judge  
 7 Joe Hardy as Case No. A-17-751759-B.<sup>8</sup> For all of these reasons, the court finds and  
 8 concludes that this factor weighs in favor of remand.

9 Q. The fifth factor involves the “jurisdictional basis, if any, other than § 1334 . . .  
 10 .” In re Wood, 2011 WL 7145617, at \*9. MOTI does not argue that any jurisdictional basis  
 11 exists other than 28 U.S.C. § 1334. Therefore, the court finds and concludes that this factor  
 12 weighs in favor of remand.

13 R. The sixth factor involves the “degree of relatedness or remoteness of [the]  
 14 proceeding to [the] main bankruptcy case . . . .” Id. MOTI argues that overlapping facts  
 15 exist in the Caesars Bankruptcy Case relating to the MOTI Administrative Expense Claim.  
 16 Plaintiffs indirectly refute this, arguing, among other things, that Count I is not “related to”  
 17 the interpretation or enforcement of the Confirmed Plan in the Caesars Bankruptcy Case.  
 18 The court agrees. Claims objections routinely require a bankruptcy court’s interpretation of  
 19 state law issues, and the existence of overlapping facts does not, standing alone, convert  
 20 purely state law claims to a bankruptcy matter that must be decided by a bankruptcy court.  
 21 See Butner v. U.S., 440 U.S. 48, 54 (1979) (“Congress has generally left the determination  
 22 of property rights in the assets of a bankruptcy’s estate to state law.”). Consequently, the  
 23 court finds and concludes that this factor weighs in favor of remand.

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24  
 25 <sup>8</sup> Also raising similar issues is a case pending in the U.S. District Court for the District of  
 26 Nevada, entitled *TPOV Enterprises 16, LLC v. Paris Las Vegas Operating Co., LLC, et al.*, Case  
 No. 2:17-CV-00346-JCM-VCF.

1           S.       The seventh factor involves “the substance rather than the form of an asserted  
 2 core proceeding.” In re Wood, 2011 WL 7145617, at \*9. MOTI argues that Count I is a  
 3 core proceeding under 28 U.S.C. §§ 157(b)(2)(A) or 28 U.S.C. § 157(b)(2)(O) because it is  
 4 “inextricably bound” with the MOTI Administrative Claim Expense Claim. See Honigman,  
 5 Miller, Schwartz & Cohn v. Weitzman (In re Delorean Motor Co.), 155 B.R. 521, 525  
 6 (B.A.P. 9th Cir. 1993) (“[A] proceeding will not be considered a core matter, even if it falls  
 7 within the literal language of sections 157(b)(2)(A) or 157(b)(2)(O), if it is a state law claim  
 8 that could exist outside of bankruptcy and is not inextricably bound to the claims allowance  
 9 process or a right created by the Bankruptcy Code.”). Pursuant to the MOTI Administrative  
 10 Expense Claim, MOTI seeks damages based on post-termination events. However, the only  
 11 issue involved in Count I is Desert Palace’s right to terminate the MOTI Agreement under  
 12 Nevada state law, an issue that MOTI’s counsel has conceded is no longer in dispute.  
 13 Consequently, Count 1 is not “inextricably bound” to the administrative claims process  
 14 pending before the Illinois Bankruptcy Court. Therefore, the court finds and concludes that  
 15 this factor weighs in favor of remand.

16           T.       The eighth factor relates to “the feasibility of severing state law claims from  
 17 core bankruptcy matters to allow judgments to be entered in state court with enforcement  
 18 left to the bankruptcy court . . . .” In re Wood, 2011 WL 7145617, at \*9. The court finds  
 19 and concludes that this factor weighs in favor of remand because any findings made by the  
 20 State Court on Count I may, to the extent applicable, be utilized by the Illinois Bankruptcy  
 21 Court with respect to the matters pending before it.

22           U.       The ninth factor involves “the burden on the bankruptcy court’s docket . . . .”  
 23 Id. Plaintiffs cite to a transcript from the Caesars Bankruptcy Case in which U.S.  
 24 Bankruptcy Judge A. Benjamin Goldgar stated regarding another matter his preference for a  
 25 state court to determine a state law issue. See Amended Motion to Remand at p. 14 and Ex.  
 26 C. The parties also cite other statements by Judge Goldgar to the effect that particular

1 issues should be decided by the bankruptcy court. These comments by Judge Goldgar are  
 2 not consistent and therefore do not provide a basis upon which to make findings and  
 3 conclusions regarding this factor. As a result, the court finds and concludes that this factor  
 4 is neutral.

5 V. The tenth factor involves “the likelihood that the commencement of the  
 6 proceeding in bankruptcy court involves forum shopping by one of the parties . . . .” In re  
 7 Wood, 2011 WL 7145617, at \*9. MOTI argues that Plaintiffs engaged in forum shopping  
 8 by filing the State Court Case after receiving unfavorable comments from Judge Goldgar.  
 9 This contention is not relevant to the tenth factor, which “addresses forum shopping in  
 10 connection with the initiation of the bankruptcy court proceeding . . . .” Kamana O’Kala,  
 11 LLC v. Lite Solar, LLC, 2017 WL 1100568, at \*7 (D. Or. Feb. 13, 2017). Even if it was  
 12 relevant, the “court determines that the evidence does not indicate that any party chose . . .  
 13 its respective forum in an attempt to abuse or manipulate the judicial process.” Torres v.  
 14 NE Opco, Inc. (In re NE Opco, Inc.), 2014 WL 4346080, at \*3 (Bankr. C.D. Cal. Aug. 28,  
 15 2014). For these reasons, the court finds and concludes that this factor is neutral.

16 W. The eleventh factor involves “the existence of a right to a jury trial . . . .” In  
 17 re Wood, 2011 WL 7145617, at \*9. MOTI states that no jury trial has been demanded, see  
 18 AECF No. 47 at p. 9. Plaintiffs do not refute this claim. For this reason, the court finds and  
 19 concludes that this factor weighs slightly against remand.

20 X. The twelfth factor involves “the presence in the proceeding of nondebtor  
 21 parties . . . .” In re Wood, 2011 WL 7145617, at \*9. Desert Palace, as a reorganized  
 22 debtor, is a separate legal entity from the debtor that was involved in the Caesars  
 23 Bankruptcy Case. See Confirmed Plan at p. 71, Art. IV, § AA. Furthermore, two of the  
 24 plaintiffs and all the defendants in the State Court Case are non-debtors. As a result, the  
 25 court finds and concludes that this factor weighs in favor of remand.

Y. The thirteenth factor involves “comity . . . .” In re Wood, 2011 WL 7145617, at \*9. “Comity dictates that [Nevada] courts should have the right to adjudicate the exclusively state law claims involving [Nevada]-centric plaintiffs<sup>9</sup> and [Nevada]-centric transactions.” Pac. Inv. Mgmt. Co., LLC v. OCP Opportunities Fund III, L.P. (In re Enron Corp.), 296 B.R. 505, 509 (C.D. Cal. 2003). See also Kamana O’Kala, LLC, 2017 WL 1100568, at \*7 (finding the thirteenth factor weighed “heavily” in favor of remand “because Kamana’s claims arise out of Oregon law, and because Kamana selected the [applicable state] court as the forum for litigation of its claims.”); In re NE Opco, Inc., 2014 WL 4346080, at \*3 (finding the same “because California courts have an interest in adjudicating Plaintiff’s California state law claims.”); Brincko v. Rio Props., Inc. (In re Nat’l Consumer Mortg.), 2010 WL 2384217, at \*4 (C.D. Cal. June 10, 2010) (transferring venue from the California bankruptcy court to Nevada because, among other reasons, “Nevada has an interest in having the controversy decided within its borders.”). For these reasons, the court finds and concludes that this factor weighs strongly in favor of remand.

Z. The fourteenth factor involves “the possibility of prejudice to other parties in the action . . . .” In re Wood, 2011 WL 7145617, at \*9. Plaintiffs’ counsel argued that overlapping facts exist regarding “suitability” provisions in the Seibel Agreements and the scope of restrictive covenants. Absent a single forum to decide these issues, Plaintiffs contend that the risk of inconsistent decisions by different courts constitutes prejudice. The court agrees. See W. Helicopters, Inc. v. Hiller Aviation, Inc., 97 B.R. 1, 7 (E.D. Cal. 1988) (“In addition to the unnecessary expense and expenditure of duplicative judicial resources, bifurcating this civil claim creates the real danger of inconsistent results. Such a risk should be avoided if there are no countervailing benefits.”). Finally, the State Court

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<sup>9</sup> According to the Complaint, Boardwalk Regency Corporation d/b/a Caesars Atlantic City LLC is the only Plaintiff that is not incorporated in Nevada. (See AECF No. 1-1 at ¶¶ 9-12).

1 Case involves two non-debtor plaintiffs and 12 non-debtor defendants. For these reasons,  
2 the court finds and concludes that this factor strongly weighs in favor of remand.

3 AA. In summation, factors 1-8 and 12-14 weigh in favor of remand, factor 11  
4 weighs slightly against remand, and factors 9-10 are neutral. The court finds and concludes  
5 that the 11 factors in favor of remand substantially outweigh the one factor weighing  
6 slightly against remand. The court therefore grants the Amended Motion to Remand and  
7 remands Count I back to the State Court. The Motion to Transfer is therefore denied as  
8 moot.

### 9 CONCLUSION

10 Pursuant to FRBP 9021, the court will enter separate orders and judgments  
11 consistent with these Findings of Fact and Conclusions of Law.

12 IT IS SO ORDERED.

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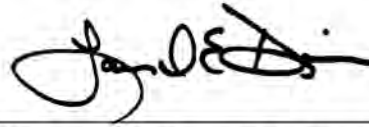
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Honorable Laurel E. Davis  
United States Bankruptcy Judge



Entered on Docket  
December 14, 2017

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

\*\*\*\*\*

DESERT PALACE, INC.; PARIS LAS VEGAS)  
OPERATING COMPANY, LLC; PHWLTV,  
LLC; BOARD WALK REGENCY)  
CORPORATION dba CAESARS ATLANTIC)  
CITY, )

Plaintiffs, )

vs. )

MOTI PARTNERS, LLC; MOTI PARTNER)  
16, LLC; J. JEFFREY FREDERICK; ROWEN)  
SEIBEL; LLTQ ENTERPRISES, LLC; LLTQ)  
ENTERPRISES 16, LLC; FERG, LLC; FERG)  
16 LLC; TPOV ENTERPRISES, LLC; TPOV)  
ENTERPRISES 16, LLC; DNT)  
ACQUISITION, LLC; GR BURGR, LLC, )

Defendants. )

Adv. Proceeding No.: 17-01237-LED

**Date:** December 4, 2017  
**Time:** 1:30 p.m.

**ORDER DENYING MOTION TO TRANSFER<sup>1</sup>**

On November 6 and December 4, 2017, the court held hearings on the “Motion to Transfer Venue for Claims Against MOTI Defendants” (AECF No. 9) (the “Motion to Transfer”) filed by MOTI Partners, LLC and MOTI Partners 16, LLC. Appearances were noted on the record.

<sup>1</sup> All references to “AECF No.” are to the numbers assigned to the documents filed in the above-captioned adversary proceeding as they appear on the docket maintained by the Clerk of Court.

1 Based upon the court's Findings of Fact and Conclusions of Law and Order Granting  
2 Motion to Remand entered contemporaneously with this Order;

3 IT IS HEREBY ORDERED that the Motion to Transfer is **denied as moot**.

4 IT IS SO ORDERED.

5 Copies sent via BNC to:

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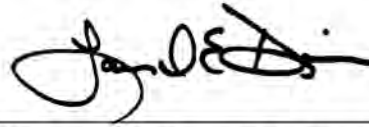
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Honorable Laurel E. Davis  
United States Bankruptcy Judge



Entered on Docket  
December 14, 2017

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

\*\*\*\*\*

DESERT PALACE, INC.; PARIS LAS VEGAS)  
OPERATING COMPANY, LLC; PHWLV,  
LLC; BOARD WALK REGENCY)  
CORPORATION dba CAESARS ATLANTIC)  
CITY,

Plaintiffs,

vs.

MOTI PARTNERS, LLC; MOTI PARTNER)  
16, LLC; J. JEFFREY FREDERICK; ROWEN)  
SEIBEL; LLTQ ENTERPRISES, LLC; LLTQ)  
ENTERPRISES 16, LLC; FERG, LLC; FERG)  
16 LLC; TPOV ENTERPRISES, LLC; TPOV)  
ENTERPRISES 16, LLC; DNT)  
ACQUISITION, LLC; GR BURGR, LLC,

Defendants.

Adv. Proceeding No.: 17-01237-LED

**Date:** December 4, 2017  
**Time:** 1:30 p.m.

**ORDER GRANTING MOTION TO REMAND<sup>1</sup>**

On December 4, 2017, the court held a hearing on “Plaintiffs’ Amended Motion to Remand” (AECF No. 34) (the “Amended Motion to Remand”). Appearances were noted on the record.

<sup>1</sup> All references to “AECF No.” are to the numbers assigned to the documents filed in the above-captioned adversary proceeding as they appear on the docket maintained by the Clerk of Court.

1 Based upon the court's Findings of Fact and Conclusions of Law entered  
2 contemporaneously with this Order;

3 IT IS HEREBY ORDERED that the Amended Motion to Remand is **granted**, and this  
4 matter shall be remanded to the Eighth Judicial District Court, Clark County, Nevada.

5 IT IS SO ORDERED.

6 Copies sent via BNC to:

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Honorable Laurel E. Davis  
United States Bankruptcy Judge



Entered on Docket  
December 14, 2017

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

\*\*\*\*\*

DESERT PALACE, INC.; PARIS LAS VEGAS)  
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CITY, )

Plaintiffs, )

vs. )

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ENTERPRISES 16, LLC; DNT)  
ACQUISITION, LLC; GR BURGR, LLC, )

Defendants. )

Adv. Proceeding No.: 17-01238-LED

**Date:** December 4, 2017  
**Time:** 1:30 p.m.

**FINDINGS OF FACT AND CONCLUSIONS OF LAW<sup>1</sup>**

On December 4, 2017, the court held a combined hearing on the “Motion to Transfer Venue of Claims against LLTQ/FERG Defendants” (AECF No. 8) (the “Motion to Transfer

<sup>1</sup> All references to “AECF No.” are to the numbers assigned to the documents filed in the above-captioned adversary proceeding as they appear on the docket maintained by the Clerk of Court. All references to “ECF No.” are to the numbers assigned to the documents filed in the bankruptcy proceeding as they appear on the docket maintained by the Clerk of Court of the United States Bankruptcy Court for the Northern District of Illinois in Case No. 15-01145. All references to “FRBP” are to the Federal Rules of Bankruptcy Procedure. All references to “FRCP” are to the Federal Rules of Civil Procedure.

Venue”) and “Plaintiffs’ Amended Motion to Remand” (AECF No. 43) (the “Amended Motion to Remand”). Appearances were noted on the record.

The court has considered the pleadings, arguments of counsel, the case law and statutes applicable to this matter, and the court takes judicial notice of the pleadings filed in the Caesars Bankruptcy Case (defined below) pursuant to Federal Rules of Evidence 201(b). In accordance with FRCP 52, made applicable to adversary proceedings by FRBP 7052, the court makes the following findings of fact and conclusions of law. Any finding of fact that should be a conclusion of law is deemed a conclusion of law; any conclusion of law that should be a finding of fact is deemed a finding of fact.

### FINDINGS OF FACT

1. In April 2012, Desert Palace, Inc. (“Desert Palace”) and LLTQ Enterprises, LLC entered into a Development and Operation Agreement (the “LLTQ Agreement”). (See ECF No. 1755 at p. 4; ECF No. 1774 at p. 1, ¶ 1).

2. On May 16, 2014, Boardwalk Regency Corporation d/b/a Caesars Atlantic City (“Boardwalk”) and FERG, LLC entered into a Consulting Agreement (the “FERG Agreement” and together with the LLTQ Agreement, the “LLTQ/FERG Agreements”). *Id.*

3. On January 15, 2015, Desert Palace and Boardwalk filed separate voluntary chapter 11 petitions with the U.S. Bankruptcy Court for the Northern District of Illinois (the “Illinois Bankruptcy Court”) as Case Nos. 15-01167 and 15-01151, respectively. On that same day, the Illinois Bankruptcy Court entered an order directing joint administration of the Removed Parties’ chapter 11 cases, among others, with the lead chapter 11 case filed by Caesars Entertainment Operating Company, Inc. as Case No. 15-01145 (the “Caesars Bankruptcy Case”). (ECF No. 43).

4. On June 8, 2015, the jointly administered debtors (the “Debtors”) filed “Debtors’ Fourth Omnibus Motion for the Entry of an Order Authorizing the Debtors to Reject Certain Executory Contracts Nunc Pro Tunc to June 11, 2015” in the Caesars

1 Bankruptcy Case, pursuant to which the Debtors requested rejection of, in pertinent part, the  
2 LLTQ/FERG Agreements (the “First Rejection Motion”). (ECF No. 1755) (emphasis in  
3 original). The First Rejection Motion remains pending before the Illinois Bankruptcy  
4 Court.

5       5.       On November 4, 2015, LLTQ and FERG filed a “Request for Payment of  
6 Administrative Expense” in the Caesars Bankruptcy Case relating to alleged post-petition  
7 amounts owed by the Removed Parties under the LLTQ/FERG Agreements (the  
8 “LLTQ/FERG Administrative Expense Claim”). (ECF No. 2531). The LLTQ/FERG  
9 Administrative Expense Claim remains pending before the Illinois Bankruptcy Court.

10       6.       On January 14, 2016, the Debtors filed “Debtors’ Motion for the Entry of an  
11 Order Authorizing the Debtors to (A) Reject Certain Existing Restaurant Agreements and  
12 (B) Enter into New Restaurant Agreements” in the Caesars Bankruptcy Case, pursuant to  
13 which the Debtors seek to reject certain agreements entered into with celebrity chef Gordon  
14 Ramsay and Gordon Ramsay Holdings Limited regarding, among other things, the  
15 operation of Gordon Ramsay Pub & Grill restaurants at Caesars’ properties (the “Second  
16 Rejection Motion” and together with the First Rejection Motion, the “Rejection Motions”).  
17 (ECF No. 3000). In the Second Rejection Motion, the Debtors state that they “entered into  
18 separate agreements with restaurateur Rowen Seibel and his affiliates, FERG, LLC and  
19 LLTQ Enterprises, LLC . . . to obtain consulting services regarding employee staffing and  
20 training, marketing, and various operational matters for the Ramsay Restaurants . . .” Id.  
21 at p. 3, ¶ 3. The Debtors subsequently deemed the LLTQ/FERG Agreements no longer  
22 beneficial to their business operations and seek, by the Second Rejection Motion, to reject  
23 these affiliated agreements with Gordon Ramsay and enter into a new business relationship  
24 with him without LLTQ’s and FERG’s involvement. The Second Rejection Motion  
25 remains pending before the Illinois Bankruptcy Court.  
26

1           7.       On January 17, 2017, the Illinois Bankruptcy Court entered an order (the  
2 “Confirmation Order”) in the Caesars Bankruptcy Case confirming the Third Amended  
3 Joint Plan of Reorganization (the “Confirmed Plan”). (ECF No. 6334).

4           8.       On August 25, 2017, Desert Palace, Paris Las Vegas Operating Company,  
5 LLC, PHWLTV, LLC, and Boardwalk (collectively, the “Plaintiffs”) filed a Complaint in the  
6 District Court for Clark County, Nevada (the “State Court”) as Case No. A-17-760537-B  
7 (the “State Court Case”) against Rowen Seibel, J. Jeffrey Frederick, LLTQ Enterprises,  
8 LLC, LLTQ Enterprises 16, LLC (together with LLTQ Enterprises, LLC, “LLTQ”),  
9 FERG, LLC, FERG 16, LLC (together with FERG, LLC, “FERG”), MOTI Partners, LLC,  
10 MOTI Partners 16, LLC (together with MOTI Partners, LLC, “MOTI”), TPOV Enterprises,  
11 LLC, TPOV Enterprises 16, LLC (together with TPOV Enterprises, LLC, “TPOV”), DNT  
12 Acquisition, LLC (“DNT”), and GR Burgr, LLC (“GRB,” and collectively with Rowen  
13 Seibel, J. Jeffrey Frederick, LLTQ, FERG, MOTI, TPOV, and DNT, the “Defendants”).  
14 (AECF No. 1 at Ex. A).

15           9.       The Complaint alleges three causes of action (the “Removed Claims”)  
16 seeking declaratory judgments relating to contracts, including the LLTQ/FERG Agreements  
17 (collectively, the “Seibel Agreements”),<sup>2</sup> entered into by and among Plaintiffs and the  
18 Defendants.

19           10.      Count I of the Complaint seeks a “Declaratory Judgment Against All  
20 Defendants Declaring That Caesars Properly Terminated All of the Seibel Agreements.”

21           11.      Count II of the Complaint seeks a “Declaratory Judgment Against All  
22 Defendants Declaring That Caesars Does Not Have Any Current or Future Obligations to  
23 Defendants Under the Seibel Agreements.”

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24  
25  
26           <sup>2</sup> The Complaint defines the contracts as the “Seibel Agreements.”

1           12.     Count III of the Complaint seeks a “Declaratory Judgment Against All  
2 Defendants Declaring that the Seibel Agreements Do Not Prohibit or Limit Existing or  
3 Future Restaurant Ventures Between Caesars and Gordon Ramsay.”

4           13.     On September 27, 2017,<sup>3</sup> LLTQ and FERG removed the State Court Case to  
5 this court pursuant to 28 U.S.C. §§ 1452(a) and 1334(b) and FRBP 9027.<sup>4</sup> (AECF No. 1).  
6 LLTQ and FERG argue that the issues made the subject of the Removed Claims are  
7 subsumed within the Rejection Motions and the LLTQ/FERG Administrative Expense  
8 Claim currently pending in the Caesars Bankruptcy Case.

9           14.     On October 2, 2017, LLTQ and FERG filed a Motion to Transfer Venue,  
10 pursuant to which they seek to transfer the Removed Claims to the Illinois Bankruptcy  
11 Court.

12           15.     On October 6, 2017, the effective date of the Confirmed Plan occurred. (ECF  
13 No. 7482).

14           16.     On October 23, 2017, Plaintiffs filed an objection to the Motion to Transfer  
15 Venue (AECF No. 37)<sup>5</sup> and a Motion to Remand (AECF No. 38), pursuant to which  
16 Plaintiffs seek to remand the Removed Claims back to the State Court.

17           17.     On October 24, 2017, Plaintiffs filed an amended objection to the Motion to  
18 Transfer Venue (AECF No. 42) and the Amended Motion to Remand.

19           18.     On November 1, 2017, LLTQ and FERG filed a reply in support of their  
20 Motion to Transfer Venue. (AECF No. 48).

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21  
22           <sup>3</sup> On September 27, 2017, MOTI filed a Notice of Removal with this court as Case No. 17-  
23 01237-LED. The court will address similar motions for removal and/or transfer filed in that  
adversary proceeding by separate findings of fact and conclusions of law entered therein.

24           <sup>4</sup> Plaintiffs have not contested the timeliness of the removal.

25           <sup>5</sup> On October 18, 2017, J. Jeffrey Frederick also filed a limited objection to the Motion to  
26 Transfer Venue (AECF No. 36), which has since been resolved and is not currently before the  
court.





1 split in the case law but concluding that the bankruptcy court had authority to enter a final  
2 order on a motion to remand).

3 B. “[A] bankruptcy court’s post-confirmation ‘related to’ jurisdiction is  
4 substantially more limited than its pre-confirmation jurisdiction . . . .” Montana v. Goldin  
5 (In re Pegasus Gold Corp.), 394 F.3d 1189, 1191 (9th Cir. 2005). “[T]he essential inquiry  
6 appears to be whether there is a close nexus to the bankruptcy plan or proceeding sufficient  
7 to uphold bankruptcy court jurisdiction over the matter[,]” and “matters affecting ‘the  
8 interpretation, implementation, consummation, execution, or administration of the  
9 confirmed plan will typically have the requisite close nexus.” Id. at 1194 (quoting Binder  
10 v. Price Waterhouse & Co., LLP (In re Resorts Int’l, Inc.), 372 F.3d 154, 166-67 (3d Cir.  
11 2004)).

12 C. Counts II and III seek a declaration regarding the Plaintiff’s right to terminate  
13 the LLTQ/FERG Agreements under state law, a fact that LLTQ and FERG concede.  
14 LLTQ/FERG nevertheless argue that the “unique circumstances” of the Caesars Bankruptcy  
15 Case require a different conclusion. (See AECF No. 55 at p. 6). The court disagrees.

16 D. The disclosure statement approved in the Caesars Bankruptcy Case listed an  
17 estimated 1,800 administrative claims that are provided for by either payment in full or  
18 other resolution during the post-confirmation period. (ECF No. 4220-1 at p. 105). Any  
19 state law issue arising in Counts II and III is distinct from the LLTQ/FERG Administrative  
20 Expense Claim. Plaintiffs’ counsel further stated at the hearing that the Confirmed Plan  
21 provides for a reserve of funds to pay any rejection claims. Consequently, the  
22 determination of Counts II and III in the State Court Case will not affect the interpretation,  
23 implementation, consummation, execution, or administration of the Confirmed Plan.

24 E. Language in the Confirmed Plan providing for the Illinois Bankruptcy Court’s  
25 retention of jurisdiction over administrative claims and rejection motions does not alter this  
26 conclusion, as the court’s subject matter jurisdiction may not be conferred by the parties’

1 consent with respect to state law contract claims that do not satisfy the “close nexus” test  
 2 regarding post-confirmation jurisdiction. Go Global, Inc. v. Rogich (In re Go Global, Inc.),  
 3 2016 WL 6901265, at \*7 (B.A.P. 9th Cir. Nov. 22, 2016) (citing In re Resorts Int’l, Inc.,  
 4 372 F.3d at 161) (“[T]o the extent the plan could be construed as reserving jurisdiction to  
 5 the bankruptcy court to adjudicate that claim, such a reservation would be, by itself,  
 6 ineffective.”).

7 F. Because this court concludes that there is a not a sufficiently “close nexus”  
 8 between Counts II and III and the Caesars Bankruptcy Case, the court does not reach the  
 9 question of supplemental jurisdiction pursuant to 28 U.S.C. § 1367.

10 G. For all of these reasons, the court lacks jurisdiction over Counts II and III, and  
 11 both counts shall be remanded back to the State Court.

#### 12 **Remand of Claims**

13 H. Even if the court has jurisdiction, it exercises its discretion to remand Counts  
 14 II and III back to the State Court. See Pac. Inv. Mgmt. Co., LLC v. OCP Opportunities  
 15 Fund III, L.P. (In re Enron Corp.), 296 B.R. 505, 508 (C.D. Cal. 2003) (citing 28 U.S.C. §  
 16 1452(b)) (“Bankruptcy courts have broad discretion to remand cases over which they  
 17 otherwise have jurisdiction on any equitable ground.”).

18 I. Pursuant to 28 U.S.C. § 1452(a), a party is authorized to “remove any claim  
 19 or cause of action in a civil action . . . to the district court for the district where such civil  
 20 action is pending, if such district court has jurisdiction of such claim or cause of action  
 21 under section 1334 of this title.”

22 J. Pursuant to 28 U.S.C. § 1452(b), “[t]he court to which such claim or cause of  
 23 action is removed may remand such claim or cause of action on any equitable ground.”

24 K. “This ‘any equitable ground’ remand standard is an unusually broad grant of  
 25 authority. It subsumes and reaches beyond all of the reasons for remand under  
 26 nonbankruptcy removal statutes.” McCarthy v. Prince (In re McCarthy), 230 B.R. 414, 417

1 (B.A.P. 9th Cir. 1999). “At bottom, the question is committed to the sound discretion of the  
2 bankruptcy judge.” Id.

3 L. The court may consider fourteen non-exclusive factors during its  
4 discretionary analysis. See Wood v. Bank of N.Y. (In re Wood), 2011 WL 7145617, at \*8-  
5 9 (B.A.P. 9th Cir. Dec. 12, 2011). “[A]ny one of the relevant factors may provide a  
6 sufficient basis for equitable remand . . . .” Fenicle v. Boise Cascade Co., 2015 WL  
7 5948168, at \*6 (N.D. Cal. Oct. 13, 2015) (quotations and citations omitted).

8 M. The first factor involves “the effect or lack thereof on the efficient  
9 administration of the estate if the Court recommends [remand] . . . .” In re Wood, 2011 WL  
10 7145617, at \*8. The court finds and concludes that remand will not affect the efficient  
11 administration of the Caesars Bankruptcy Case because any state law issue arising in  
12 Counts II and III is distinct from the LLTQ/FERG Administrative Expense Claim, which is  
13 only one of an estimated 1,800 such claims that are provided for by the Confirmed Plan, as  
14 well as any rejection claim that is likewise provided for by the Confirmed Plan. See  
15 Christensen v. Tucson Estates, Inc. (In re Tucson Estates, Inc.), 912 F.2d 1162, 1169 (9th  
16 Cir. 1990) (finding that issues involving state law interpretation of a restrictive covenant’s  
17 reach “are distinct from the administration of the bankruptcy estate.”); In re Go Global, Inc.,  
18 2016 WL 6901265, at \*7 (holding that the court lacked post-confirmation jurisdiction to  
19 decide a cause of action that was not discussed in the disclosure statement or confirmed  
20 plan); Machine Zone, Inc. v. Peak Web LLC (In re Peak Web LLC), 559 B.R. 738, 741-42  
21 (Bankr. D. Or. 2016) (finding that the first factor weighed in favor of remand because  
22 “reorganization is not dependent on resolution of the [removed] claims.”). See also RG  
23 Adding L.L.C. v. Carrier Mid-Atlantic HQ (In re Fedders N. Am., Inc.), 2009 WL 2151245,  
24 at \*1-2 (Bankr. D. Del. July 17, 2009) (abstaining from deciding an action to collect a  
25 receivable purchased during the bankruptcy case because, among other things, state law  
26 predominates and resolution of this action “will have no effect on the administration of the

1 estate because the Debtor’s plan has been confirmed . . . .”); Sun Healthcare Group, Inc. v.  
 2 Levin (In re Sun Healthcare Group, Inc.), 267 B.R. 673, 679 (Bankr. D. Del. 2000)  
 3 (abstaining from hearing the debtor’s adversary proceeding involving breach of contract  
 4 and tortious interference with business relations’ claims because, among other things, “there  
 5 is no impact on the administration of the bankruptcy estate . . . .”).

6 N. The second factor involves the “extent to which state law issues predominate  
 7 over bankruptcy issues . . . .” In re Wood, 2011 WL 7145617, at \*9. As LLTQ and FERG  
 8 have acknowledged, the court finds and concludes that this factor strongly weighs in favor  
 9 of remand because Counts II and III involve state law contract issues. See AECF No. 55 at  
 10 p. 6 (stating that the Removed Claims involve a “state law contract dispute . . . .”); see also  
 11 In re Peak Web LLC, 559 B.R. at 742 (finding that the second factor weighed in favor of  
 12 remand because state law issues predominate and “no bankruptcy issues . . . need to be  
 13 determined before the case can be tried.”).

14 O. The third factor involves whether there are “difficult or unsettled [issues] of  
 15 applicable law . . . .” In re Wood, 2011 WL 7145617, at \*9. Because the parties did not  
 16 discuss this factor, the court finds and concludes that it is neutral.

17 P. The fourth factor involves the “presence of a related proceeding commenced  
 18 in state court or other nonbankruptcy proceeding . . . .” Id. The State Court Case  
 19 constitutes a related proceeding to which this court has already remanded certain claims and  
 20 parties pursuant to the Stipulation. See Maya, LLC v. Cytodyn of N. Mexico, Inc. (In re  
 21 Cytodyn of N. Mexico, Inc.), 374 B.R. 733, 739 (Bankr. C.D. Cal. 2007) (finding this factor  
 22 weighed in favor of remand even though the state court case may have technically been  
 23 “extinguished” upon removal). Furthermore, after considering the pleadings and counsels’  
 24 arguments, the court is convinced that similar issues involving Nevada law permeate all of  
 25 the Removed Claims, as well as the claims that have already been remanded back to the  
 26 State Court. Indeed, Plaintiffs’ counsel represented to the court that all parties have agreed

1 that if the Removed Claims are remanded back to the State Court, then the State Court Case  
 2 will be consolidated with another related Nevada state court matter pending before Judge  
 3 Joe Hardy as Case No. A-17-751759-B.<sup>7</sup> For all of these reasons, the court finds and  
 4 concludes that this factor weighs in favor of remand.

5 Q. The fifth factor involves the “jurisdictional basis, if any, other than § 1334 . . .  
 6 .” In re Wood, 2011 WL 7145617, at \*9. LLTQ and FERG do not argue that any  
 7 jurisdictional basis exists other than 28 U.S.C. § 1334. Therefore, the court finds and  
 8 concludes that this factor weighs in favor of remand.

9 R. The sixth factor involves the “degree of relatedness or remoteness of [the]  
 10 proceeding to [the] main bankruptcy case . . . .” Id. LLTQ and FERG argue that  
 11 overlapping facts exist in the Caesars Bankruptcy Case relating to the Rejection Motions  
 12 and the LLTQ/FERG Administrative Expense Claim. Plaintiffs indirectly refute this,  
 13 arguing, among other things, that Counts II and III are not “related to” the interpretation or  
 14 enforcement of the Confirmed Plan in the Bankruptcy Case. The court agrees. Claims  
 15 objections and contract rejections routinely require a bankruptcy court’s interpretation of  
 16 state law issues, and the existence of overlapping facts does not, standing alone, convert  
 17 purely state law claims to bankruptcy matters that must be decided by a bankruptcy court.  
 18 See Butner v. U.S., 440 U.S. 48, 54 (1979) (“Congress has generally left the determination  
 19 of property rights in the assets of a bankruptcy’s estate to state law.”). Consequently, the  
 20 court finds and concludes that this factor weighs in favor of remand.

21 S. The seventh factor involves “the substance rather than the form of an asserted  
 22 core proceeding.” In re Wood, 2011 WL 7145617, at \*9. LLTQ and FERG argue that  
 23 Counts II and III are core proceedings under 28 U.S.C. §§ 157(b)(2)(A) or 28 U.S.C. §  
 24 \_\_\_\_\_

25 <sup>7</sup> Also raising similar issues is a case pending in the U.S. District Court for the District of  
 26 Nevada, entitled *TPOV Enterprises 16, LLC v. Paris Las Vegas Operating Co., LLC, et al.*, Case  
 No. 2:17-CV-00346-JCM-VCF.

1 157(b)(2)(O) because they are “inextricably bound” with the Rejection Motions and the  
 2 LLTQ/FERG Administrative Claim Expense Claim. See Honigman, Miller, Schwartz &  
 3 Cohn v. Weitzman (In re Delorean Motor Co.), 155 B.R. 521, 525 (B.A.P. 9th Cir. 1993)  
 4 (“[A] proceeding will not be considered a core matter, even if it falls within the literal  
 5 language of sections 157(b)(2)(A) or 157(b)(2)(O), if it is a state law claim that could exist  
 6 outside of bankruptcy and is not inextricably bound to the claims allowance process or a  
 7 right created by the Bankruptcy Code.”). Under Count I, Plaintiffs seek a declaratory  
 8 judgment that they properly terminated the Seibel Agreements, including the LLTQ/FERG  
 9 Agreements. The Complaint further states, in pertinent part, that because the Seibel  
 10 Agreements were properly terminated (an issue conceded by MOTI’s counsel), the  
 11 restrictive covenants in the LLTQ/FERG Agreements are no longer enforceable. (See  
 12 Complaint at ¶¶ 67-68 and 89-90). These allegations form the gravamen of Counts II and  
 13 III. By the court-approved Stipulation, however, LLTQ and FERG voluntarily remanded  
 14 Count I back to the State Court, while inconsistently arguing that Counts II and III are  
 15 “inextricably bound” with the Rejection Motions and the LLTQ/FERG Administrative  
 16 Expense Claim. For all of these reasons, the court finds and concludes that this factor  
 17 weighs in favor of remand because Counts II and III are not core proceedings.

18 T. The eighth factor relates to “the feasibility of severing state law claims from  
 19 core bankruptcy matters to allow judgments to be entered in state court with enforcement  
 20 left to the bankruptcy court . . . .” In re Wood, 2011 WL 7145617, at \*9. The court finds  
 21 and concludes that this factor weighs in favor of remand because any findings made by the  
 22 State Court on Counts II and III may, to the extent applicable, be utilized by the Illinois  
 23 Bankruptcy Court with respect to the matters pending before it.

24 U. The ninth factor involves “the burden on the bankruptcy court’s docket . . . .”  
 25 Id. Plaintiffs cite to a transcript from the Caesars Bankruptcy Case in which U.S.  
 26 Bankruptcy Judge A. Benjamin Goldgar stated regarding another matter his preference for a



1 state court to determine a state law issue. See Amended Motion to Remand at p. 14 and Ex.  
 2 C. The parties also cite other statements by Judge Goldgar to the effect that particular  
 3 issues should be decided by the bankruptcy court. These comments by Judge Goldgar are  
 4 not consistent and therefore do not provide a basis upon which to make findings and  
 5 conclusions regarding this factor. As a result, the court finds and concludes that this factor  
 6 is neutral.

7 V. The tenth factor involves “the likelihood that the commencement of the  
 8 proceeding in bankruptcy court involves forum shopping by one of the parties . . . .” In re  
 9 Wood, 2011 WL 7145617, at \*9. LLTQ and FERG argue that Plaintiffs engaged in forum  
 10 shopping by filing the State Court Case after receiving unfavorable comments from Judge  
 11 Goldgar. This contention is not relevant to the tenth factor, which “addresses forum  
 12 shopping in connection with the initiation of the bankruptcy court proceeding . . . .”  
 13 Kamana O’Kala, LLC v. Lite Solar, LLC, 2017 WL 1100568, at \*7 (D. Or. Feb. 13, 2017).  
 14 Even if it was relevant, the “court determines that the evidence does not indicate that any  
 15 party chose . . . its respective forum in an attempt to abuse or manipulate the judicial  
 16 process.” Torres v. NE Opco, Inc. (In re NE Opco, Inc.), 2014 WL 4346080, at \*3 (Bankr.  
 17 C.D. Cal. Aug. 28, 2014). For these reasons, the court finds and concludes that this factor is  
 18 neutral.

19 W. The eleventh factor involves “the existence of a right to a jury trial . . . .” In  
 20 re Wood, 2011 WL 7145617, at \*9. LLTQ and FERG state that no jury trial has been  
 21 demanded, see AECF No. 55 at p. 9. Plaintiffs do not refute this claim. For this reason, the  
 22 court finds and concludes that this factor weighs slightly against remand.

23 X. The twelfth factor involves “the presence in the proceeding of nondebtor  
 24 parties . . . .” In re Wood, 2011 WL 7145617, at \*9. Desert Palace, as reorganized debtor,  
 25 is a separate legal entity from the debtor that was involved in the Caesars Bankruptcy Case.  
 26 See Confirmed Plan at p. 71, Art. IV, § AA. Furthermore, two of the plaintiffs and nine of

1 the defendants in the state court action are non-debtor parties who will separately litigate  
 2 the Removed Claims in state court. As a result, the court finds and concludes that this  
 3 factor weighs in favor of remand.

4 Y. The thirteenth factor involves “comity . . . .” In re Wood, 2011 WL  
 5 7145617, at \*9. “Comity dictates that [Nevada] courts should have the right to adjudicate  
 6 the exclusively state law claims involving [Nevada]-centric plaintiffs<sup>8</sup> and [Nevada]-centric  
 7 transactions.” Pac. Inv. Mgmt. Co., LLC v. OCP Opportunities Fund III, L.P. (In re Enron  
 8 Corp.), 296 B.R. 505, 509 (C.D. Cal. 2003). See also Kamana O’Kala, LLC, 2017 WL  
 9 1100568, at \*7 (finding the thirteenth factor weighed “heavily” in favor of remand “because  
 10 Kamana’s claims arise out of Oregon law, and because Kamana selected the [applicable  
 11 state] court as the forum for litigation of its claims.”); In re NE Opco, Inc., 2014 WL  
 12 4346080, at \*3 (finding the same “because California courts have an interest in adjudicating  
 13 Plaintiff’s California state law claims.”); Brincko v. Rio Props., Inc. (In re Nat’l Consumer  
 14 Mortg.), 2010 WL 2384217, at \*4 (C.D. Cal. June 10, 2010) (transferring venue from the  
 15 California bankruptcy court to Nevada because, among other reasons, “Nevada has an  
 16 interest in having the controversy decided within its borders.”). For these reasons, the court  
 17 finds and concludes that this factor weighs strongly in favor of remand.

18 Z. The fourteenth factor involves “the possibility of prejudice to other parties in  
 19 the action . . . .” In re Wood, 2011 WL 7145617, at \*9. Pursuant to the Complaint’s  
 20 allegations, any ruling on Count I, which LLTQ and FERG voluntarily remanded back to  
 21 the State Court, will inform the determination of Counts II and III. Plaintiffs’ counsel  
 22 argued that overlapping facts exist regarding “suitability” provisions in the Seibel  
 23 Agreements and the scope of restrictive covenants. Absent a single forum to decide these  
 24 issues, Plaintiffs contend that the risk of inconsistent decisions by different courts

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25 <sup>8</sup> According to the Complaint, Boardwalk is the only Plaintiff that is not incorporated in  
 26 Nevada. (See AECF No. 1-1 at ¶¶ 9-12).

1 constitutes prejudice. The court agrees. See W. Helicopters, Inc. v. Hiller Aviation, Inc.,  
 2 97 B.R. 1, 7 (E.D. Cal. 1988) (“In addition to the unnecessary expense and expenditure of  
 3 duplicative judicial resources, bifurcating this civil claim creates the real danger of  
 4 inconsistent results. Such a risk should be avoided if there are no countervailing benefits.”).  
 5 Finally, the State Court Case involves two non-debtor plaintiffs and 12 non-debtor  
 6 defendants. For these reasons, this factor strongly weighs in favor of remand.

7 AA. In summation, factors 1, 2, 4-8 and 12-14 weigh in favor of remand, factor 11  
 8 weighs slightly against remand, and factors 3 and 9-10 are neutral. The court finds and  
 9 concludes that the ten factors in favor of remand substantially outweigh the one factor  
 10 weighing slightly against remand. The court, therefore, grants the Amended Motion to  
 11 Remand and remands Counts II and III back to the State Court. The Motion to Transfer is  
 12 therefore denied as moot.

### 13 CONCLUSION

14 Pursuant to FRBP 9021, the court will enter separate orders and judgments  
 15 consistent with these Findings of Fact and Conclusions of Law.

16 IT IS SO ORDERED.

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12 M. MAGALI MERCERA on behalf of Plaintiff PARIS LAS VEGAS OPERATING COMPANY,  
13 LLC  
14 PISANELLI BICE PLLC  
15 400 SO 7TH ST, STE 300  
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17 M. MAGALI MERCERA on behalf of Plaintiff PHWLTV, LLC  
18 PISANELLI BICE PLLC  
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21 NATHAN Q RUGG on behalf of Defendant MOTI PARTNER 16, LLC  
22 ADELMAN & GETTLEMAN, LTD  
23 53 W JACKSON BLVD, SUITE 1050  
24 CHICAGO, IL 60604

25 NATHAN Q RUGG on behalf of Defendant MOTI PARTNERS, LLC  
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BRITTNIE WATKINS on behalf of Plaintiff BOARDWALK REGENCY CORPORATION  
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BRITTNIE WATKINS on behalf of Plaintiff DESERT PALACE, INC.  
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BRITTNIE WATKINS on behalf of Plaintiff PARIS LAS VEGAS OPERATING COMPANY, LLC  
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1 BRITTNIE WATKINS on behalf of Plaintiff PHWLTV, LLC  
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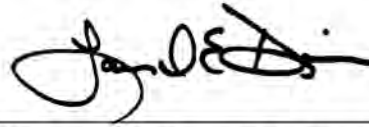
3 JEFFREY JOHN ZEIGER on behalf of Plaintiff BOARDWALK REGENCY CORPORATION  
4 KIRKLAND & ELLIS, LLP  
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6 JEFFREY JOHN ZEIGER on behalf of Plaintiff DESERT PALACE, INC.  
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Honorable Laurel E. Davis  
United States Bankruptcy Judge



Entered on Docket  
December 14, 2017

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

\* \* \* \* \*

DESERT PALACE, INC.; PARIS LAS VEGAS)  
OPERATING COMPANY, LLC; PHWLV,  
LLC; BOARD WALK REGENCY)  
CORPORATION dba CAESARS ATLANTIC)  
CITY,

Plaintiffs,

vs.

LLTQ ENTERPRISES, LLC; LLTQ)  
ENTERPRISES 16, LLC; FERG, LLC; FERG)  
16 LLC; J. JEFFREY FREDERICK; ROWEN)  
SEIBEL; MOTI PARTNERS, LLC; MOTI)  
PARTNER 16 LLC; TPOV ENTERPRISES,  
LLC; TPOV ENTERPRISES 16, LLC; DNT)  
ACQUISITION, LLC; GR BURGR, LLC,

Defendants.

Adv. Proceeding No.: 17-01238-LED

**Date:** December 4, 2017  
**Time:** 1:30 p.m.

**ORDER GRANTING MOTION TO REMAND<sup>1</sup>**

On December 4, 2017, the court held a hearing on “Plaintiffs’ Amended Motion to Remand” (AECF No. 43) (the “Amended Motion to Remand”). Appearances were noted on the record.

<sup>1</sup> All references to “AECF No.” are to the numbers assigned to the documents filed in the above-captioned adversary proceeding as they appear on the docket maintained by the Clerk of Court.

1 Based upon the court's Findings of Fact and Conclusions of Law entered  
2 contemporaneously with this Order;

3 IT IS HEREBY ORDERED that the Amended Motion to Remand is **granted**, and this matter  
4 shall be remanded to the Eighth Judicial District Court, Clark County, Nevada.

5 IT IS SO ORDERED.

6 Copies sent via BNC to:

7 STEVEN B CHAIKEN on behalf of Defendant FERG 16 LLC  
8 ADELMAN & GETTLEMAN, LTD  
9 53 W JACKSON BLVD, SUITE 1050  
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17 BRITTNIE WATKINS on behalf of Plaintiff DESERT PALACE, INC.  
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10 JEFFREY JOHN ZEIGER on behalf of Plaintiff PHWLTV, LLC  
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Honorable Laurel E. Davis  
United States Bankruptcy Judge



Entered on Docket  
December 14, 2017

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

\*\*\*\*\*

DESERT PALACE, INC.; PARIS LAS VEGAS)  
OPERATING COMPANY, LLC; PHWLTV,  
LLC; BOARD WALK REGENCY)  
CORPORATION dba CAESARS ATLANTIC)  
CITY, )

Plaintiffs, )

vs. )

LLTQ ENTERPRISES, LLC; LLTQ)  
ENTERPRISES 16, LLC; FERG, LLC; FERG)  
16 LLC; J. JEFFREY FREDERICK; ROWEN)  
SEIBEL; MOTI PARTNERS, LLC; MOTI)  
PARTNER 16 LLC; TPOV ENTERPRISES, )  
LLC; TPOV ENTERPRISES 16, LLC; DNT)  
ACQUISITION, LLC; GR BURGR, LLC, )

Defendants. )

Adv. Proceeding No.: 17-01238-LED

**Date:** December 4, 2017  
**Time:** 1:30 p.m.

**ORDER DENYING MOTION TO TRANSFER<sup>1</sup>**

On November 6, 2017, and December 4, 2017, the court held hearings on the “Motion to Transfer Venue of Claims Against LLTQ/FERG Defendants” (AECF No. 8) (the “Motion to Transfer”) filed by LLTQ Enterprises 16, LLC, LLTQ Enterprises, LLC, FERG 16, LLC, and FERG, LLC. Appearances were noted on the record.

<sup>1</sup> All references to “AECF No.” are to the numbers assigned to the documents filed in the above-captioned adversary proceeding as they appear on the docket maintained by the Clerk of Court.

1 Based upon the court's Findings of Fact and Conclusions of Law and Order Granting  
2 Motion to Remand entered contemporaneously with this Order;

3 IT IS HEREBY ORDERED that the Motion to Transfer is **denied as moot**.

4 IT IS SO ORDERED.

5 Copies sent via BNC to:

6 STEVEN B CHAIKEN on behalf of Defendant FERG 16 LLC  
7 ADELMAN & GETTLEMAN, LTD  
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9 CHICAGO, IL 60604

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(c) *Nevada Federal District Court litigation involving TPOV and Paris.*

129. On February 3, 2017, TPOV Enterprises 16, LLC filed a complaint in the United States District Court for the District of Nevada against Paris, Case No. 2:17-cv-00346-JCM-VCF. TPOV Enterprises 16, LLC alleges, inter alia, that (i) Paris breached the TPOV Agreement by, inter alia, refusing to continue to pay TPOV 16 and terminating the TPOV Agreement; (ii) Paris breached the implied covenant of good faith and fair dealing by, inter alia, disputing the validity of the assignment of the TPOV Agreement and claiming that TPOV is an Unsuitable Person; (iii) Paris has been unjustly enriched by its failure to pay TPOV 16 in accordance with the TPOV Agreement; and (iv) it is entitled to a declaration that the assignment of the TPOV Agreement from TPOV to TPOV 16 was valid and TPOV 16 is not associated with an Unsuitable Person.

130. Paris moved to dismiss TPOV 16's claims based on subject matter jurisdiction and failure to state a claim upon which relief could be granted. The District Court (Judge Mahan) granted the motion in part, and denied it in part, dismissing TPOV 16's claim for unjust enrichment. On July 21, 2017, Paris answered the complaint, and asserted counterclaims for breach of contract, breach of the implied covenant, fraudulent concealment, civil conspiracy, and declaratory relief against TPOV, TPOV 16, and Mr. Seibel personally.

**COUNT I**

**(Declaratory Judgment Against All Defendants Declaring That  
Caesars Properly Terminated All of the Seibel Agreements)**

131. Caesars hereby repeats and re-alleges each of the above paragraphs as though fully set forth herein.

132. NRS 30.040(1) provides that "[a]ny person interested under [a written contract] or whose rights, status or other legal relations are affected by a [contract] may have determined any question of construction or validity arising under the [contract] and obtain a declaration of rights, status or other legal relations thereunder."

133. The parties dispute whether Caesars properly terminated the Seibel Agreements. Thus, there is a justiciable controversy ripe for adjudication among the parties.



134. Caesars properly exercised its sole and absolute discretion to terminate the Seibel Agreements after it determined Mr. Seibel and the Seibel-Affiliated Entities were unsuitable under the Seibel Agreements given Mr. Seibel's felony conviction and his criminal activities that led to his conviction. Caesars also properly exercised its sole and absolute discretion to terminate the Seibel Agreements in light of the Seibel-Affiliated Entities' failure to disclose Mr. Seibel's felony conviction and his criminal activities that led to his conviction. Caesars therefore seeks a declaration that the Seibel Agreements were properly terminated.

135. Caesars further requests any additional relief authorized by the law, the Seibel Agreements or found fair, equitable, just, or proper by the Court, including but not limited to attorneys' fees, costs, and interest under NRS 30.120 or any other law or agreement allowing the same.

## COUNT II

### **(Declaratory Judgment Against All Defendants Declaring That Caesars Does Not Have Any Current or Future Obligations to Defendants Under the Seibel Agreements)**

136. Caesars hereby repeats and re-alleges each of the above paragraphs as though fully set forth herein.

137. NRS 30.040(1) provides that "[a]ny person interested under [a written contract] or whose rights, status or other legal relations are affected by a [contract] may have determined any question of construction or validity arising under the [contract] and obtain a declaration of rights, status or other legal relations thereunder."

138. The parties dispute whether Caesars has any current or future financial obligations or commitments to Mr. Seibel or the Seibel-Affiliated Entities. Thus, there is a justiciable controversy ripe for adjudication among the parties.

139. Caesars does not have any current or future financial obligations or commitments to Mr. Seibel or the Seibel-Affiliated Entities for at least three reasons.

140. First, the express language of the Seibel Agreements states that Caesars has no future obligations to the Seibel-Affiliated Entities where, as here, termination is based on suitability or non-disclosure grounds. For example, the MOTI Agreement provides that "[a]ny termination by

1 Caesars under [the suitability and disclosure provision] shall terminate the obligations of each Party  
2 to this Agreement . . . ." Similarly, all of the Seibel Agreements state that termination based on  
3 unsuitability grounds under the agreements has "immediate effect" and alleviates the parties of any  
4 future obligations.

5 141. Second, Mr. Seibel and the Seibel-Affiliated Entities fraudulently induced Caesars  
6 to enter into the Seibel Agreements when they failed to disclose Mr. Seibel's illegal activities.  
7 Mr. Seibel and the Seibel-Affiliated Entities all represented—through the MOTI and DNT Business  
8 Information Forms—that he had not been a party to any felony in the past ten years and there was  
9 nothing in Mr. Seibel's past that would prevent him from being licensed by a gaming authority.  
10 Although Caesars had the right to request information from each entity to satisfy itself that  
11 Mr. Seibel was suitable from a regulatory perspective, it had received such assurances in the  
12 Business Information Forms with respect to the MOTI Agreement and DNT Agreement. To the  
13 extent the MOTI and DNT suitability disclosures became inaccurate, they had to be updated without  
14 Caesars making a request. Caesars therefore reasonably relied on Mr. Seibel's prior representations  
15 to satisfy itself that Mr. Seibel remained a suitable person when entering into the TPOV Agreement,  
16 LLTQ Agreement, GRB Agreement, and FERG Agreement.

17 142. Caesars reasonably relied on Defendants' representations when deciding to enter into  
18 each agreement with the Seibel-Affiliated Entities. Specifically, Caesars relied on the following  
19 representations:

- 20 • The MOTI and DNT Business Information Forms;
- 21 • Sections 8.1, 9.1, and 9.2 of the MOTI Agreement;
- 22 • Sections 10.2, 11.1, and 11.2 of the DNT Agreement;
- 23 • Sections 9.2, 10.1, and 10.2 of the TPOV Agreement;
- 24 • Sections 9.2, 10.1, and 10.2 of the LLTQ Agreement;
- 25 • Sections 10.3, 11.1, and 11.2 of the GRB Agreement; and
- 26 • Sections 10.2, 11.1, and 11.2 of the FERG Agreement.

27 143. Mr. Seibel and the Seibel-Affiliated Entities knew that these representations were  
28 false when made. The fraudulent inducement of Mr. Seibel and the Seibel-Affiliated Entities

1 permits Caesars to rescind the Seibel Agreements and thereby avoid future obligations to Mr. Seibel  
2 or the Seibel-Affiliated Entities.

3 144. Third, the Seibel-Affiliated Entities repeatedly breached the Seibel Agreements  
4 when they failed to update their prior disclosures to reflect Mr. Seibel's illegal activities. Because  
5 the Seibel-Affiliated Entities breached the Seibel Agreements, Caesars is no longer required to  
6 perform under the Seibel Agreement.

7 145. Caesars therefore seeks a declaration that Caesars does not have any current or future  
8 financial obligations or commitments to Mr. Seibel or the Seibel-Affiliated Entities.

9 146. Caesars further requests any additional relief authorized by the law, the Seibel  
10 Agreements or found fair, equitable, just, or proper by the Court, including but not limited to  
11 attorneys' fees, costs, and interest under NRS 30.120 or any other law or agreement allowing the  
12 same.

### 13 COUNT III

#### 14 **(Declaratory Judgment Against All Defendants Declaring that the Seibel Agreements Do** 15 **Not Prohibit or Limit Existing or Future Restaurant Ventures Between Caesars and** 16 **Gordon Ramsay)**

17 147. Caesars hereby repeats and re-alleges each of the above paragraphs as though fully  
18 set forth herein.

19 148. NRS 30.040(1) provides that "[a]ny person interested under [a written contract] or  
20 whose rights, status or other legal relations are affected by a [contract] may have determined any  
21 question of construction or validity arising under the [contract] and obtain a declaration of rights,  
22 status or other legal relations thereunder."

23 149. The parties dispute whether section 13.22 of the LLTQ Agreement and Section 4.1  
24 of the FERG Agreement are enforceable and require Caesars to include Mr. Seibel, LLTQ, and/or  
25 FERG in current or future ventures between Caesars and Mr. Ramsay. Thus, there is a justiciable  
26 controversy ripe for adjudication among the parties.

27 150. Section 13.22 of the LLTQ Agreement is unenforceable as a matter of law because  
28 (a) the LLTQ Agreement was properly terminated; (b) Caesars is prohibited from entering into a

1 business relationship with LLTQ or Mr. Seibel given that LLTQ and Mr. Seibel are Unsuitable  
 2 Persons; and (c) Section 13.22 is overly broad, indefinite, vague, and ambiguous.

3 151. Section 13.22 is overly broad and indefinite because it does not contain any  
 4 geographic or temporal limitations. For example, by its terms, the restrictive covenant in  
 5 Section 13.22 could apply to future ventures between any Caesars affiliate and Mr. Ramsay located  
 6 anywhere in world. It could also apply to future ventures between any Caesars affiliate and  
 7 Mr. Ramsay entered into 40 years after LLTQ and Caesars Palace entered into the LLTQ  
 8 Agreement. Under Nevada law, the lack of any geographic or temporal restrictions render the  
 9 restrictive covenant in Section 13.22 unenforceable.

10 152. Section 13.22 is vague and ambiguous because it does not clearly specify which  
 11 future ventures are subject to the restrictive covenant contained therein. On the one hand,  
 12 Section 13.22 broadly states that ventures "generally in the nature of" pubs, bars, cafes, taverns,  
 13 steak restaurants, fine dining steakhouses, and chophouses are encompassed by the restrictive  
 14 covenant. On the other hand, Section 13.22 is seemingly limited to ventures that Caesars elects to  
 15 pursue "under the [LLTQ Agreement]," which relates only to the Gordon Ramsay Pub.

16 153. Section 4.1 of the FERG Agreement is unenforceable as a matter of law because  
 17 (a) the FERG Agreement was properly terminated; (b) Caesars is prohibited from entering into a  
 18 business relationship with FERG or Mr. Seibel given that FERG and Mr. Seibel are Unsuitable  
 19 Persons; and (c) Section 4.1 is overly broad, indefinite, vague, and ambiguous.

20 154. Section 4.1 is overly broad, indefinite, vague, and ambiguous because it does not  
 21 contain any temporal limitations. For example, by its terms, Section 4.1 could apply to any future  
 22 ventures entered into between CAC and an affiliate at any point in time. In addition, Section 4.1 is  
 23 not limited to CAC but includes all of CAC's affiliates. Section 4.1 also is not limited to specific  
 24 types of restaurants but includes any agreement that merely relates to the premises where the current  
 25 restaurant is located. Finally, Section 4.1 is vague and ambiguous because it is unclear how the  
 26 FERG Agreement could "be in effect and binding on the parties" if a "new agreement is executed"  
 27 between the parties—i.e., it is not clear how both agreements could simultaneously be in effect,  
 28

1 what the terms of the agreements would be, how the new agreement would be negotiated, and which  
2 terms would govern the parties' relationship.

3 155. Caesars therefore seeks a declaration that section 13.22 of the LLTQ Agreement and  
4 Section 4.1 of the FERG Agreement are unenforceable and Caesars does not have any current or  
5 future obligations pursuant to those provisions or otherwise that would prohibit or limit existing or  
6 future restaurant ventures between Caesars and Gordon Ramsay.

7 156. Caesars further requests any additional relief authorized by the law, the Seibel  
8 Agreements or found fair, equitable, just, or proper by the Court, including but not limited to  
9 attorneys' fees, costs, and interest under NRS 30.120 or any other law or agreement allowing the  
10 same.

11 Prayer for Relief

12 WHEREFORE, Caesars respectfully prays for judgment as follows:

- 13 (a) Declaratory Relief as requested herein;
- 14 (b) Equitable relief;
- 15 (c) Reasonable attorneys' fees and costs; and
- 16 (d) Any additional relief this Court may deem just and proper

17 DATED this 24th day of August, 2017.

18 PISANELLI BICE PLLC

19 By: 

20 James J. Pisanelli, Esq., Bar No. 4027  
21 Debra L. Spinelli, Esq., Bar No. 9695  
22 M. Magali Mercera, Esq. Bar No. 11742  
23 Brittne T. Watkins, Esq., Bar No. 13612  
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26 and

27 Jeffrey J. Zeiger, P.C., Esq.  
28 (pro hac vice forthcoming)  
William E. Arnault, IV, Esq.  
(pro hac vice forthcoming)  
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# **GROUP EXHIBIT B**

Case Information

A-17-760537-B | Desert Palace Inc, Plaintiff(s) vs. Rowen Seibel, Defendant(s)

Case Number	Court	Judicial Officer
A-17-760537-B	Department 27	Allf, Nancy
File Date	Case Type	Case Status
08/25/2017	Other Business Court Matters	Open

Party

Plaintiff	Active Attorneys ▼
Desert Palace Inc	Lead Attorney
	Pisanelli, James J
	Retained
	Attorney
	Mercera, Maria
	Magali
	Retained
	Attorney
	Spinelli, Debra L.
	Retained
	Attorney
	Watkins, Brittinee
	T
	Retained
Plaintiff	Active Attorneys ▼
PHWLV LLC	Lead Attorney
	Pisanelli, James J
	Retained



Attorney  
 Mercera, Maria  
 Magali  
 Retained

Attorney  
 Spinelli, Debra L.  
 Retained

Attorney  
 Watkins, Brittinee  
 T  
 Retained

Plaintiff  
 Boardwalk Regency Corporation  
  
 Aliases  
 DBA Caesars Atlantic City

Active Attorneys▼  
 Lead Attorney  
 Pisanelli, James J  
 Retained

Attorney  
 Mercera, Maria  
 Magali  
 Retained

Attorney  
 Watkins, Brittinee  
 T  
 Retained

Attorney  
 Spinelli, Debra L.  
 Retained

Plaintiff  
 Paris Las Vegas Operating Company LLC

Active Attorneys▼  
 Lead Attorney  
 Pisanelli, James J  
 Retained

Attorney  
 Mercera, Maria  
 Magali  
 Retained

Attorney  
Spinelli, Debra L.  
Retained

Attorney  
Watkins, Brittinee  
T  
Retained

Defendant  
Seibel, Rowen

Defendant  
LLTQ Enterprises LLC

Defendant  
LLTQ Enterprises 16 LLC

Defendant  
Ferg LLC

Defendant  
Ferg 16 LLC

Defendant  
MOTI Partners LLC

Defendant  
MOTI Partners 16, LLC

Defendant

TPOV Enterprises LLC

Defendant  
TPOV Enterprises 16 LLC

Defendant  
DNT Acquisition LLC

Defendant  
GR Burgr LLC

Defendant  
Frederick, J Jeffrey

Active Attorneys▼  
Lead Attorney  
Atkinson, Robert  
E.  
Retained

Events and Hearings

08/25/2017 Initial Appearance Fee Disclosure ▼

Initial Appearance Fee Disclosure - IAFD  
Comment  
Initial Appearance Fee Disclosure

08/25/2017 Complaint (Business Court) ▼

Complaint (Business Court) - COMPB  
Comment  
Complaint

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to Rowen Seibel**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to LLTQ Enterprises, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to LLTQ Enterprises 16, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to FERG, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to FERG 16, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to Moti Partners, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to Moti Partners 16, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to TPOV Enterprises, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to TPOV Enterprises 16, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to DNT Acquisition, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to GR Burgr, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to J. Jeffrey Frederick**

09/12/2017 Affidavit of Service ▼

Affidavit of Service - AOS

Comment

**Affidavit of Service to GR Burgr, LLC**

09/14/2017 Affidavit of Service ▼

Affidavit of Service - AOS

Comment

**Affidavit of Service - DNT Acquisition, LLC**

09/26/2017 Initial Appearance Fee Disclosure ▼

Initial Appearance Fee Disclosure - IAFD

Comment

**Initial Appearance Fee Disclosure**

09/26/2017 Notice of Appearance ▼

Notice of Appearance - NOTA

Comment

**Notice of Appearance for Defendant J. Jeffrey Frederick****Financial**

Desert Palace Inc

**Total Financial Assessment****\$1,620.00****Total Payments and Credits****\$1,620.00**8/25/2017 Transaction  
Assessment**\$1,620.00**

8/25/2017	Efile Payment	Receipt # 2017-67410- CCCLK	Desert Palace Inc	(\$1,620.00)
Frederick, J Jeffrey				
	Total Financial Assessment			\$1,483.00
	Total Payments and Credits			\$1,483.00
9/26/2017	Transaction Assessment			\$1,483.00
9/26/2017	Efile Payment	Receipt # 2017-74493- CCCLK	Frederick, J Jeffrey	(\$1,483.00)

## Documents

Initial Appearance Fee Disclosure - IAFD  
Complaint (Business Court) - COMPB  
Affidavit of Service - AOS  
Affidavit of Service - AOS  
Initial Appearance Fee Disclosure - IAFD  
Notice of Appearance - NOTA

Electronically Filed  
8/25/2017 12:54 PM  
Steven D. Grierson  
CLERK OF THE COURT



1 **IAFD**

2 James J. Pisanelli, Esq., #4027  
3 Debra L. Spinelli, Esq., #9695  
4 PISANELLI BICE PLLC  
400 South 7th Street, Suite 300  
Las Vegas, Nevada 89101

5 **DISTRICT COURT**

6 **CLARK COUNTY, NEVADA**

7 DESERT PALACE, INC.; PARIS  
8 LAS VEGAS OPERATING  
9 COMPANY, LLC; PHWLV, LLC; and  
10 BOARDWALK REGENCY  
11 CORPORATION d/b/a CAESARS  
ATLANTIC CITY,

CASE NO. A-17-760537-B

DEPT. NO. Department 27

11 **Plaintiffs,**

12 **-vs-**

13 ROWEN SEIBEL; LLTQ ENTERPRISES,  
14 LLC; LLTQ ENTERPRISES 16, LLC;  
15 FERG, LLC; FERG 16, LLC; MOTI  
16 PARTNERS, LLC; MOTI PARTNERS 16,  
17 LLC; TPOV ENTERPRISES, LLC; TPOV  
ENTERPRISES 16, LLC; DNT  
ACQUISITION, LLC; GR BURGR, LLC;  
and J. JEFFREY FREDERICK,

18 **Defendants.**

19 **INITIAL APPEARANCE FEE DISCLOSURE (NRS CHAPTER 19)**

20 Pursuant to NRS Chapter 19, as amended by Senate Bill 106, filing fees are  
21 submitted for parties appearing in the above entitled action as indicated below:

New Complaint Fee	1 <sup>st</sup> Appearance Fee
<input checked="" type="checkbox"/> \$1530 <input type="checkbox"/> \$520 <input type="checkbox"/> \$299 <input type="checkbox"/> \$270.00	<input type="checkbox"/> \$1483.00 <input type="checkbox"/> \$473.00 <input type="checkbox"/> \$223.00
Name: DESERT PALACE, INC.	
PARIS LAS VEGAS OPERATING	<input checked="" type="checkbox"/> \$30
COMPANY, LLC	
PHWLV, LLC	<input checked="" type="checkbox"/> \$30

IAFD.doc/8/23/2017



1 BOARDWALK REGENCY CORPORATION

☒ \$30

2 d/b/a CAESARS ATLANTIC CITY

3 TOTAL REMITTED: (Required)

Total Paid

\$ 1620

4  
5 DATED this 23rd day of August, 2017.

6  
7  
8 James J. Pisanelli, Esq.

#9695  
622

Electronically Issued  
9/5/2017 6:08 PM

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300 North LaSalle

10 Chicago, IL 60654

Telephone: 312.862.2000

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

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15 PARIS LAS VEGAS OPERATING

COMPANY, LLC; PHWLTV, LLC; and

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d/b/a CAESARS ATLANTIC CITY,

17 Plaintiffs,

18 v.

19 ROWEN SEIBEL; LLTQ

ENTERPRISES, LLC; LLTQ

20 ENTERPRISES 16, LLC; FERG, LLC;

FERG 16, LLC; MOTI PARTNERS, LLC;

21 MOTI PARTNERS 16, LLC; TPOV

ENTERPRISES, LLC; TPOV ENTERPRISES

22 16, LLC; DNT ACQUISITION, LLC; GR

BURGR, LLC; and J. JEFFREY

23 FREDERICK,

24 Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO ROWEN SEIBEL**

26 **SUMMONS – CIVIL**

27 **NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU**  
28 **WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS.**  
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16 4. The State of Nevada, its political subdivisions, agencies, officers, employees,  
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19 pleading to the Complaint.

20 Submitted by:

21 PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

22 By: 

By:  9/6/2017

23 James J. Pisanelli, Esq., Bar No. 4027  
24 Debra L. Spinelli, Esq., Bar No. 9695  
25 M. Magali Mercera, Esq., Bar No. 11742  
26 Brittanie T. Watkins, Esq., Bar No. 13612  
27 400 South 7th Street, Suite 300  
28 Las Vegas, Nevada 89101

Deputy Clerk Kim M. Martin  
Regional Justice Center  
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Las Vegas, NV 89155

*Attorneys for Plaintiffs*

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702.214.2100

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300 North LaSalle

10 Chicago, IL 60654

Telephone: 312.862.2000

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;

15 PARIS LAS VEGAS OPERATING

16 COMPANY, LLC; PHWLTV, LLC; and

17 BOARDWALK REGENCY CORPORATION

d/b/a CAESARS ATLANTIC CITY,

18 Plaintiffs,

19 v.

20 ROWEN SEIBEL; LLTQ

ENTERPRISES, LLC; LLTQ

21 ENTERPRISES 16, LLC; FERG, LLC;

FERG 16, LLC; MOTI PARTNERS, LLC;

22 MOTI PARTNERS 16, LLC; TPOV

ENTERPRISES, LLC; TPOV ENTERPRISES

16, LLC; DNT ACQUISITION, LLC; GR

23 BURGR, LLC; and J. JEFFREY

FREDERICK,

24 Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO  
LLTQ ENTERPRISES, LLC**

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400 SOUTH 7TH STREET, SUITE 300  
LAS VEGAS, NEVADA 89101  
702.214.2100


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Submitted by:

PISANELLI BICE PLLC

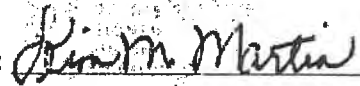
By:

  
James J. Pisanelli, Esq., Bar No. 4027  
Debra L. Spinelli, Esq., Bar No. 9695  
M. Magali Mercera, Esq., Bar No. 11742  
Brittnie T. Watkins, Esq., Bar No. 13612  
400 South 7th Street, Suite 300  
Las Vegas, Nevada 89101

*Attorneys for Plaintiffs*

STEVEN D. GRIERSON  
CLERK OF COURT

By:

 9/6/2017  
Deputy Clerk Kim M. Martin  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, NV 89155

Electronically Issued  
9/5/2017 6:08 PM

1 James J. Pisanelli, Esq., Bar No. 4027

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9 KIRKLAND & ELLIS LLP

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10 Chicago, IL 60654

Telephone: 312.862.2000

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;  
15 PARIS LAS VEGAS OPERATING  
16 COMPANY, LLC; PHWL, LLC; and  
17 BOARDWALK REGENCY CORPORATION  
d/b/a CAESARS ATLANTIC CITY,

18 Plaintiffs,

19 v.

20 ROWEN SEIBEL; LLTQ  
21 ENTERPRISES, LLC; LLTQ  
22 ENTERPRISES 16, LLC; FERG, LLC;  
23 FERG 16, LLC; MOTI PARTNERS, LLC;  
24 MOTI PARTNERS 16, LLC; TPOV  
25 ENTERPRISES, LLC; TPOV ENTERPRISES  
26 16, LLC; DNT ACQUISITION, LLC; GR  
27 BURGR, LLC; and J. JEFFREY  
28 FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO  
LLTQ ENTERPRISES 16, LLC**

**SUMMONS – CIVIL**

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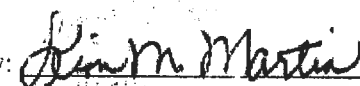
Submitted by:

PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

By:

  
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Debra L. Spinelli, Esq., Bar No. 9695  
M. Magali Mercera, Esq., Bar No. 11742  
Brittnie T. Watkins, Esq., Bar No. 13612  
400 South 7th Street, Suite 300  
Las Vegas, Nevada 89101

By:  9/6/2017  
Deputy Clerk Kim M. Martin  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, NV 89155

*Attorneys for Plaintiffs*



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9/5/2017 6:08 PM

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JJP@pisanellibice.com

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9 KIRKLAND & ELLIS LLP

300 North LaSalle

10 Chicago, IL 60654

Telephone: 312.862.2000

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;

15 PARIS LAS VEGAS OPERATING

COMPANY, LLC; PHWL, LLC; and

16 BOARDWALK REGENCY CORPORATION

d/b/a CAESARS ATLANTIC CITY,

17 **Plaintiffs,**

18 **v.**

19 ROWEN SEIBEL; LLTQ

ENTERPRISES, LLC; LLTQ

20 ENTERPRISES 16, LLC; FERG, LLC;

FERG 16, LLC; MOTI PARTNERS, LLC;

21 MOTI PARTNERS 16, LLC; TPOV

ENTERPRISES, LLC; TPOV ENTERPRISES

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BURGR, LLC; and J. JEFFREY

23 FREDERICK,

24 **Defendants.**

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO FERG, LLC**

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28 **WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS.**  
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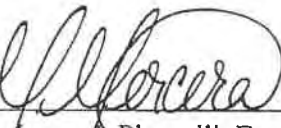
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PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

By:



By:  9/6/2017

James A. Pisanelli, Esq., Bar No. 4027  
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Brittnie T. Watkins, Esq., Bar No. 13612  
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Regional Justice Center  
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*Attorneys for Plaintiffs*

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11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

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14 DESERT PALACE, INC.;  
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21 ENTERPRISES, LLC; LLTQ  
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26 16, LLC; DNT ACQUISITION, LLC; GR  
27 BURGR, LLC; and J. JEFFREY  
28 FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO FERG 16, LLC**

**SUMMONS – CIVIL**

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STEVEN D. GRIERSON  
CLERK OF COURT

22 By: 

By:  9/6/2017

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Deputy Clerk: Kim M. Martin  
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*Attorneys for Plaintiffs*

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Electronically Issued  
9/5/2017 6:08 PM

1 James J. Pisanelli, Esq., Bar No. 4027

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2 Debra L. Spinelli, Esq., Bar No. 9695

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3 M. Magali Mercera, Esq., Bar No. 11742

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6 Las Vegas, Nevada 89101

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8 Jeffrey J. Zeiger, P.C., Esq. (*pro hac vice forthcoming*)

William E. Arnault, IV, Esq. (*pro hac vice forthcoming*)

9 KIRKLAND & ELLIS LLP

300 North LaSalle

10 Chicago, IL 60654

Telephone: 312.862.2000

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;

15 PARIS LAS VEGAS OPERATING

COMPANY, LLC; PHWLTV, LLC; and

16 BOARDWALK REGENCY CORPORATION

d/b/a CAESARS ATLANTIC CITY,

17 **Plaintiffs,**

18 **v.**

19 ROWEN SEIBEL; LLTQ

ENTERPRISES, LLC; LLTQ

20 ENTERPRISES 16, LLC; FERG, LLC;

FERG 16, LLC; MOTI PARTNERS, LLC;

21 MOTI PARTNERS 16, LLC; TPOV

ENTERPRISES, LLC; TPOV ENTERPRISES

22 16, LLC; DNT ACQUISITION, LLC; GR

BURGR, LLC; and J. JEFFREY

23 FREDERICK,

24 **Defendants.**

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO MOTI PARTNERS, LLC**

26 **SUMMONS – CIVIL**

27 **NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU**  
 28 **WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS.**  
**READ THE INFORMATION BELOW.**

PISANELLI BICE PLLC  
400 SOUTH 7TH STREET, SUITE 300  
LAS VEGAS, NEVADA 89101  
702.214.2100

**TO DEFENDANT:** A civil Complaint has been filed by the Plaintiff(s) against you for the relief set forth in the Complaint.

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(b) Serve a copy of your response upon the attorney whose name and address is shown below.

2. Unless you respond, your default will be entered upon application of the Plaintiff(s) and failure to so respond will result in a judgment of default against you for the relief demanded in the Complaint, which could result in the taking of money or property or other relief requested in the Complaint.

3. If you intend to seek the advice of an attorney in this matter, you should do so promptly so that your response may be filed on time.

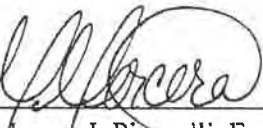
4. The State of Nevada, its political subdivisions, agencies, officers, employees, board members, commission members and legislators each have 45 days after service of this Summons within which to file an Answer or other responsive pleading to the Complaint.

Submitted by:

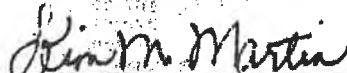
PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

By:



By:



9/6/2017

James J. Pisanelli, Esq., Bar No. 4027  
Debra L. Spinelli, Esq., Bar No. 9695  
M. Magali Mercera, Esq., Bar No. 11742  
Brittnie T. Watkins, Esq., Bar No. 13612  
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Deputy Clerk Kim M. Martin  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, NV 89155

*Attorneys for Plaintiffs*



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9/5/2017 6:08 PM

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William E. Arnault, IV, Esq. (*pro hac vice forthcoming*)

9 KIRKLAND & ELLIS LLP  
300 North LaSalle

10 Chicago, IL 60654

Telephone: 312.862.2000

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;  
15 PARIS LAS VEGAS OPERATING  
16 COMPANY, LLC; PHWL, LLC; and  
17 BOARDWALK REGENCY CORPORATION  
d/b/a CAESARS ATLANTIC CITY,

18 Plaintiffs,

19 v.

20 ROWEN SEIBEL; LLTQ  
21 ENTERPRISES, LLC; LLTQ  
22 ENTERPRISES 16, LLC; FERG, LLC;  
23 FERG 16, LLC; MOTI PARTNERS, LLC;  
24 MOTI PARTNERS 16, LLC; TPOV  
25 ENTERPRISES, LLC; TPOV ENTERPRISES  
26 16, LLC; DNT ACQUISITION, LLC; GR  
27 BURGR, LLC; and J. JEFFREY  
28 FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO  
MOTI PARTNERS 16, LLC**

**SUMMONS – CIVIL**

**NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU  
WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS.  
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11 Plaintiff(s) and failure to so respond will result in a judgment of default against  
12 you for the relief demanded in the Complaint, which could result in the taking of  
13 money or property or other relief requested in the Complaint.

14 3. If you intend to seek the advice of an attorney in this matter, you should do so  
15 promptly so that your response may be filed on time.

16 4. The State of Nevada, its political subdivisions, agencies, officers, employees,  
17 board members, commission members and legislators each have 45 days after  
18 service of this Summons within which to file an Answer or other responsive  
19 pleading to the Complaint.

20 Submitted by:

21 PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

22 By: 

23 By:  9/6/2017

24 James J. Pisanelli, Esq., Bar No. 4027  
25 Debra L. Spinelli, Esq., Bar No. 9695  
26 M. Magali Mercera, Esq., Bar No. 11742  
27 Brittnie T. Watkins, Esq., Bar No. 13612  
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Deputy Clerk Kim Martin  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, NV 89155

*Attorneys for Plaintiffs*

PISANELLI BICE PLLC  
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702.214.2100



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10 Chicago, IL 60654

Telephone: 312.862.2000

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;  
15 PARIS LAS VEGAS OPERATING  
16 COMPANY, LLC; PHWLTV, LLC; and  
17 BOARDWALK REGENCY CORPORATION  
d/b/a CAESARS ATLANTIC CITY,

18 Plaintiffs,

19 v.

20 ROWEN SEIBEL; LLTQ  
21 ENTERPRISES, LLC; LLTQ  
22 ENTERPRISES 16, LLC; FERG, LLC;  
23 FERG 16, LLC; MOTI PARTNERS, LLC;  
24 MOTI PARTNERS 16, LLC; TPOV  
25 ENTERPRISES, LLC; TPOV ENTERPRISES  
26 16, LLC; DNT ACQUISITION, LLC; GR  
27 BURGR, LLC; and J. JEFFREY  
28 FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO  
TPOV ENTERPRISES, LLC**

**SUMMONS – CIVIL**

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19 pleading to the Complaint.

20 Submitted by:

21 PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

22 By: 

By:  9/6/2017

23 James J. Pisanelli, Esq., Bar No. 4027  
24 Debra L. Spinelli, Esq., Bar No. 9695  
25 M. Magali Mercera, Esq., Bar No. 11742  
26 Brittanie T. Watkins, Esq., Bar No. 13612  
27 400 South 7th Street, Suite 300  
28 Las Vegas, Nevada 89101

Deputy Clerk **Kim Martin**  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, NV 89155

*Attorneys for Plaintiffs*

Electronically Issued  
9/5/2017 6:08 PM

1 James J. Pisanelli, Esq., Bar No. 4027

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10 Chicago, IL 60654

Telephone: 312.862.2000

11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;

15 PARIS LAS VEGAS OPERATING

16 COMPANY, LLC; PHWLTV, LLC; and

17 BOARDWALK REGENCY CORPORATION

d/b/a CAESARS ATLANTIC CITY,

18 Plaintiffs,

19 v.

20 ROWEN SEIBEL; LLTQ

21 ENTERPRISES, LLC; LLTQ

22 ENTERPRISES 16, LLC; FERG, LLC;

23 FERG 16, LLC; MOTI PARTNERS, LLC;

24 MOTI PARTNERS 16, LLC; TPOV

25 ENTERPRISES, LLC; TPOV ENTERPRISES

26 16, LLC; DNT ACQUISITION, LLC; GR

27 BURGR, LLC; and J. JEFFREY

28 FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO**

**TPOV ENTERPRISES 16, LLC**

**SUMMONS – CIVIL**

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400 SOUTH 7TH STREET, SUITE 300  
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702.214.2100

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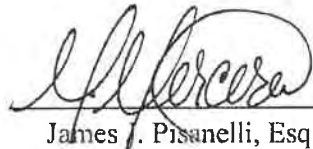
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Submitted by:

PISANELLI BICE PLLC

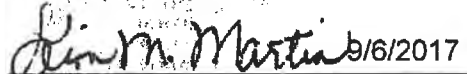
STEVEN D. GRIERSON  
CLERK OF COURT

By:



James J. Pisanelli, Esq., Bar No. 4027  
Debra L. Spinelli, Esq., Bar No. 9695  
M. Magali Mercera, Esq., Bar No. 11742  
Brittanie T. Watkins, Esq., Bar No. 13612  
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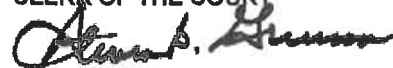
By:



Deputy Clerk **Kim Martin**  
Regional Justice Center  
200 Lewis Avenue  
Las Vegas, NV 89155

*Attorneys for Plaintiffs*

Electronically Filed  
9/12/2017 12:26 PM  
Steven D. Grierson  
CLERK OF THE COURT



AFFT  
Pisanelli Bice, PLLC  
James J. Pisanelli, Esq.,  
400 S. 7th Street, Suite 300  
Las Vegas, NV 89101  
State Bar No.: 4027  
Attorney(s) for: Plaintiff(s)

DISTRICT COURT  
CLARK COUNTY, NEVADA

Case No.:  
A-17-760537-B

Desert Palace, Inc.; et al.  
vs  
Rowen Seibel; et al.

Plaintiff(s)

Defendant(s)

Dept. No.: XXVII

Date:  
Time:

AFFIDAVIT OF SERVICE

Tina Irizarry, being duly sworn deposes and says: That at all times herein affiant was and is a citizen of the United States, over 18 years of age and not a party to or interested in the proceeding in which this affidavit is made. The affiant received 1 copy(ies) of the Summons to GR Burgr, LLC; Complaint: Business Court Civil Cover Sheet on the 7th day of September, 2017 and served the same on the 7th day of September, 2017 at 2:25 pm by serving the Defendant(s), GR Burgr, LLC by personally delivering and leaving a copy at Registered Agent, United Corporate Services, 874 Walker Rd., Suite C, Dover, DE 19904 with Tara Fox, Authorized Agent pursuant to NRS 14.020 as a person of suitable age and discretion at the above address, which address is the address of the registered agent as shown on the current certificate of designation filed with the Secretary of State.

State of Delaware, County of Kent

SUBSCRIBED AND SWORN to before me on this

11th day of September, 2017

  
Notary Public

Shelly Rae Miles  
Notary Public  
State of Delaware  
Kent County  
No. 220151229000017

  
Affiant: Tina Irizarry  
Process Server

WorkOrderNo 1706228

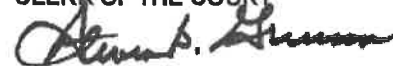


My Commission Expires Dec. 29, 2017

Case Number: A-17-760537-B

App. 115

Electronically Filed  
9/14/2017 9:30 AM  
Steven D. Grierson  
CLERK OF THE COURT



**AFFT**  
Pisanelli Bice, PLLC  
James J. Pisanelli, Esq.,  
400 S. 7th Street, Suite 300  
Las Vegas, NV 89101  
State Bar No.: 4027  
Attorney(s) for: Plaintiff(s)

**DISTRICT COURT  
CLARK COUNTY, NEVADA**

Case No.:  
**A-17-760537-B**

**Desert Palace, Inc.; et al.**  
**vs**  
**Rowen Seibel; et al.**

**Plaintiff(s)**

**Defendant(s)**

Dept. No.: XXVII

Date:  
Time:

**AFFIDAVIT OF SERVICE**

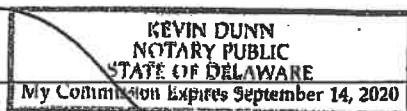
Denorris Britt, being duly sworn deposes and says: That at all times herein affiant was and is a citizen of the United States, over 18 years of age and not a party to or interested in the proceeding in which this affidavit is made. The affiant received 1 copy(ies) of the Summons to DNT Acquisition, LLC: Complaint: Business Court Civil Cover Sheet on the 7th day of September, 2017 and served the same on the 7th day of September, 2017 at 3:40 pm by serving the Defendant(s), DNT Acquisition, LLC by personally delivering and leaving a copy at Registered Agent, Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801 with Amy McLaren, authorized employee pursuant to NRS 14.020 as a person of suitable age and discretion at the above address, which address is the address of the registered agent as shown on the current certificate of designation filed with the Secretary of State.

State of Delaware, County of New Castle

SUBSCRIBED AND SWORN to before me on this

14<sup>th</sup> day of Sept., 2017

Notary Public



Affiant: Denorris Britt  
Process Server

WorkOrderNo 1706227





Electronically Filed  
9/26/2017 1:25 PM  
Steven D. Grierson  
CLERK OF THE COURT



**IAFD**  
ROBERT E. ATKINSON, ESQ., Bar No. 9958  
Email: robert@nv-lawfirm.com  
**ATKINSON LAW ASSOCIATES LTD.**  
8965 S Eastern Ave, Suite 260  
Las Vegas, NV 89123  
Telephone: (702) 614-0600  
Facsimile: (702) 614-0647  
*Attorney for defendant J. Jeffrey Frederick.*

**EIGHTH JUDICIAL DISTRICT COURT  
CLARK COUNTY, NEVADA**

DESERT PALACE, INC.; PARIS LAS  
VEGAS OPERATING COMPANY, LLC;  
PHWLTV, LLC; and BOARDWALK  
REGENCY CORPORATION d/b/a CAESARS  
ATLANTIC CITY,

Plaintiffs,

v.

ROWEN SEIBEL; LLTQ ENTERPRISES,  
LLC; LLTQ ENTERPRISES 16,LLC; FERG,  
LLC; FERG 16, LLC; MOTI PARTNERS,  
LLC; MOTI PARTNERS 16, LLC; TPOV  
ENTERPRISES, LLC; TPOV ENTERPRISES  
16, LLC; DNT ACQUISITION, LLC; GR  
BURGR, LLC; and J. JEFFREY FREDERICK,

Defendants.

CASE NO. A-17-760537-B  
DEPT NO. XXVII

**INITIAL APPEARANCE FEE  
DISCLOSURE**

Pursuant to NRS Chapter 19, as amended by Assembly Bills, filing fees are hereby  
submitted for certain parties appearing in the above entitled action, as indicated below:

J. JEFFREY FREDERICK, *defendant* ..... \$1,483.00

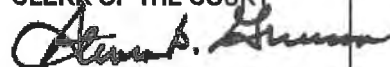
**Total Remitted: \$1,483.00**

DATED: September 26, 2017

**ATKINSON LAW ASSOCIATES LTD.**

By: /s/ Robert Atkinson  
ROBERT E. ATKINSON, ESQ.  
Nevada Bar No. 9958

Electronically Filed  
9/26/2017 1:25 PM  
Steven D. Grierson  
CLERK OF THE COURT



1 **NOTA**  
2 ROBERT E. ATKINSON, ESQ., Bar No. 9958  
3 Email: [robert@nv-lawfirm.com](mailto:robert@nv-lawfirm.com)  
4 **ATKINSON LAW ASSOCIATES LTD.**  
5 8965 S Eastern Ave., Suite 260  
6 Las Vegas, NV 89123  
7 Telephone: (702) 614-0600  
8 *Attorney for Defendant J. Jeffrey Frederick*

6 **EIGHTH JUDICIAL DISTRICT COURT**  
7 **CLARK COUNTY, NEVADA**

8 DESERT PALACE, INC.; PARIS LAS VEGAS  
9 OPERATING COMPANY, LLC; PHWL, V,  
10 LLC; and BOARDWALK REGENCY  
11 CORPORATION d/b/a CAESARS ATLANTIC  
12 CITY,

11 Plaintiffs,

12 v.

13 ROWEN SEIBEL; LLTQ ENTERPRISES,  
14 LLC; LLTQ ENTERPRISES 16, LLC; FERG,  
15 LLC; FERG 16, LLC; MOTI PARTNERS, LLC;  
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17 ENTERPRISES, LLC; TPOV ENTERPRISES  
18 16, LLC; DNT ACQUISITION, LLC; GR  
19 BURGR, LLC; and J. JEFFREY FREDERICK,

17 Defendants.

CASE NO. A-17-760537-B  
DEPT NO. XXVII

**NOTICE OF APPEARANCE FOR  
DEFENDANT J. JEFFREY  
FREDERICK**

19 TO: ALL PARTIES-IN-INTEREST and their COUNSEL OF RECORD:

20 ROBERT E. ATKINSON, ESQ. of the law firm ATKINSON LAW ASSOCIATES  
21 LTD., hereby enters his appearance on the record in the above-captioned case as attorney of  
22 record for defendant J. JEFFREY FREDERICK. Service of all motions, notices, and filed  
23 documents and pleadings for this party should be made by electronic service via the Eighth  
24 District Court's electronic filing system, or, if by U.S. mail, directed to: Robert E. Atkinson,  
25 Esq., Atkinson Law Associates Ltd., 8965 S. Eastern Ave. Suite 260, Las Vegas, NV 89123.

26 DATED: September 26, 2017

**ATKINSON LAW ASSOCIATES LTD.**

27 By: /s/ Robert Atkinson  
28 ROBERT E. ATKINSON, ESQ. # 9958  
*Attorney for J. Jeffrey Frederick*



**CERTIFICATE OF SERVICE**

I hereby certify that, on September 26, 2017, I caused to be served the foregoing document entitled **NOTICE OF APPEARANCE** on the following persons and entities, using the means so indicated:

☒ **BY ELECTRONIC SERVICE:** Pursuant to EDCR 8.05(a) and (f), via the Eighth District Court's electronic filing system, to:

**For Plaintiffs:**

Pisanelli Bice	lit@pisanellibice.com
Magali Mercera	mmm@pisanellibice.com
Debra L Spinelli	dls@pisanellibice.com
Cinda Towne	cct@pisanellibice.com
Brittnie Watkins	btw@pisanellibice.com

DATED: September 26, 2017

/s/ Robert Atkinson  
ROBERT ATKINSON, ESQ.  
*Attorney for J. Jeffrey Frederick*

DANIEL R. MCNUTT (SBN 7815)  
 MATTHEW C. WOLF (SBN 10801)  
 CARBAJAL & MCNUTT, LLP  
 625 South Eighth Street  
 Las Vegas, Nevada 89101  
 Tel. (702) 384-1170 / Fax. (702) 384-5529

NATHAN Q. RUGG (*pro hac vice forthcoming*)  
 STEVEN B. CHAIKEN (*pro hac vice forthcoming*)  
 ADELMAN & GETTLEMAN, LTD.  
 53 West Jackson Boulevard, suite 1050  
 Chicago, IL 60604  
 Tel. (312) 435-1050 / Fax. (312) 435-1059

*Attorney for Defendants:*  
 LLTQ ENTERPRISES, LLC;  
 LLTQ ENTERPRISES 16, LLC;  
 FERG, LLC; AND FERG 16, LLC

# UNITED STATES BANKRUPTCY COURT

## DISTRICT OF NEVADA

DESERT PALACE, INC.; PARIS LAS  
 VEGAS OPERATING COMPANY, LLC;  
 PHWLTV, LLC.; and BOARDWALK  
 REGENCY CORPORATION d/b/a  
 CAESARS ATLANTIC CITY,

Plaintiffs,

v.

ROWEN SEIBEL; LLTQ ENTERPRISES,  
 LLC; LLTQ ENTERPRISES 16, LLC;  
 FERG, LLC; FERG 16 LLC; MOTI  
 PARTNERS, LLC; MOTI PARTNER 16,  
 LLC; TPOV ENTERPRISES, LLC; TPOV  
 ENTERPRISES 16, LLC; DNT  
 ACQUISITION, LLC; GR BURGR, LLC;  
 AND J. JEFFREY FREDERICK,

Defendants.

Case No.: \_\_\_\_\_

## NOTICE OF REMOVAL OF COUNTS II AND III OF LAWSUIT PENDING IN NEVADA STATE COURT TO BANKRUPTCY COURT

Defendants LLTQ ENTERPRISES 16, LLC (“LLTQ 16”), LLTQ ENTERPRISES, LLC (“LLTQ”), and FERG 16, LLC (“FERG 16”), and FERG, LLC (“FERG,” and together with LLTQ 16, LLTQ and FERG 16, the “LLTQ/FERG Defendants”), hereby remove Counts II and III of the lawsuit entitled *Desert Palace Inc., et al. v. Rowen Seibel, et al.*, designated as case number A-17-760537-B, including all claims, counterclaims, third-party claims and defenses thereto (the “Nevada Action”) formerly pending in the District Court, Clark County, Nevada (the “State Court”) to the United States Bankruptcy Court for the District of Nevada, pursuant to 28

1 U.S.C. §§ 1452(a) and 1334(b) and Rule 9027 of the Federal Rules of Bankruptcy Procedure.

2 As grounds for the removal, the LLTQ/FERG Defendants state as follows:

3 1. On January 15, 2015 (the “Petition Date”), Desert Palace, Inc., Boardwalk  
4 Regency Corporation d/b/a Caesars Atlantic City (both of which are Plaintiffs in the Nevada  
5 Action), and several of their affiliated entities (collectively, the “Debtors”) each filed voluntary  
6 petitions under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the  
7 Northern District of Illinois, thereby commencing the chapter 11 cases jointly administered as  
8 case no. 15-01145 (collectively, the “Chapter 11 Cases”). The Chapter 11 Cases remain pending.

9 2. On June 8, 2015, the Debtors filed that certain Fourth Omnibus Motion for the  
10 Entry of an Order Authorizing the Debtors to Reject Certain Executory Contracts Nunc Pro Tunc  
11 to June 11, 2015 [Docket No. 1755] (the “Rejection Motion”). In the Rejection Motion the  
12 Debtors seek to reject, pursuant to section 365 of the Bankruptcy Code, two agreements with the  
13 LLTQ/FERG Defendants (the “Pub Agreements”) concerning the development and operation of  
14 two Gordon Ramsay-branded pubs located in Las Vegas and in Atlantic City (collectively, the  
15 “Ramsay-branded Pubs”).

16 3. The LLTQ/FERG Defendants filed an objection to the relief sought in the  
17 Rejection Motion asserting, among other things, that Section 13.22 of the Pub Agreement with  
18 LLTQ (the “LLTQ Agreement”) is an enforceable restrictive covenant.

19 4. The Rejection Motion remains pending and is a “contested matter” in the Chapter  
20 11 Cases subject to Rule 9014 of the Federal Rules of Bankruptcy Procedure.

21 5. On November 4, 2015, the LLTQ/FERG Defendants filed that certain Request for  
22 Payment of Administrative Expense [Docket No. 2531] (the “LLTQ/FERG Admin Request”)  
23 seeking payments to which LLTQ and FERG claim they are owed under the Pub Agreements as  
24 a result of the Debtors’ continued operations of the Ramsay-branded Pubs.

25 6. The Debtors filed an objection to the relief sought in the LLTQ/FERG Admin  
26 Request thereby triggering a “contested matter” subject to Rule 9014 of the Federal Rules of  
27 Bankruptcy Procedure. In the contested matter pending in the Chapter 11 Cases the Debtors  
28 assert, among other things, allegations of fraudulent inducement and that the Pub Agreements  
may not be valid, enforceable agreements and, instead, may be void, voidable or void ab initio.

7. The LLTQ/FERG Admin Request remains pending and is a “contested matter” in

1 the Chapter 11 Cases subject to Rule 9014 of the Federal Rules of Bankruptcy Procedure.

2 8. On January 14, 2016, the Debtors filed that certain Motion for the Entry of an  
3 Order Authorizing the Debtors to (A) Reject Certain Existing Restaurant Agreements and (B)  
4 Enter Into New Restaurant Agreements [Docket No. 3000] (the “Ramsay Rejection Motion”). In  
5 the Ramsay Rejection Motion the Debtors seek to reject certain agreements (the “Original  
6 Ramsay Agreements”) with Gordon Ramsay and his related entity (collectively, “Ramsay”) and  
7 simultaneously enter into new agreements with Ramsay to continue operating the Ramsay-  
8 branded Pubs (the “New Ramsay Agreements”). The Debtors only seek rejection of Original  
9 Ramsay Agreements if the Bankruptcy Court approves the Debtors’ entry into the New Ramsay  
10 Agreements.

11 9. The LLTQ/FERG Defendants filed an objection to the relief sought in the  
12 Ramsay Rejection Motion asserting, among other things, that Section 13.22 of the LLTQ  
13 Agreement and Sections 4.1 and 4.2 of the Pub Agreement with FERG (the “FERG Agreement”)  
14 are enforceable restrictive covenants.

15 10. The Ramsay Rejection Motion remains pending and is a “contested matter” in the  
16 Chapter 11 Cases subject to Rule 9014 of the Federal Rules of Bankruptcy Procedure.

17 11. On August 25, 2017, the Plaintiffs filed the Nevada Action.

18 12. In the Nevada Action, the Plaintiffs seek declaratory judgments as more fully set  
19 forth in the copy of the Complaint attached hereto as Exhibit A. The relief sought in counts II  
20 and III of the Nevada Action arises out of certain restrictive covenants contained in and the  
21 enforceability of the Pub Agreements, which are at the heart of the pending disputes of the  
22 Rejection Motion, the Ramsay Rejection Motion, and the LLTQ/FERG Admin Request  
(collectively, the “Pending Bankruptcy Motions”).

23 13. Count II of the Nevada Action seeks, among other relief, a determination that the  
24 Debtors have no current or future obligations under the Pub Agreements due to alleged breaches  
25 thereto and allegations of fraudulent inducement.

26 14. The allegations of fraudulent inducement and the related legal issue of whether  
27 the Pub Agreements are void, voidable or void ab initio has been brought by the Debtors as a  
28 defense to the LLTQ/FERG Admin Request and remains pending. In their successful objection  
to the LLTQ/FERG Defendants’ request for a protective order in the Pending Bankruptcy

1 Motions [Docket No. 6887], the Debtors expressly stated:

2 “the Debtors have claims for fraudulent inducement and rescission of the  
3 contracts. Procedurally, the Court may, under Bankruptcy Rule 9014, direct that  
4 Bankruptcy Rules 7008 and 7013 apply to a contested matter. . . If the Court does  
5 so, the Debtors can assert fraudulent inducement as either an affirmative defense  
or counterclaim. Alternatively, the Debtors are willing to initiate an adversary  
proceeding if necessary.”

6 The Debtors have also suggested that these defenses apply to the two other Pending Bankruptcy  
7 Motions.

8 15. Count III of the Nevada Action seeks, among other relief, a determination that the  
9 Section 13.22 of the LLTQ Agreement and Section 4.1 of the FERG Agreement do not prohibit  
10 or limit existing or future restaurant ventures between the Debtors and Ramsay.

11 16. The scope and enforceability of these restrictive covenants contained in the Pub  
12 Agreements and the effect of the potential rejection of such contracts under the Bankruptcy Code  
13 on such provisions has been raised as defenses to both the Rejection Motion and the Ramsay  
14 Rejection Motion. These issues remain pending before the Bankruptcy Court.

15 17. The Nevada Action is not a proceeding before the United States Tax Court.

16 18. The Nevada Action is not a civil action by a governmental unit to enforce its  
17 police or regulatory power.

18 19. Counts II and III of the Nevada Action, until the filing of this Notice of Removal  
19 and the filing of a copy of this Notice of Removal with the State Court, was pending in the  
20 District Court of the State of Nevada, Clark County.

21 20. This Court has “arising under” jurisdiction over Counts II and III of the Nevada  
22 Action pursuant to 28 U.S.C. § 1334(b). The Debtors brought the Rejection Motion and Ramsay  
23 Rejection Motion pursuant to sections 363 and 365 of the Bankruptcy Code. The LLTQ/FERG  
24 Defendants filed the LLTQ/FERG Admin Request pursuant to section 503(b) of the Bankruptcy  
25 Code.

26 21. This Court also has “related to” jurisdiction over Counts II and III of the Nevada  
27  
28

1 Action pursuant to 28 U.S.C. § 1334(b). The outcome of Counts II and III of the Nevada Action  
2 will alter the Debtors' liabilities to the LLTQ/FERG Defendants, affecting the estates and the  
3 amount of property available for distribution.

4 22. For example, if rescission of the Pub Agreements is not an available remedy, and  
5 the Debtors are found to be liable to the LLTQ/FERG Defendants in connection with their  
6 continued operations of the Pubs, the LLTQ/FERG Defendants will be awarded a large  
7 administrative priority claim (i.e. at least seven figures) that affects the administration of the  
8 estate and the amount of property available for distribution.

9 23. The Pending Bankruptcy Motions cannot be resolved without resolving Counts II  
10 and III of the Nevada Action.

11 24. Removal of Counts II and III of the Nevada Action to this Court is proper  
12 pursuant to 28 U.S.C. § 1452(a) and Rule 9027 of the Federal Rules of Bankruptcy Procedure.

13 25. Venue for Counts II and III of the Nevada Action is proper in this Court under 28  
14 U.S.C. § 1452(a) because this Court is the Bankruptcy Court located in the District where the  
15 Nevada Action is pending. The LLTQ/FERG Defendants intend to promptly file a motion to  
16 transfer venue to the United States Bankruptcy Court for the Northern District of Illinois, where  
17 the Chapter 11 Cases are pending and the Pending Bankruptcy Motions are being litigated.

18 26. On August 28, 2017, counsel to the LLTQ/FERG Defendants informally obtained  
19 a copy of the Complaint (the "Informal Receipt Date").

20 27. By agreement of the Plaintiffs, service of the Complaint was effective on  
21 September 21, 2017, and the LLTQ/FERG Defendants have until October 20, 2017, by which to  
22 respond to the summons and Complaint.

23 28. Because the LLTQ/FERG Defendants have filed this Notice of Removal within  
24 thirty days of service (and within thirty days of the Informal Receipt Date), removal is timely  
25 under Rule 9027(a)(3) of the Federal Rules of Bankruptcy Procedure.

26 29. Attached as Group Exhibit B is the docket from the Nevada Action as of the date  
27  
28

1 of removal, which reflects that the Complaint is the only pleading filed to date, and copies of all  
 2 accessible summonses issued and affidavits of service.<sup>1</sup>

3 30. Promptly after filing the Notice of Removal, the LLTQ/FERG Defendants will  
 4 serve a copy of it on all parties to the Nevada Action as required by Federal Rule of Bankruptcy  
 5 Procedure 9027(b).

6 31. Promptly after filing the Notice of Removal, the LLTQ/FERG Defendants will  
 7 file with the State Court a copy of this Notice of Removal, as required by Federal Rule of  
 8 Bankruptcy Procedure 9027(c).

9 32. Removal is made directly to this Court under 28 U.S.C. § 157(a). This matter is a  
 10 core proceeding pursuant to 28 U.S.C. § 157(b)(2).

11 33. The LLTQ/FERG Defendants consent to the Bankruptcy Court entering final  
 12 orders and judgments in this matter.

13 34. Venue lies properly in this Court pursuant to 28 U.S.C. § 1409(a).

14 35. This adversary proceeding is commenced pursuant to Rules 7001(7) and (9) and  
 15 7008 of the Federal Rules of Bankruptcy Procedure and 28 U.S.C. §§ 2201-2202.

16  
 17 DATED September 27, 2017.

18  
 19 Respectfully submitted:

20 LLTQ ENTERPRISES, LLC,  
 21 LLTQ ENTERPRISES 16, LLC  
 22 FERG, LLC AND FERG 16, LLC

23 By: /s/ Daniel R. McNutt  
 24 One of their attorneys

25 DANIEL R. MCNUTT (SBN 7815)  
 26 MATTHEW C. WOLF (SBN 10801)  
 27 CARBAJAL & MCNUTT, LLP  
 28 625 South Eighth Street  
 Las Vegas, Nevada 89101

<sup>1</sup> The summonses issued for defendants DNT Acquisition, LLC, GR BURGR, LLC and J. Jeffrey Frederick were not accessible as of the time of this filing and therefore are not included in Group Exhibit B.

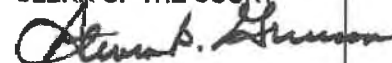
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# EXHIBIT A

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## DISTRICT COURT

### CLARK COUNTY, NEVADA

DESERT PALACE, INC.;  
PARIS LAS VEGAS OPERATING  
COMPANY, LLC; PHWLTV, LLC; and  
BOARDWALK REGENCY  
CORPORATION d/b/a CAESARS  
ATLANTIC CITY;

Case No.: A-17-760537-B

Dept. No.: Department 27

### COMPLAINT

(Exempt from Arbitration –  
Declaratory Relief Requested)

Plaintiffs,  
vs.

ROWEN SEIBEL; LLTQ  
ENTERPRISES, LLC; LLTQ  
ENTERPRISES 16, LLC; FERG, LLC;  
FERG 16, LLC; MOTI PARTNERS, LLC;  
MOTI PARTNERS 16, LLC; TPOV  
ENTERPRISES, LLC; TPOV  
ENTERPRISES 16, LLC; DNT  
ACQUISITION, LLC; GR BURGR, LLC;  
and J. JEFFREY FREDERICK,

Defendants.

Desert Palace Inc. ("Caesars Palace"), Paris Las Vegas Operating Company, LLC ("Paris"),  
PHWLTV, LLC ("Planet Hollywood") and Boardwalk Regency Corporation d/b/a  
Caesars Atlantic City ("CAC," and collectively with Caesars Palace, Paris, and Planet Hollywood,

"Plaintiffs" or "Caesars") bring this Complaint against Rowen Seibel, J. Jeffrey Frederick, LLTQ Enterprises, LLC, LLTQ Enterprises 16, LLC (collectively, with LLTQ Enterprises, LLC, "LLTQ"), FERG, LLC, FERG 16, LLC (collectively, with FERG, LLC, "FERG"), Moti Partners, LLC, Moti Partners 16, LLC (collectively, with Moti Partners, LLC, "MOTI"), TPOV Enterprises, LLC, TPOV Enterprises 16, LLC (collectively, with TPOV Enterprises, LLC, "TPOV"), DNT Acquisition, LLC ("DNT"), and GR Burgr, LLC ("GRB," and collectively with LLTQ, FERG, MOTI, TPOV, and DNT, the "Seibel-Affiliated Entities") seeking declaratory relief as a result of Mr. Seibel's criminal activities and Defendants' failure to disclose those criminal activities to the Plaintiffs.

Caesars alleges as follows:

#### PRELIMINARY STATEMENT

1. Since 2009, Caesars has entered into six agreements with entities owned by, managed by, and/or affiliated with Rowen Seibel relating to the operation of restaurants at Caesars' casinos (the "Seibel Agreements"). Because of the highly-regulated nature of Caesars' business, each of these agreements contained representations, warranties, and conditions to ensure that Caesars was not entering into a business relationship that would jeopardize its good standing with gaming regulators. To further ensure that Caesars was not doing business with an "Unsuitable Person," Caesars also requested and received "Business Information Forms" from Mr. Seibel at the outset of the MOTI and DNT business relationships in which he represented that he had not been a party to a felony in the last ten years and there was nothing "that would prevent him from being licensed by a gaming authority." Although the agreements required Mr. Seibel and the Seibel-Affiliated Entities to update those disclosures to the extent they subsequently became inaccurate, neither Mr. Seibel nor the Seibel-Affiliates Entities ever did so.

2. Unbeknownst to Caesars, when the parties entered into each of the agreements, Mr. Seibel was engaged in criminal conduct that rendered him "Unsuitable" under the terms of each agreement. In 2004, Mr. Seibel began using foreign bank accounts to defraud the IRS. In 2009, when Mr. Seibel was assuring Caesars that he had not been a party to a felony and there was nothing

1 "that would prevent him from being licensed by a gaming authority," he was submitting false  
2 documentation to the IRS regarding his use of foreign bank accounts.

3 3. In April 2016, Mr. Seibel was charged with defrauding the IRS. Rather than contest  
4 the charges against him, Mr. Seibel pleaded guilty to one count of a corrupt endeavor to obstruct  
5 and impede the due administration of the Internal Revenue Laws, 26 U.S.C. § 7212, a Class E  
6 Felony, and subsequently served time in a federal penitentiary for his crime.

7 4. Mr. Seibel, however, never informed Caesars that he was engaged in criminal  
8 activities. Nor did he disclose to Caesars that he had lied to the United States government, was  
9 under investigation by the United States government, or that he had pleaded guilty to a felony.

10 5. Instead, Caesars only learned about Mr. Seibel's felony conviction from press reports  
11 four months after he pleaded guilty. Upon learning of Mr. Seibel's felony conviction, Caesars  
12 exercised its contractual right to terminate its agreements with the Seibel-Affiliated Entities.  
13 Indeed, the parties to the Seibel Agreements expressly agreed that Caesars in its "sole and exclusive  
14 judgment" could terminate the agreements if it determined that Mr. Seibel and/or the  
15 Seibel-Affiliated Entities were "Unsuitable Persons" as defined in the agreements. The parties  
16 likewise expressly agreed that Caesars' decision to terminate the agreements would "not be subject  
17 to dispute by [the Seibel-Affiliated Entities]." Caesars determined that Mr. Seibel's conduct and  
18 felony conviction rendered him an "Unsuitable Person" as defined in the agreements. Therefore,  
19 Caesars exercised its "sole and exclusive judgment" and terminated the Seibel Agreements on or  
20 around September 2, 2016.

21 6. Nevertheless, Defendants are now claiming that Caesars wrongfully terminated  
22 those agreements and either have initiated or indicated that they intend to initiate legal proceedings  
23 relating to the termination of the agreements. Because there is an actual dispute among the parties,  
24 Caesars brings this action for a declaratory judgment confirming that it was proper, in its sole and  
25 exclusive judgment, to terminate each of the agreements with the Seibel-Affiliated Entities.

26 7. In addition, Caesars seeks a declaratory judgment that it has no current or future  
27 obligations to Defendants. Certain defendants are seeking monetary relief from Caesars in three  
28 different courts across the country related to the Seibel Agreements and have threatened to attempt

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1 to force Caesars to include Mr. Seibel in other restaurant opportunities. Simply put, Caesars is not  
2 required under the Seibel Agreements or otherwise to do business with a convicted felon. Indeed,  
3 Mr. Seibel and the Seibel-Affiliated Entities concealed material facts from Caesars that they had a  
4 duty to disclose regarding Mr. Seibel's wrongdoings. Mr. Seibel concealed these wrongdoings from  
5 Caesars to avoid the termination of the Seibel Agreements. Had Caesars been aware of Mr. Seibel's  
6 wrongdoings when the relationship first began, it would not have entered into the Seibel  
7 Agreements. And, if Mr. Seibel had properly disclosed his wrongdoings, Caesars would not have  
8 continued doing business with Mr. Seibel and would have terminated its relationship with  
9 Mr. Seibel and his companies. Because Mr. Seibel and the Seibel-Affiliated Entities fraudulently  
10 induced Caesars to enter into the Seibel Agreements and breached the Seibel Agreements by failing  
11 to disclose material facts regarding Mr. Seibel's wrongdoings, Caesars owes no current or future  
12 obligations to Defendants.

13 8. Caesars therefore brings this action to obtain declarations that it properly terminated  
14 its agreements with the Seibel-Affiliated Entities and does not owe any current or future obligations  
15 to Defendants.

#### 16 PARTIES, JURISDICTION, AND VENUE

17 9. Plaintiff Desert Palace, Inc. is a Nevada corporation that operates the Caesars Palace  
18 casino. Desert Palace Inc.'s principal place of business is 3570 Las Vegas Boulevard South,  
19 Las Vegas, Nevada 89109.

20 10. Plaintiff Paris Las Vegas Operating Co., LLC is a Nevada limited liability company  
21 that operates the Paris Las Vegas Hotel and Casino. Paris Las Vegas Operating Co., LLC's principal  
22 place of business is 3655 Las Vegas Boulevard South, Las Vegas, Nevada 89109.

23 11. Plaintiff PHWLTV, LLC is a Nevada limited liability company that operates the  
24 Planet Hollywood Las Vegas Resort and Casino. PHWLTV, LLC's principal place of business is  
25 3667 Las Vegas Boulevard South, Las Vegas, Nevada 89109.

26 12. Plaintiff Boardwalk Regency Corporation d/b/a Caesars Atlantic City LLC is a  
27 Delaware limited liability company that operates the Caesars Atlantic City Hotel and Casino.  
28

1 Caesars Atlantic City's principal place of business is 2100 Pacific Avenue, Atlantic City,  
2 New Jersey 08401.

3 13. Defendant Rowen Seibel currently resides at 200 Central Park South, Unit 19E,  
4 New York, New York 10019. Mr. Seibel regularly travels to and conducts business in Nevada, and  
5 owns real estate in Nevada. Mr. Seibel also filed a lawsuit in the district court of Clark County,  
6 Nevada, purportedly derivatively on behalf of GRB, that relates to certain of the issues set forth in  
7 this Complaint and remains pending. Case No. A-17-751759-B.

8 14. Defendant Moti Partners, LLC is a New York limited liability company located at  
9 200 Central Park South, New York, New York 10019. In March 2009, Caesars Palace and  
10 MOTI Partners, LLC entered into a Development, Operation, and License Agreement  
11 (the "MOTI Agreement"). The MOTI Agreement relates to the design, development, construction,  
12 and operation of the Serendipity restaurant in Las Vegas. The negotiations of the MOTI Agreement  
13 occurred primarily in Nevada. The MOTI Agreement also was signed by the parties in Nevada,  
14 and Mr. Seibel signed the MOTI Agreement on behalf of MOTI. The MOTI Agreement further  
15 provided that "[t]he laws of the State of Nevada applicable to agreements made in that State shall  
16 govern the validity, construction, performance and effect of [the MOTI Agreement]." The  
17 MOTI Agreement likewise required (i) MOTI to provide "Development Services" during meetings  
18 that "shall take place primarily in Las Vegas;" (ii) MOTI to provide "Menu Development Services"  
19 during meetings that "shall take place primarily in Las Vegas;" and (iii) Mr. Seibel to provide  
20 "Marketing Consulting Services" during meetings that "shall take place primarily in Las Vegas."

21 15. Defendant Moti Partners 16, LLC is a Delaware limited liability company. In  
22 April 2016, Mr. Seibel informed Caesars Palace that the MOTI Agreement would purportedly be  
23 assigned to Moti Partners 16, LLC. Caesars Palace disputes the propriety of this assignment.

24 16. Defendant DNT Acquisition, LLC is a Delaware limited liability company located  
25 at 200 Central Park South, 19th Floor, New York, New York 10019. In June 2011, Caesars Palace  
26 and DNT entered into a Development, Operation, and License Agreement among  
27 DNT Acquisition, LLC, The Original Homestead Restaurant, Inc., and Desert Palace, Inc.  
28 ("DNT Agreement"). The DNT Agreement relates to the design, development, construction, and



1 operation of an Old Homestead restaurant in Las Vegas. The negotiations of the DNT Agreement  
2 occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the  
3 DNT Agreement on behalf of DNT. The DNT Agreement also provided that "[t]he laws of the  
4 State of Nevada applicable to agreements made in that State shall govern the validity, construction,  
5 performance, and effect of this Agreement." The DNT Agreement further required (i) DNT to  
6 provide "Restaurant Development Services" that "shall take place in Las Vegas;" (ii) Mr. Seibel to  
7 visit the restaurant one time each quarter for two consecutive nights; and (iii) Mr. Seibel to  
8 participate in marketing consultations and meetings that "shall take place in Las Vegas."

9 17. Defendant TPOV Enterprises, LLC is a New York limited liability company located  
10 at 200 Central Park South, New York, NY 10019. In November 2011, Paris and TPOV entered  
11 into a Development and Operation Agreement between TPOV Enterprises, LLC and  
12 Paris Las Vegas Operating Company, LLC ("TPOV Agreement"). The TPOV Agreement relates  
13 to the design, development, construction, and operation of the Gordon Ramsay Steak restaurant in  
14 Las Vegas. The negotiations of the TPOV Agreement occurred in Nevada and the agreement was  
15 signed by the parties in Nevada. Mr. Seibel signed the TPOV Agreement on behalf of TPOV. The  
16 TPOV Agreement also provided that "[t]he laws of the State of Nevada applicable to agreements  
17 made in that State shall govern the validity, construction, performance and effect of this  
18 Agreement." The TPOV Agreement further required (i) TPOV to provide "Restaurant  
19 Development Services" during meetings that "shall take place in Las Vegas, Nevada;"  
20 (ii) Mr. Seibel to visit and attend the restaurant one time each quarter for five consecutive nights;  
21 and (iii) Mr. Seibel to provide operational consulting and advice and attend meetings "with respect  
22 to same [that] shall take place in Las Vegas, Nevada."

23 18. Defendant TPOV Enterprises 16, LLC is a Delaware limited liability company. In  
24 April 2016, Mr. Seibel informed Paris that the TPOV Agreement would purportedly be assigned to  
25 TPOV Enterprises 16, LLC. Paris disputes the propriety of this assignment.

26 19. Defendant LLTQ Enterprises, LLC is a Delaware limited liability company located  
27 at 200 Central Park South, New York, New York 10019. In April 2012, Caesars Palace and LLTQ  
28 entered into a Development and Operation Agreement between LLTQ Enterprises, LLC and

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LAS VEGAS, NEVADA 89101

1 Desert Palace, Inc. ("LLTQ Agreement"). The LLTQ Agreement relates to the design,  
2 development, construction, and operation of the Gordon Ramsay Pub restaurant in Las Vegas. The  
3 negotiations of the LLTQ Agreement primarily occurred in Nevada and the agreement was signed  
4 by the parties in Nevada. Mr. Seibel signed the LLTQ Agreement on behalf of LLTQ. The LLTQ  
5 Agreement also provided that "[t]he laws of the State of Nevada applicable to agreements made in  
6 that State shall govern the validity, construction, performance and effect of this Agreement." The  
7 LLTQ Agreement further required (i) LLTQ to provide "Restaurant Development Services" during  
8 meetings that "shall take place in Las Vegas, Nevada;" (ii) Mr. Seibel to visit and attend the  
9 restaurant one time each quarter for five consecutive nights; and (iii) Mr. Seibel to provide  
10 operational consulting and advice and "meetings with respect to same [that] shall take place in  
11 Las Vegas, Nevada."

12 20. Defendant LLTQ Enterprises 16, LLC is a Delaware limited liability company. In  
13 April 2016, Mr. Seibel informed Caesars Palace that the LLTQ Agreement would purportedly be  
14 assigned to LLTQ Enterprises 16, LLC. Caesars Palace disputes the propriety of this assignment.

15 21. Defendant GR Burgr, LLC is a Delaware limited liability company located at  
16 200 Central Park South, 19th Floor, New York, New York 10019. In December 2012,  
17 Planet Hollywood and GRB entered into a Development, Operation and License Agreement  
18 Among Gordon Ramsay, GR Burgr, LLC and PHW Manager, LLC on behalf of  
19 PHW Las Vegas, LLC DBA Planet Hollywood ("GRB Agreement"). The GRB Agreement relates  
20 to the design, development, construction, and operation of the BURGR Gordon Ramsay restaurant  
21 in Las Vegas. The negotiations of the GRB Agreement primarily occurred in Nevada and the  
22 agreement was signed by the parties in Nevada. Mr. Seibel signed the GRB Agreement on behalf  
23 of GRB. The GRB Agreement also provided that "[t]he laws of the State of Nevada applicable to  
24 agreements made in that State shall govern the validity, construction, performance and effect of this  
25 Agreement." The GRB Agreement further required GRB to provide "Restaurant Development  
26 Services," and meetings with respect to same, that "shall take place in Las Vegas, Nevada." Caesars  
27 is naming GRB as a defendant to the extent of Mr. Seibel's involvement with that entity.  
28



22. Defendant FERG, LLC is a Delaware limited liability company located at 200 Central Park South, New York, New York 10019. In May 2014, CAC and FERG entered into a Consulting Agreement between FERG, LLC and Boardwalk Regency Corporation DBA Caesars Atlantic City ("FERG Agreement"). The FERG Agreement relates to the design, development, construction, and operation of the Gordon Ramsay Pub and Grill restaurant. The negotiations of the FERG Agreement primarily occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the FERG Agreement on behalf of FERG.

23. Defendant FERG 16, LLC is a Delaware limited liability company. In April 2016, Mr. Seibel informed CAC that the FERG Agreement would purportedly be assigned to FERG 16, LLC. CAC disputes the propriety of this assignment.

24. Defendant J. Jeffrey Frederick resides at 31 Grand Masters Drive, Las Vegas, Nevada 89141. Mr. Seibel purportedly assigned his duties and obligations under the LLTQ, FERG, TPOV, and MOTI Agreements to Mr. Frederick. Mr. Frederick considers Mr. Seibel to be his best friend. Caesars disputes the propriety of this assignment and contends that Mr. Seibel did not properly delegate his duties and obligations to Mr. Frederick and instead attempted to effectuate this assignment to circumvent the suitability provisions in the LLTQ, FERG, TPOV, and MOTI Agreements.

25. Clark County, Nevada is a proper venue because the agreements, acts, events, occurrences, decisions, transactions, and/or omissions giving rise to this lawsuit occurred or were performed in Clark County, Nevada.

## STATEMENT OF FACTS

### A. The Business Relationship Between Caesars and Mr. Seibel.

#### (a) *The MOTI Agreement.*

26. Caesars' relationship with Mr. Seibel began in 2009 when the parties commenced negotiations for an agreement relating to the Serendipity 3 restaurant in Las Vegas. At the time, Mr. Seibel was a restaurateur responsible for the Serendipity restaurant in New York City and was looking to partner with Caesars on a similar concept at its Caesars Palace casino.

1           27.     Caesars holds gaming licenses and therefore is subject to rigorous regulation.  
2 Nevada requires its licensees to police themselves and their affiliates to ensure unwavering  
3 compliance with gaming regulations. As part of its compliance program, Caesars conducts  
4 suitability investigations of potential vendors that meet certain criteria as outlined in its compliance  
5 program, and requires various disclosures by vendors meeting such criteria to ensure that the entities  
6 with which it does business are suitable. Thus, in connection with the initial discussions between  
7 the parties, Caesars required Mr. Seibel to complete a "Business Information Form." On that form,  
8 Mr. Seibel represented that he had not been a party to a felony in the last ten years and there was  
9 nothing "that would prevent [him] from being licensed by a gaming authority." In reliance on those  
10 representations (among other things), Caesars Palace and MOTI entered into the MOTI Agreement.

11           28.     The MOTI Agreement also contained a number of representations relating to the  
12 conduct of the parties and their disclosure obligations.

13           29.     As far as conduct, MOTI represented that "it shall conduct all of its obligations  
14 hereunder in accordance with the highest standards of honesty, integrity, quality and courtesy so as  
15 to maintain and enhance the reputation and goodwill of Caesars, the Marks, the Hotel Casino, and  
16 the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the  
17 operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant."

18           30.     With respect to disclosure, MOTI agreed that it would "provide to Caesars written  
19 disclosure regarding MOTI and all of their respective key employees, agents, representatives,  
20 management personnel, lenders, or any financial participants (collectively, the "Associated  
21 Parties") . . . ." And, "[t]o the extent that any prior disclosure becomes inaccurate, MOTI shall,  
22 within five (5) calendar days from that event, update the prior disclosure without Caesars making  
23 any further request."

24           31.     The prior written disclosures referenced in the MOTI Agreement included and were  
25 intended to include the information that Mr. Seibel provided in the MOTI Business Information  
26 Form. Accordingly, MOTI was obligated to update the Business Information Form in accordance  
27 with the provisions in the MOTI Agreement.

28

1           32. The MOTI Agreement provided Caesars with the ability to terminate the  
2 MOTI Agreement in its discretion if it determined that (i) MOTI was not complying with its  
3 disclosure obligations or (ii) MOTI or an Associated Party was engaged in any activity or  
4 relationship that jeopardized the privileged licenses held by Caesars. Specifically, the MOTI  
5 Agreement stated:

6           If MOTI fails to satisfy or fails to cause the Associated Parties to satisfy [the  
7 disclosure] requirement, if Caesars or any of Caesars' affiliates are directed to cease  
8 business with MOTI or any Associated Party by the Gaming Authorities, or if Caesars  
9 shall determine, in Caesars' sole and exclusive judgment, that MOTI or any  
10 Associated Party is or may engage in any activity or relationship that could or does  
11 jeopardize any of the privileged licenses held by Caesars or any Caesars' Affiliate,  
12 then (a) MOTI shall terminate any relationship with the Associated Party who is the  
13 source of such issue, (b) MOTI shall cease the activity or relationship creating the  
14 issue to Caesars' satisfaction, in Caesars' sole judgment, or (c) if such activity or  
15 relationship is not subject to cure as set forth in the foregoing clauses (a) and (b), as  
16 determined by Caesars in its sole discretion, Caesars shall, without prejudice to any  
17 other rights or remedies of Caesars including at law or in equity, terminate this  
18 Agreement and its relationship with MOTI. In the event MOTI does not comply with  
19 any of the foregoing, such noncompliance may be deemed, in Caesars' sole discretion,  
20 as a default hereunder. MOTI further acknowledges that Caesars shall have the  
21 absolute right, without any obligation [to initiate arbitration], to terminate this  
22 Agreement in the event any Gaming Authority require Caesars to do so.

23           33. Finally, MOTI represented that, "[a]s of the Effective date [of the agreement], no  
24 representation or warranty made herein by [MOTI] contains any untrue statement of a material fact,  
25 or omits to state a material fact necessary to make such statements not misleading."

26           34. Significantly, the disclosure obligations under the MOTI Agreement were not  
27 limited to the corporate entity MOTI. Instead, MOTI's obligations—both with respect to conduct  
28 and disclosure—applied to "Associated Parties" of MOTI, which included all of MOTI's key  
employees, agents, representatives, and financial participants. As the member-manager of MOTI  
and the individual who signed the MOTI Agreement, Mr. Seibel was an "Associated Party" of  
MOTI. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest standards  
of honesty, integrity, quality, and courtesy. And MOTI had an ongoing obligation to disclose any  
information regarding Mr. Seibel that jeopardized any of the privileged licenses held by Caesars.

          35. The initial disclosures that MOTI and Mr. Seibel provided were false when made.  
And, despite the obligations set out in the MOTI Agreement, neither Mr. Seibel nor MOTI ever  
provided Caesars with an updated Business Information Form or any other supplemental disclosure.

1 Nor did they otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his  
2 investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

3 36. Over the next five years, Caesars and Mr. Seibel entered into five more agreements  
4 with entities owned and managed by Mr. Seibel. With respect to each of these agreements, Caesars  
5 relied upon the MOTI Business Information Form and the ongoing obligations of MOTI and  
6 Mr. Seibel to update that disclosure when and if necessary.

7 *(b) The DNT Agreement.*

8 37. Like the MOTI Agreement, the DNT Agreement related to Caesars' efforts to  
9 introduce a New York City restaurant—Old Homestead—at its Caesars Palace property. Unlike  
10 the MOTI Agreement, however, the DNT Agreement involved a third-party unrelated to Mr. Seibel  
11 (The Original Homestead Restaurant, Inc.; collectively, with DNT, the "DNT Parties"). As part of  
12 the DNT Agreement, the Old Homestead Restaurant, Inc. licensed its intellectual property to  
13 Caesars Palace (the "Old Homestead Marks").

14 38. In connection with the discussions between DNT and Caesars Palace, Caesars  
15 required Mr. Seibel to complete another "Business Information Form" in 2011. On that form,  
16 Mr. Seibel represented that he had not been a party to a felony in the last ten years and there was  
17 nothing "that would prevent [him] from being licensed by a gaming authority." In reliance on those  
18 representations (among other things), Caesars Palace and DNT entered into the DNT Agreement.

19 39. The DNT Agreement contained a number of representations relating to the conduct  
20 of the parties and their disclosure obligations.

21 40. First, the DNT Parties represented in the DNT Agreement that "they shall, and they  
22 shall cause their Affiliates to, conduct themselves in accordance with the highest standards of  
23 honesty, integrity, quality and courtesy so as to maintain and enhance the reputation and goodwill  
24 of Caesars, the Old Homestead Marks, the Old Homestead Materials, the Old Homestead System,  
25 the Caesars Palace and the Restaurant and at all times in keeping with and not inconsistent with or  
26 detrimental to the operation of an exclusive, first-class resort hotel and casino and an exclusive,  
27 first-class restaurant." The DNT Parties further agreed that they would "use commercially  
28 reasonable efforts to continuously monitor the performance of each of its and its Affiliates'

1 respective agents, employees, servants, contractors and licensees and shall ensure the foregoing  
 2 standards are consistently maintained by all of them." Finally, the DNT Agreement provided that  
 3 "[a]ny failure by the DNT Parties, their affiliates or any of their respective agents, employees,  
 4 servants, contractors or licensees to maintain the standards described [above] shall, in addition to  
 5 any other rights or remedies Caesars may have, give Caesars the right to terminate [the DNT  
 6 Agreement] in its sole and absolute discretion."

7 41. Second, the DNT Parties agreed that they would "provide to Caesars written  
 8 disclosure regarding the DNT Associates . . .," which included Mr. Seibel. And, "[t]o the extent  
 9 that any prior disclosure becomes inaccurate, the DNT Parties shall, within ten (10) calendar days  
 10 from the event, update the prior disclosure without Caesars making any further request."

11 42. The DNT Agreement provided Caesars with the ability to terminate the DNT  
 12 Agreement in its discretion if it determined that (i) DNT was not complying with its disclosure  
 13 obligations, or (ii) DNT or an Associated Party was an "Unsuitable Person." Specifically, the DNT  
 14 Agreement provided:

15 If any DNT Associate fails to satisfy or [sic] such requirement, if Caesars or any of  
 16 Caesars' affiliates are directed to cease business with any DNT Associate by any  
 17 Gaming Authority, or if Caesars shall determine, in Caesars' sole and exclusive  
 18 judgment, that any DNT Associate is an Unsuitable Person, whether as a result of  
 19 DNT Change of Control or otherwise, then, immediately following notice by Caesars  
 20 to DNT, (a) the DNT Parties shall terminate any relationship with the Person who is  
 21 the source of such issue, (b) the DNT Parties shall cease the activity or relationship  
 22 creating the issue to Caesars' satisfaction, in Caesars' sole judgment, or (c) if such  
 23 activity or relationship is not subject to cure as set forth in the foregoing clauses (a)  
 24 and (b), as determined by Caesars in its sole discretion, Caesars shall, without  
 25 prejudice to any other rights or remedies of Caesars including at law or in equity,  
 26 have the right to terminate this Agreement and its relationship with the DNT Parties.  
 27 The DNT Parties further acknowledges [sic] that Caesars shall have the absolute right  
 28 to terminate this Agreement in the event any Gaming Authority requires Caesars or  
 one of its Affiliates to do so. Any termination by Caesars pursuant to this [section]  
 shall not be subject to dispute by the DNT Parties and shall not be the subject of any  
 [arbitration proceeding].

43. Under the DNT Agreement, an "Unsuitable Person" was defined as follows:

Any Person (a) whose association with Caesars could be anticipated to result in a  
 disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain,  
 any registration, application or license or any other rights or entitlements held or  
 required to be held by Caesars or any of its Affiliates under any United States, state,  
 local or foreign laws, rules or regulations relating to gaming or the sale of alcohol,  
 (b) whose association or relationship with Caesars or its Affiliates could be  
 anticipated to violate any United States, state, local or foreign laws, rules or



1 regulations relating to gaming or the sale of alcohol to which Caesars or its Affiliates  
2 are subject, (c) who is or might be engaged or about to be engaged in any activity  
3 which could adversely impact the business or reputation of Caesars or its Affiliates,  
4 or (d) who is required to be licensed, registered, qualified or found suitable under any  
5 United States, state, local, or foreign laws, rules or regulations relating to gaming or  
6 the sale of alcohol under which Caesars or any of its Affiliates is licensed, registered,  
7 qualified or found suitable, and such Person is not or does not remain so licensed,  
8 registered, qualified or found suitable.

6 44. Finally, DNT represented that, "[a]s of the Effective date [of the agreement], no  
7 representation or warranty made herein by [DNT] contains any untrue statement of a material fact,  
8 or omits to state a material fact necessary to make such statements not misleading."

9 45. As with the MOTI Agreement, the disclosure obligations under the DNT Agreement  
10 were not limited to the corporate entity DNT. Instead, DNT's obligations—both with respect to  
11 conduct and disclosure—applied to "DNT Associates," which included persons controlling DNT.  
12 Mr. Seibel, as the member-manager of DNT and the individual who signed the DNT Agreement,  
13 was a "DNT Associate." Thus, Mr. Seibel had an ongoing obligation to conduct himself with the  
14 highest standards of honesty, integrity, quality, and courtesy. And DNT had an ongoing obligation  
15 to disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

16 46. The initial disclosures that DNT and Mr. Seibel provided were false when made.  
17 And, despite the obligations set out in the DNT Agreement, neither Mr. Seibel nor DNT ever  
18 provided Caesars with an updated Business Information Form or any other supplemental disclosure.  
19 Nor did they otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his  
20 investigation by the IRS, his guilty plea, his conviction, or his incarceration.

21 *(c) The TPOV Agreement.*

22 47. The TPOV Agreement related to Paris' plans to partner with celebrity chef Gordon  
23 Ramsay to design and develop a restaurant in the Paris casino known as "Gordon Ramsay Steak."  
24 The TPOV Agreement set forth the obligations of TPOV and Mr. Seibel to assist with the design,  
25 development, construction, and operation of Gordon Ramsay Steak.

26 48. The TPOV Agreement contained a number of representations relating to the conduct  
27 of the parties and their disclosure obligations.

49. First, TPOV represented that "it shall and it shall cause its Affiliates to conduct themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so as to maintain and enhance the reputation and goodwill of Paris, the Paris Las Vegas and the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant." TPOV further agreed that it would "use commercially reasonable efforts to continuously monitor the performance of each of its and its Affiliates' respective agents, employees, servants, contractors and licensees and shall ensure the foregoing standards are consistently maintained by all of them."

50. Second, TPOV agreed that it would "provide to Paris written disclosure regarding the TPOV Associates . . .," which included Mr. Seibel. And, "[t]o the extent that any prior disclosure becomes inaccurate, TPOV shall, within ten (10) calendar days from the event, update the prior disclosure without Paris making any further request."

51. The TPOV Agreement provided Paris with the ability to terminate the TPOV Agreement in its discretion if it determined that (i) TPOV was not complying with its disclosure obligations, or (ii) TPOV or an Associated Party was an "Unsuitable Person." Specifically, the TPOV Agreement provided:

If any TPOV Associate fails to satisfy or [sic] such requirement, if Paris or any of Paris' Affiliates are directed to cease business with any TPOV Associate by any Gaming Authority, or if Paris shall determine, in Paris' sole and exclusive judgment, that any TPOV Associate is an Unsuitable Person, whether as a result of a TPOV Change of Control or otherwise, then (a) TPOV shall terminate any relationship with the Person who is the source of such issue, (b) TPOV shall cease the activity or relationship creating the issue to Paris' satisfaction, in Paris' sole judgment, or (c) if such activity or relationship is not subject to cure as set forth in the foregoing clauses (a) and (b), as determined by Paris in its sole discretion, Paris shall, without prejudice to any other rights or remedies of Paris including at law or in equity, have the right to terminate this Agreement and its relationship with TPOV. TPOV further acknowledges that Paris shall have the right to terminate this Agreement in the event any Gaming Authority requires Paris or one of its Affiliates to do so. Any termination by Paris pursuant to this [section] shall not be subject to dispute by TPOV and shall not be the subject of any proceeding [in arbitration].

52. Under the TPOV Agreement, an "Unsuitable Person" was defined as follows:

Any Person (a) whose association with Paris or its Affiliates could be anticipated to result in a disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain, any registration, application or license or any other rights or entitlements held or required to be held by Paris or any of its Affiliates under any United States, state, local or foreign laws, rules or regulations relating to gaming or the sale of

1 alcohol, (b) whose association or relationship with Paris or its Affiliates could be  
 2 anticipated to violate any United States, state, local or foreign laws, rules or  
 3 regulations relating to gaming or the sale of alcohol to which Paris or its Affiliates  
 4 are subject, (c) who is or might be engaged or about to be engaged in any activity  
 5 which could adversely impact the business or reputation of Paris or its Affiliates, or  
 6 (d) who is required to be licensed, registered, qualified or found suitable under any  
 7 United States, state, local, or foreign laws, rules or regulations relating to gaming or  
 8 the sale of alcohol under which Paris or any of its Affiliates is licensed, registered,  
 9 qualified or found suitable, and such Person is not or does not remain so licensed,  
 10 registered, qualified or found suitable.

11 53. Finally, TPOV represented that, "[a]s of the Effective date [of the agreement], no  
 12 representation or warranty made herein by [TPOV] contains any untrue statement of a material fact,  
 13 or omits to state a material fact necessary to make such statements not misleading."

14 54. The disclosure and conduct obligations under the TPOV Agreement were not limited  
 15 to the corporate entity TPOV. Instead, TPOV's obligations—both with respect to conduct and  
 16 disclosure—included TPOV's "Associates" and "Affiliates." TPOV's Affiliates included persons  
 17 controlling TPOV. The TPOV Agreement specifically stated that "with respect to TPOV, the term  
 18 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." TPOV's Associates  
 19 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
 20 TPOV and the individual who signed the TPOV Agreement, was both a TPOV Affiliate and TPOV  
 21 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
 22 standards of honesty, integrity, quality, and courtesy. And TPOV had an ongoing obligation to  
 23 disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

24 55. Because Mr. Seibel was specifically included as a TPOV Associate, Paris relied  
 25 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
 26 not been a party to a felony in the past ten years and there was nothing in his past that would prevent  
 27 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
 28 Information Forms constituted prior written disclosures referenced in the TPOV Agreement that  
 needed to be updated to the extent they were no longer accurate.

56. The initial disclosures that TPOV provided were false when made. And, despite the  
 obligations set out in the TPOV Agreement, neither Mr. Seibel nor TPOV ever provided Caesars  
 with an updated Business Information Form or any other supplemental disclosure. Nor did TPOV



1 otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation  
2 by the IRS, his guilty plea, his felony conviction, or his incarceration.

3 *(d) The LLTQ Agreement.*

4 57. The LLTQ Agreement related to Caesars Palace's plans to partner with celebrity chef  
5 Gordon Ramsay to license intellectual property that would be used in connection with a restaurant  
6 in the Caesars Palace casino known as the Gordon Ramsay Pub. The LLTQ Agreement set forth  
7 the obligations of LLTQ and Mr. Seibel to assist with the design, development, construction, and  
8 operation of the Gordon Ramsay Pub.

9 58. The LLTQ Agreement contained a number of representations relating to the conduct  
10 of the parties and their disclosure obligations.

11 59. First, LLTQ represented that "it shall and it shall cause its Affiliates to conduct  
12 themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so  
13 as to maintain and enhance the reputation and goodwill of Caesars, the Caesars Palace Las Vegas  
14 and the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the  
15 operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant."  
16 LLTQ further agreed that it would "use commercially reasonable efforts to continuously monitor  
17 the performance of each of its and its Affiliates' respective agents, employees, servants, contractors  
18 and licensees and shall ensure the foregoing standards are consistently maintained by all of them."

19 60. Second, LLTQ agreed that it would "provide to Caesars written disclosure regarding  
20 the LLTQ Associates . . . ," which included Mr. Seibel. And, "[t]o the extent that any prior  
21 disclosure becomes inaccurate, LLTQ shall, within ten (10) calendar days from the event, update  
22 the prior disclosure without Caesars making any further request."

23 61. The LLTQ Agreement provided Caesars Palace with the ability to terminate the  
24 LLTQ Agreement in its discretion if it determined that (i) LLTQ was not complying with its  
25 disclosure obligations or (ii) LLTQ or an Associated Party was an "Unsuitable Person."  
26 Specifically, the LLTQ Agreement provided:

27 If any LLTQ Associate fails to satisfy or [sic] such requirement, if Caesars or any of  
28 Caesars' Affiliates are directed to cease business with any LLTQ Associate by any  
Gaming Authority, or if Caesars shall determine, in Caesars' sole and exclusive

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1 judgment, that any LLTQ Associate is an Unsuitable Person, whether as a result of a  
2 LLTQ Change of Control or otherwise, then (a) LLTQ shall terminate any  
3 relationship with the Person who is the source of such issue, (b) LLTQ shall cease  
4 the activity or relationship creating the issue to Caesars' satisfaction, in Caesars' sole  
5 judgment, or (c) if such activity or relationship is not subject to cure as set forth in  
6 the foregoing clauses (a) and (b), as determined by Caesars in its sole discretion,  
7 Caesars shall, without prejudice to any other rights or remedies of Caesars including  
8 at law or in equity, have the right to terminate this Agreement and its relationship  
9 with LLTQ. LLTQ further acknowledges that Caesars shall have the right to  
10 terminate this Agreement in the event any Gaming Authority requires Caesars or one  
11 of its Affiliates to do so. Any termination by Caesars pursuant to this [section] shall  
12 not be subject to dispute by LLTQ and shall not be the subject of any proceeding [in  
13 arbitration].

8 62. Under the LLTQ Agreement, an "Unsuitable Person" was defined as follows:

9 Any Person (a) whose association with Caesars or its Affiliates could be anticipated  
10 to result in a disciplinary action relating to, or the loss of, inability to reinstate or  
11 failure to obtain, any registration, application or license or any other rights or  
12 entitlements held or required to be held by Caesars or any of its Affiliates under any  
13 United States, state, local or foreign laws, rules or regulations relating to gaming or  
14 the sale of alcohol, (b) whose association or relationship with Caesars or its Affiliates  
15 could be anticipated to violate any United States, state, local or foreign laws, rules or  
16 regulations relating to gaming or the sale of alcohol to which Caesars or its Affiliates  
17 are subject, (c) who is or might be engaged or about to be engaged in any activity  
18 which could adversely impact the business or reputation of Caesars or its Affiliates,  
19 or (d) who is required to be licensed, registered, qualified or found suitable under any  
20 United States, state, local, or foreign laws, rules or regulations relating to gaming or  
21 the sale of alcohol under which Caesars or any of its Affiliates is licensed, registered,  
22 qualified or found suitable, and such Person is not or does not remain so licensed,  
23 registered, qualified or found suitable.

17 63. Finally, LLTQ represented that, "[a]s of the Effective date [of the agreement], no  
18 representation or warranty made herein by [LLTQ] contains any untrue statement of a material fact,  
19 or omits to state a material fact necessary to make such statements not misleading."

20 64. The disclosure and conduct obligations under the LLTQ Agreement were not limited  
21 to the corporate entity LLTQ. Instead, LLTQ's obligations—both with respect to conduct and  
22 disclosure—included LLTQ's "Associates" and "Affiliates." LLTQ's Affiliates included persons  
23 controlling LLTQ. The LLTQ Agreement specifically stated that "with respect to LLTQ, the term  
24 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." LLTQ's Associates  
25 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
26 LLTQ and the individual who signed the LLTQ Agreement, was both an LLTQ Affiliate and  
27 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
28

standards of honesty, integrity, quality, and courtesy. And LLTQ had an ongoing obligation to disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

65. Because Mr. Seibel was specifically included as an LLTQ Associate, Caesars relied upon his previous representations in the MOTI and DNT Business Information Forms that he had not been a party to a felony in the past ten years and there was nothing in his past that would prevent him from being licensed by a gaming authority. Thus, the disclosures contained in the Business Information Forms constituted the prior written disclosures referenced in the LLTQ Agreement.

66. The initial disclosures that LLTQ provided were false when made. And, despite the obligations set out in the LLTQ Agreement, neither Mr. Seibel nor LLTQ ever provided Caesars with an updated Business Information Form or any other supplemental disclosure. Nor did LLTQ otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

67. In addition, Section 13.22 of the LLTQ Agreement ("Section 13.22") contains the following provision:

If Caesars elects under this Agreement to pursue any venture similar to (i) the Restaurant (i.e., any venture generally in the nature of a pub, bar, café or tavern) or (ii) the "Restaurant" as defined in the [TPOV Agreement] (i.e., any venture generally in the nature of a steak restaurant, fine dining steakhouse or chop house), Caesars and LLTQ shall, or shall cause an Affiliate to, execute a development and operation agreement on the same terms and conditions as this Agreement, subject only to revisions proposed by Caesars or its Affiliate as are necessary to reflect the difference in location between the Restaurant and such other venture (including, for the avoidance of doubt, the Baseline Amount, permitted Operating Expenses and necessary Project Costs).

68. Caesars has taken the position that this provision, which has been characterized as a restrictive covenant, is unenforceable as a matter of law because (a) the LLTQ Agreement was properly terminated; (b) Caesars is prohibited from entering into a business relationship with LLTQ or Mr. Seibel given that LLTQ and Mr. Seibel are Unsuitable Persons; and (c) Section 13.22 is vague, ambiguous, indefinite, and overly broad. In contrast, LLTQ has asserted that it is enforceable and should apply to any future ventures in any location between Caesars and Gordon Ramsay.

(e) *The GR Burgr Agreement.*

69. The GRB Agreement related to Planet Hollywood's plans to design, develop, and operate a restaurant in the Planet Hollywood casino known as "BURGR Gordon Ramsay." As such, the GRB Agreement set forth the obligations of GRB to license certain intellectual property to Planet Hollywood and assist with the design, development, construction, and operation of the BURGR Gordon Ramsay Restaurant.

70. The GRB Agreement contained a number of representations relating to the conduct of the parties and their disclosure obligations.

71. First, GRB represented that "it shall and it shall cause its Affiliates to conduct themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so as to maintain and enhance the reputation and goodwill of PH, the GRB Marks, PH and the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant." GRB further agreed that it would "use commercially reasonable efforts to continuously monitor the performance of each of its and its Affiliates' respective agents, employees, servants, contractors and licensees and shall ensure the foregoing standards are consistently maintained by all of them. Any failure by GRB or any of its respective Affiliates or any of their respective agents, employees, servants, contractors or licensees to maintain the standards described in this [section] shall, in addition to any other rights or remedies PH have, give PH the right to terminate this Agreement . . . in its sole and absolute discretion."

72. Second, GRB further agreed that it would "provide or cause to be provided to PH written disclosure regarding its GR Associates . . .," which included Mr. Seibel. And, "[t]o the extent that any prior disclosure becomes inaccurate, GRB shall, within ten (10) calendar days from the event, update the prior disclosure without PH making any further request."

73. The GRB Agreement provided Planet Hollywood with the ability to terminate the GRB Agreement in its discretion if it determined that (i) GRB was not complying with its disclosure obligations, or (ii) GRB or an Associated Party was an "Unsuitable Person." Specifically, the GRB Agreement provided:



1 If any GRB Associate fails to satisfy any such requirement, if PH or any of PH's  
2 Affiliates are directed to cease business with any GRB Associate by any Gaming  
3 Authority, or if PH shall determine, in PH's sole and exclusive judgment, that any  
4 GRB Associate is an Unsuitable Person, then immediately following notice by PH to  
5 Gordon Ramsay and GRB, (a) Gordon Ramsay and/or GRB shall terminate any  
6 relationship with the Person who is the source of such issue, (b) Gordon Ramsay  
7 and/or GRB shall cease the activity or relationship creating the issue to PH's  
8 satisfaction, in PH's sole judgment, or (c) if such activity or relationship is not subject  
9 to cure as set forth in the foregoing clauses (a) and (b), as determined by PH in its  
10 sole discretion, PH shall, without prejudice to any other rights or remedies of Caesars  
11 including at law or in equity, have the right to terminate this Agreement and its  
12 relationship with Gordon Ramsay and GRB. Each of Gordon Ramsay and GRB  
13 further acknowledges that PH shall have the absolute right to terminate this  
14 Agreement in the event any Gaming Authority requires PH or one of its Affiliates to  
15 do so. Any termination by PH pursuant to this [section] shall not be subject to dispute  
16 by Gordon Ramsay or GRB and shall not be the subject of any proceeding [in  
17 arbitration].

18 74. Under the GRB Agreement, an "Unsuitable Person" was defined as follows:

19 Any Person (a) whose association with PH or its Affiliates could be anticipated to  
20 result in a disciplinary action relating to, or the loss of, inability to reinstate or failure  
21 to obtain, any registration, application or license or any other rights or entitlements  
22 held or required to be held by PH or any of its Affiliates under any United States,  
23 state, local or foreign laws, rules or regulations relating to gaming or the sale of  
24 alcohol, (b) whose association or relationship with PH or its Affiliates could be  
25 anticipated to violate any United States, state, local or foreign laws, rules or  
26 regulations relating to gaming or the sale of alcohol to which PH or its Affiliates are  
27 subject, (c) who is or might be engaged or about to be engaged in any activity which  
28 could adversely impact the business or reputation of PH or its Affiliates, or (d) who  
is required to be licensed, registered, qualified or found suitable under any United  
States, state, local, or foreign laws, rules or regulations relating to gaming or the sale  
of alcohol under which PH or any of its Affiliates is licensed, registered, qualified or  
found suitable, and such Person is not or does not remain so licensed, registered,  
qualified or found suitable.

75. Finally, GRB represented that, "[a]s of the Effective date [of the agreement], no  
representation or warranty made herein by [GRB] contains any untrue statement of a material fact,  
or omits to state a material fact necessary to make such statements not misleading."

76. The disclosure and conduct obligations under the GRB Agreement were not limited  
to the corporate entity GRB. Instead, GRB's obligations—both with respect to conduct and  
disclosure—included GRB's "Associates" and "Affiliates." GRB's Affiliates included persons  
controlling GRB and GRB's Associates included its directors, employees, and representatives.  
Mr. Seibel, as the member-manager of GRB and the individual who signed the GRB Agreement,  
was both a GRB Affiliate and Associate. Thus, Mr. Seibel had an ongoing obligation to conduct  
himself with the highest standards of honesty, integrity, quality, and courtesy. And GRB had an

1 ongoing obligation to disclose any information regarding Mr. Seibel that would render him an  
2 Unsuitable Person.

3 77. Because Mr. Seibel was specifically included as a GRB Associate, Caesars relied  
4 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
5 not been a party to a felony in the past ten years and there was nothing in his past that would prevent  
6 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
7 Information Forms constituted the prior written disclosures referenced in the GRB Agreement.

8 78. The initial disclosures that GRB provided were false when made. And, despite the  
9 obligations set out in the GRB Agreement, neither Mr. Seibel nor GRB ever provided Caesars with  
10 an updated Business Information Form or any other supplemental disclosure. Nor did GRB  
11 otherwise provide updated disclosures regarding Mr. Seibel's illegal activities, his criminal  
12 investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

13 (f) *The FERG Agreement*

14 79. As with the LLTQ Agreement, the FERG Agreement related to CAC's plans to  
15 partner with Mr. Ramsay to license intellectual property that would be used in connection with a  
16 restaurant in the CAC casino known as "Gordon Ramsay Pub and Grill." The FERG Agreement  
17 set forth the obligations of FERG and Mr. Seibel to assist with the design, development,  
18 construction, and operation of the Gordon Ramsay Pub and Grill.

19 80. The FERG Agreement contained a number of representations relating to the conduct  
20 of the parties and their disclosure obligations.

21 81. First, FERG represented in the FERG Agreement that "it shall and it shall cause its  
22 Affiliates to conduct themselves in accordance with the highest standards of honesty, integrity,  
23 quality and courtesy so as to maintain and enhance the reputation and goodwill of the CAC Marks  
24 and materials, the GR Marks, CAC, and the Restaurant and at all times in keeping with and not  
25 inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel and casino  
26 and an exclusive, first-class restaurant." FERG further agreed that it would "use commercially  
27 reasonable efforts to continuously monitor the performance of each of its and its Affiliates'  
28

1 respective agents, employees, servants, contractors and licensees and shall ensure the foregoing  
2 standards are consistently maintained by all of them."

3 82. Second, FERG agreed that it would "provide to CAC written disclosure regarding  
4 the FERG Associates . . . ," which included Mr. Seibel. And, "[t]o the extent that any prior  
5 disclosure becomes inaccurate, FERG shall, within ten (10) calendar days from the event, update  
6 the prior disclosure without CAC making any further request."

7 83. The FERG Agreement provided CAC with the ability to terminate the  
8 FERG Agreement in its discretion if it determined that (i) FERG was not complying with its  
9 disclosure obligations, or (ii) FERG or an Associated Party was an "Unsuitable Person."  
10 Specifically, the FERG Agreement provided:

11 If any FERG Associate fails to satisfy or [sic] such requirement, if CAC or any of  
12 CAC's Affiliates are directed to cease business with any FERG Associate by any  
13 Gaming Authority, or if CAC shall determine, in CAC's sole and exclusive judgment,  
14 that any FERG Associate is an Unsuitable Person, whether as a result of a FERG  
15 Change of Control or otherwise, then (a) FERG shall terminate any relationship with  
16 the Person who is the source of such issue, (b) FERG shall cease the activity or  
17 relationship creating the issue to CAC's satisfaction, in CAC's sole judgment, or (c) if  
18 such activity or relationship is not subject to cure as set forth in the foregoing clauses  
19 (a) and (b), as determined by CAC in its sole discretion, CAC shall, without prejudice  
20 to any other rights or remedies of CAC including at law or in equity, have the right  
21 to terminate this Agreement and its relationship with FERG. FERG further  
22 acknowledges that CAC shall have the right to terminate this Agreement in the event  
23 any Gaming Authority requires CAC or one of its Affiliates to do so. Any termination  
24 by CAC pursuant to this [section] shall not be subject to dispute by FERG and shall  
25 not be the subject of any proceeding [in arbitration].

19 84. Under the FERG Agreement, an "Unsuitable Person" was defined as follows:

20 Any Person (a) whose association with CAC or its Affiliates could be anticipated to  
21 result in a disciplinary action relating to, or the loss of, inability to reinstate or failure  
22 to obtain, any registration, application or license or any other rights or entitlements  
23 held or required to be held by CAC or any of its Affiliates under any United States,  
24 state, local or foreign laws, rules or regulations relating to gaming or the sale of  
25 alcohol, (b) whose association or relationship with CAC or its Affiliates could be  
26 anticipated to violate any United States, state, local or foreign laws, rules or  
27 regulations relating to gaming or the sale of alcohol to which CAC or its Affiliates  
28 are subject, (c) who is or might be engaged or about to be engaged in any activity  
which could adversely impact the business or reputation of CAC or its Affiliates, or  
(d) who is required to be licensed, registered, qualified or found suitable under any  
United States, state, local, or foreign laws, rules or regulations relating to gaming or  
the sale of alcohol under which CAC or any of its Affiliates is licensed, registered,  
qualified or found suitable, and such Person is not or does not remain so licensed,  
registered, qualified or found suitable.

1           85. Finally, FERG represented that, "[a]s of the Effective date [of the agreement], no  
2 representation or warranty made herein by [FERG] contains any untrue statement of a material fact,  
3 or omits to state a material fact necessary to make such statements not misleading."

4           86. The disclosure and conduct obligations under the FERG Agreement were not limited  
5 to the corporate entity FERG. Instead, FERG's obligations—both with respect to conduct and  
6 disclosure—included FERG's "Associates" and "Affiliates." FERG's Affiliates included persons  
7 controlling FERG. The FERG Agreement specifically stated that "with respect to FERG, the term  
8 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." FERG's Associates  
9 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
10 FERG and the individual who signed the FERG Agreement, was both a FERG Affiliate and  
11 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
12 standards of honesty, integrity, quality, and courtesy. And FERG had an ongoing obligation to  
13 disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

14           87. Because Mr. Seibel was specifically included as a FERG Associate, Caesars relied  
15 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
16 not been a party to a felony in the last ten years and there was nothing in his past that would prevent  
17 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
18 Information Forms constituted the prior written disclosures referenced in the FERG Agreement.

19           88. The initial disclosures that FERG provided were false when made. And, despite the  
20 obligations set out in the FERG Agreement, neither Mr. Seibel nor FERG ever provided Caesars  
21 with an updated Business Information Form or any other supplemental disclosure. Nor did FERG  
22 otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation  
23 by the IRS, his guilty plea, his felony conviction, or his incarceration.

24           89. In addition, Section 4.1 of the FERG Agreement ("Section 4.1") states: "In the event  
25 a new agreement is executed between CAC and/or its Affiliate and Gordon Ramsay and/or his  
26 Affiliate relative to the Restaurant or Restaurant Premises, this Agreement shall be in effect and  
27 binding on the parties during the term hereof."  
28



90. Caesars contends that this provision, which has been characterized as a restrictive covenant, is unenforceable as a matter of law because (a) the FERG Agreement was properly terminated; (b) Caesars is prohibited from entering into a business relationship with FERG or Mr. Seibel given that FERG and Mr. Seibel are Unsuitable Persons; and (c) Section 4.1 is vague, ambiguous, indefinite, and overly broad. In contrast, FERG has asserted that this provision is enforceable and should apply to any future ventures between CAC and Gordon Ramsay.

**B. The Activities of Mr. Seibel and the Seibel-Affiliated Entities Rendered Him Unsuitable Under the Seibel Agreements.**

91. Approximately five years before completing the MOTI Business Information Form and entering into the MOTI Agreement, Mr. Seibel was engaged in activities of the type that would have rendered him unsuitable under the Seibel Agreements. And, despite his obligations to do so, Mr. Seibel and the Seibel-Affiliated Entities never disclosed Mr. Seibel's illegal activities to Caesars.

**(a) *Mr. Seibel set up numbered UBS accounts in Switzerland and concealed them from the United States government.***

92. From approximately March 3, 2004 through 2008, Mr. Seibel maintained an account at Union Bank of Switzerland ("UBS").

93. In 2004, Mr. Seibel and his mother traveled to UBS' offices in Switzerland. While in Switzerland, Mr. Seibel opened and became the beneficiary and account holder of a UBS bank account that was not titled in his own name. Instead, the account was identified in internal bank records with the phrase "CQUE" and a unique account number (the "Numbered UBS Account").

94. At the same time, Mr. Seibel executed a UBS Telefax Agreement that allowed him to have regular communication with UBS via facsimile. Mr. Seibel also executed forms acknowledging that he was a United States citizen subject to United States taxation, and that he was the beneficial owner of the assets and income associated with the Numbered UBS Account.

95. In exchange for the payment of an additional fee to UBS, Mr. Seibel authorized and directed UBS to retain all account correspondence so that no bank statements or other correspondence related to the Numbered UBS Account would be mailed to him in the United States.

1           96. Mr. Seibel caused his Numbered UBS Account to be opened in 2004 with a  
2 \$25,000 cash deposit made by his mother. Between 2004 and 2005, Mr. Seibel's mother deposited  
3 cash and checks totaling approximately \$1,000,000 into Mr. Seibel's account, bringing to  
4 \$1,011,279 the total deposits made into Mr. Seibel's Numbered UBS Account.

5           97. UBS bank records demonstrate that Mr. Seibel and not his mother was the individual  
6 who actively monitored and approved the selection and investment of the assets maintained in the  
7 Numbered UBS Account. Mr. Seibel's trading in the account resulted in a substantial amount of  
8 income in the form of capital gains, dividends, and interest. By 2008, the account had a balance of  
9 approximately \$1,300,200.

10           ***(b) In 2008, Mr. Seibel closed his UBS account and opened a new account.***

11           98. On or about May 30, 2008, Mr. Seibel traveled back to Switzerland and informed  
12 UBS personnel that he wanted to close his Numbered UBS Account. Mr. Seibel explained he was  
13 concerned about the existence of the account given recent press reports. Those press reports had  
14 revealed various investigations commenced by United States law enforcement of UBS's role in  
15 helping United States citizens evade federal income taxes by, among other things, using undeclared  
16 foreign bank accounts at UBS.

17           99. In late May 2008, Mr. Seibel traveled to Switzerland to close out his Numbered UBS  
18 Account. Prior to doing so, he created a Panamanian shell company called Mirza International  
19 ("Mirza"). Mr. Seibel was the beneficial owner of the shell company. In addition, Mr. Seibel  
20 opened another offshore account at a different Swiss bank, Banque J. Safra. This time, however,  
21 he opened the account in the name of the newly created Mirza International instead of his own  
22 name.

23           ***(c) Mr. Seibel filed incomplete and inaccurate tax returns.***

24           100. On or about October 10, 2008, Mr. Seibel filed with the IRS a Form 1040 for  
25 calendar year 2007. United States citizens and residents are obligated, on their Form 1040, to report  
26 their income from any source, regardless of whether the source is inside or outside the United States.  
27 Taxpayers who have a financial interest in, or signature authority over, a financial account in a  
28

1 foreign country over a threshold amount also are required to file with the IRS a Report of Foreign  
2 Bank and Financial Accounts, Form TD F 90-22.1 ("FBAR").

3 101. On his return, which Mr. Seibel signed under penalty of perjury, he omitted reporting  
4 any dividend, interest, and other income received by him in one or more bank, securities, and other  
5 financial accounts at UBS. Mr. Seibel also failed to report on Schedule B of his 2007 Form 1040  
6 that he had an interest in or a signature authority over a financial account in a foreign country.  
7 Moreover, because of his authority over the Numbered UBS Account, Mr. Seibel was required to  
8 file a FBAR for calendar year 2007. He failed to do so.

9 102. On or about April 15, 2009, Mr. Seibel submitted his IRS Form 1040 for calendar  
10 year 2008. On that return, Mr. Seibel omitted the dividend, interest, and other income received by  
11 him in one or more bank, securities, and other financial accounts at UBS. Moreover, Mr. Seibel  
12 falsely claimed that he did not have an interest in or signature authority or control over a financial  
13 account in a foreign country. In addition, because of his authority over the Numbered UBS  
14 Account, Mr. Seibel was required to file a FBAR for calendar year 2008. He failed to do so.

15 *(d) Mr. Seibel provided false application to voluntary disclosure program.*

16 103. In March 2009, the IRS began the Voluntary Disclosure Program to provide an  
17 opportunity for U.S. taxpayers, not already under investigation by the IRS, to avoid criminal  
18 prosecution by disclosing their previously undeclared offshore accounts and paying tax and  
19 penalties on the income earned in those accounts.

20 104. On or about October 15, 2009, Mr. Seibel signed and caused to be submitted to the  
21 IRS an application to the Voluntary Disclosure Program (the "Application"). The Application,  
22 drafted by Mr. Seibel's mother's attorney, stated that Mr. Seibel had been unaware, during the years  
23 2004 and 2005, that his mother had made deposits into the Numbered UBS Account for Mr. Seibel's  
24 benefit. It also stated Mr. Seibel had been unaware, until he made inquiries of UBS in 2009, of the  
25 status of his account at UBS and had in fact over time reached "the conclusion that deposits [into  
26 his Numbered UBS Account] had been stolen or otherwise disappeared."

27 105. These statements were false. As set forth above, Mr. Seibel was (i) at all times  
28 knowledgeable about the Numbered UBS Account and had taken a role in the oversight of, and

1 transactions in, that account, and (ii) was aware as to the disposition of the funds from that account,  
2 as Mr. Seibel traveled to Switzerland the year before to effect the closing of the Numbered UBS  
3 Account and transfer of its funds into another foreign bank account at a different Swiss bank. Thus,  
4 when Mr. Seibel signed and submitted the Application, he was lying to the United States  
5 government.

6 106. At some point, the United States government began to investigate Mr. Seibel for his  
7 criminal activities. On April 18, 2016, the United States Attorney filed an information charging  
8 Mr. Seibel with corrupt endeavor to obstruct and impede the due administration of the Internal  
9 Revenue Laws, 26 U.S.C. § 7212(a). That same day, Mr. Seibel pleaded guilty to one count of a  
10 corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws,  
11 26 U.S.C. § 7212, a Class E Felony. Mr. Seibel stated that he was "pleading guilty because [he  
12 was] in fact guilty," and admitted that on his IRS Form 1040 for the year 2008, he "corruptly  
13 answer[ed] the question 'no' when [he] knew that answer was incorrect." Mr. Seibel's guilty plea  
14 was the result of criminal conduct that began prior to Caesars entering into the Seibel Agreements.

15 107. On August 19, 2016, Mr. Seibel appeared at his sentencing hearing where he was  
16 sentenced to 30 days in prison, six months of home confinement, and 300 hours of community  
17 service.

18 108. Mr. Seibel, however, did not notify Caesars of his guilty plea. But he certainly  
19 understood that it would result in the termination of his relationship with Caesars. In an attempt to  
20 avoid these consequences of his impending felony conviction, Mr. Seibel informed Caesars on  
21 April 8, 2016—ten days before entering his guilty plea—that he was (i) transferring all of the  
22 membership interests of the Seibel-Affiliated Entities that he previously owned to two individuals  
23 that would be trustees of a trust he had created; (ii) naming other individuals as the managers of the  
24 Seibel-Affiliated Entities; (iii) assigning the agreements to new entities that had been created  
25 (*i.e.*, LLTQ 16, FERG Enterprises 16, TPOV 16, and MOTI Partners 16, LLC); and (iv) delegating  
26 all of his duties under the LLTQ, FERG, TPOV, and MOTI Agreements to Mr. Frederick.  
27 Mr. Seibel did not disclose that he decided to perform these purported assignments, transfers, and  
28 delegations because of his impending felony conviction. Mr. Seibel also transferred the interests

1 and duties relating to the Seibel-Affiliated Entities to his family and close friends—like  
2 Mr. Frederick—and thus remained associated with the Seibel-Affiliated Entities.

3 **C. Caesars Exercises Its Sole Discretion to Terminate the Agreements with the**  
4 **Seibel-Affiliated Entities.**

5 109. Despite the obligations of Mr. Seibel and the Seibel-Affiliated Entities to inform  
6 Caesars of Mr. Seibel's felony conviction and update the relevant disclosures, they never did so.  
7 Instead, Caesars only learned of Mr. Seibel's felony conviction from press reports in August 2016.  
8 When Caesars became aware of Mr. Seibel's felony conviction, it promptly terminated all of its  
9 agreements with the Seibel-Affiliated Entities.

10 **(a) *Termination of the MOTI Agreement.***

11 110. On September 2, 2016, counsel for Caesars Palace sent MOTI a letter terminating  
12 the MOTI Agreement. Caesars explained the grounds for termination in its letter:

13 Pursuant to Section 9.2 of the Agreement, MOTI has acknowledged and agrees that  
14 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
15 because of privileged licenses issued by governmental authorities. Additionally,  
16 Section 9.2 provides that if Caesars determines, in its sole and absolute judgment,  
17 that (a) any MOTI Associate is an Unsuitable Person and (b) such relationship is not  
18 subject to cure, Caesars shall have the right to terminate the Agreement.

19 Caesars is aware that Rowen Seibel, who is a MOTI Associate under the Agreement,  
20 has recently pleaded guilty to a one-count criminal information charging him with  
21 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
22 (corrupt endeavor to obstruct and impede the due administration of the Internal  
23 Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
24 Unsuitable Person.

25 Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his  
26 relationship to MOTI are not capable of being cured. Accordingly, Caesars is  
27 exercising its rights under Section 9.2 of the Agreement and is terminating the  
28 Agreement effective immediately.

23 **(b) *Termination of the DNT Agreement.***

24 111. On September 2, 2016, counsel for Caesars Palace sent DNT a letter terminating the  
25 DNT agreement. Caesars explained the grounds for termination in its letter:

26 Pursuant to Section 11.2 of the Agreement, the DNT Parties have acknowledged and  
27 agree that Caesars and/or its affiliates conduct business that are or may be subject to  
28 and exist because of privileged licenses issued by governmental authorities. Additionally, Section 11.2 provides that Caesars determines, in its sole and absolute



1 judgment, that any DNT Associate is an Unsuitable Person, the DNT Parties shall  
2 cease activity or relationship creating the issue.

3 Caesars is aware that Rowen Seibel, who is a DNT Associate under the Agreement,  
4 has recently pleaded guilty to a one-count criminal information charging him with  
5 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
(corrupt endeavor to obstruct and impede the due administration of the Internal  
Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
Unsuitable Person.

6 Therefore, the DNT Parties shall, within 10 business days of receipt of this letter,  
7 terminate any relationship with Mr. Seibel and provide Caesars with written evidence  
8 of such terminated relationship. If the DNT Parties fails to terminate the relationship  
with Mr. Seibel, Caesars will be required to terminate the agreement pursuant to  
section 4.2.3 of the Agreement.

9 112. In response to this letter, DNT failed to provide Caesars with sufficient evidence  
10 demonstrating that it had terminated its relationship with Mr. Seibel. Though Mr. Seibel had  
11 purportedly assigned his rights and interests in DNT and the DNT Agreement, Caesars determined,  
12 in its sole discretion—as it was entitled to do under the DNT Agreement—that DNT's relationship  
13 was not subject to cure given Mr. Seibel's continued relationship with the principals and  
14 representatives of DNT. As a result, the DNT Agreement was terminated.

15 (c) *Termination of the TPOV Agreement.*

16 113. On September 2, 2016, counsel for Caesars Palace sent TPOV a letter terminating  
17 the TPOV agreement. Caesars explained the grounds for termination in its letter:

18 Pursuant to Section 10.2 of the Agreement, TPOV has acknowledged and agrees that  
19 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
20 because of privileged licenses issued by governmental authorities. Additionally,  
21 Section 10.2 provides that if Caesars determines, in its sole and absolute judgment,  
that (a) any TPOV Associate is an Unsuitable Person and (b) such relationship is not  
subject to cure, Caesars shall have the right to terminate the Agreement.

22 Caesars is aware that Rowen Seibel, who is a TPOV Associate under the Agreement,  
23 has recently pleaded guilty to a one-count criminal information charging him with  
24 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
(corrupt endeavor to obstruct and impede the due administration of the Internal  
Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
Unsuitable Person.

25 Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his  
26 relationship to TPOV are not capable of being cured. Accordingly, Caesars is  
27 exercising its rights under Section 4.2.5 of the Agreement and is terminating the  
28 Agreement effective immediately.

(d) *Termination of the LLTQ Agreement.*

114. On September 2, 2016, counsel for Caesars Palace sent LLTQ a letter terminating the LLTQ agreement. Caesars explained the grounds for termination in its letter:

Pursuant to Section 10.2 of the Agreement, LLTQ has acknowledged and agrees that Caesars and/or its affiliates conduct business that are or may be subject to and exist because of privileged licenses issued by governmental authorities. Additionally, Section 10.2 provides that if Caesars determines, in its sole and absolute judgment, that (a) any LLTQ Associate is an Unsuitable Person and (b) such relationship is not subject to cure, Caesars shall have the right to terminate the Agreement.

Caesars is aware that Rowen Seibel, who is a LLTQ Associate under the Agreement, has recently pleaded guilty to a one-count criminal information charging him with impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212) (corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an Unsuitable Person.

Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his relationship to LLTQ are not capable of being cured. Accordingly, Caesars is exercising its rights under Section 4.2.5 of the Agreement and is terminating the Agreement effective immediately.

(e) *Termination of the GRB Agreement.*

115. On September 2, 2016, counsel for Caesars Palace sent GRB a letter terminating the GRB Agreement. Caesars explained the grounds for termination in its letter:

Pursuant to Section 11.2 of the Agreement, GRB has acknowledged and agrees that Caesars and/or its affiliates conduct business that are or may be subject to and exist because of privileged licenses issued by governmental authorities. Additionally, Section 11.2 provides that if Caesars determines, in its sole and absolute judgment, that any GRB Associate is an Unsuitable Person, GRB shall cease the activity or relationship creating the issue.

Caesars is aware that Rowen Seibel, who is a GR Associate under the Agreement, has recently pleaded guilty to a one-count criminal information charging him with impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212) (corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an Unsuitable Person.

Therefore, GRB shall, within 10 business days of the receipt of this letter, terminate any relationship with Mr. Seibel and provide Caesars with written evidence of such terminated relationship. If GRB fails to terminate the relationship with Mr. Seibel, Caesars will be required to terminate the Agreement pursuant to Section 4.2.5 of the Agreement.

116. In response to this letter, GRB failed to provide Caesars with sufficient evidence demonstrating that it had terminated its relationship with Mr. Seibel. Though Mr. Seibel had

purportedly assigned his rights and interests in GRB and the GRB Agreement, Caesars determined, in its sole discretion—as it was entitled to do under the GRB Agreement—that GRB's relationship was not subject to cure given Mr. Seibel's continued relationship with the principals and representatives of GRB. Mr. Seibel's partner in GRB similarly informed Caesars that GRB could not adequately disassociate itself with Mr. Seibel. As a result, the GRB Agreement was terminated.

*(f) Termination of the FERG Agreement.*

117. On September 2, 2016, counsel for Caesars Palace sent FERG a letter terminating the FERG agreement. Caesars explained the grounds for termination in its letter:

Pursuant to Section 11.2 of the Agreement, FERG has acknowledged and agrees that Caesars and/or its affiliates conduct business that are or may be subject to and exist because of privileged licenses issued by governmental authorities. Additionally, Section 11.2 provides that if Caesars determines, in its sole and absolute judgment, that (a) any FERG Associate is an Unsuitable Person and (b) such relationship is not subject to cure, Caesars shall have the right to terminate the Agreement.

Caesars is aware that Rowen Seibel, who is a FERG Associate under the Agreement, has recently pleaded guilty to a one-count criminal information charging him with impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212) (corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an Unsuitable Person.

Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his relationship to FERG are not capable of being cured. Accordingly, Caesars is exercising its rights under Section 4.2(c) of the Agreement and is terminating the Agreement effective immediately.

*(g) The Seibel-Affiliated Entities dispute the propriety of the termination of their agreements with Caesars,*

118. After receiving the termination notices on September 2, 2016, counsel for the Defendants sent Caesars several letters disputing the propriety of the terminations. According to the Seibel-Affiliated Entities, Mr. Seibel no longer had any relationship with the Seibel-Affiliated Entities and thus Caesars' termination of the agreements was improper.

119. In response, counsel for Caesars explained that the Seibel-Affiliated Entities' relationship with Mr. Seibel was still unacceptable given the relationships of the assignees (like Mr. Frederick) to Mr. Seibel:

We note that the proposed assignee [of the agreements] and its Associates have direct or indirect relationships with Rowen Seibel. Based on the Company's experiences with the Nevada Gaming Control Board and other gaming regulatory authorities



1 which regulate the Company and its affiliates (collectively, "Gaming Regulatory  
2 Authorities"), the Company believes that such relationships with Mr. Seibel would  
3 be unacceptable to the Gaming Regulatory Authorities. Further the Company  
4 believes that a commercial relationship with the proposed assignee and its Associates,  
5 because of their relationships with Mr. Seibel, would also be unacceptable to the  
6 Gaming Regulatory Authorities. Lastly, we note that Mr. Seibel failed, through the  
7 applicable entity, to affirmatively update prior disclosures to the Company, which  
8 updated disclosure is required and bears directly on his suitability.

9 Based on the foregoing, the Company reasonably believes the commercial  
10 relationship with the proposed assignee and its Associates would result in a  
11 disciplinary action by one or more of the Gaming Regulatory Authorities, which  
12 could jeopardize the Company's privileged licenses. Therefore, the Company has  
13 determined that the proposed assignee and its Affiliates are Unsuitable Persons.

14 Pursuant to the Letter Agreement, dated May 16, 2014, (i) the Company is not  
15 satisfied, in its sole reasonable discretion, that the proposed assignee and its  
16 Associates are not Unsuitable Persons and (ii) the Compliance Committee has not  
17 approved the proposed assignee and its Associates.

18 **D. Legal Proceedings Involving Caesars and the Defendants.**

19 **(a) *Contested matters involving Caesars Palace, CAC, LLTQ, FERG, and***  
20 ***MOTI.***

21 120. In January 2015, Caesars Entertainment Operating Company, Inc. and a number of  
22 its subsidiaries and affiliates (including Caesars Palace and CAC) filed for bankruptcy protection  
23 under Chapter 11 in the United States Bankruptcy Court, Northern District of Illinois, Eastern  
24 Division. As part of that bankruptcy, Caesars Palace, CAC, FERG, LLTQ, and MOTI are involved  
25 in several contested matters.

26 121. First, Caesars Palace filed a motion to reject the LLTQ and FERG Agreements.  
27 Caesars Palace concluded that the costs of these two agreements outweighed any potential benefits  
28 that Caesars Palace could realize by continuing to perform under the agreements. LLTQ and FERG  
objected to Caesars Palace's motion to reject the LLTQ and FERG Agreements on the grounds that,  
inter alia, (i) the LLTQ and FERG Agreements are integrated with the separate agreements that  
Caesars Palace entered into with Gordon Ramsay, and (ii) Sections 13.22 and 4.1 are enforceable  
restrictive covenants that prevent the rejection of the LLTQ and FERG agreements.

122. Second, LLTQ and FERG filed a motion for the payment of administrative expenses  
relating to payments purportedly owed to LLTQ and FERG for operation of the relevant restaurants  
after Caesars Palace filed for bankruptcy. Caesars Palace objected to this motion on the grounds

1 that LLTQ and FERG have not provided any post-petition benefit to Caesars Palace. Indeed, LLTQ  
2 and FERG did not provide Caesars Palace with any services after Caesars Palace filed for  
3 bankruptcy.

4 123. Third, MOTI filed a motion for the payment of administrative expenses relating to  
5 Caesars Palace's use of MOTI's intellectual property during the wind-down period following the  
6 termination of the MOTI Agreement. Caesars Palace objected to this motion on the grounds that  
7 MOTI is not entitled to an administrative expense where, as here, the MOTI Agreement was  
8 terminated because MOTI was, and is, an "Unsuitable Person."

9 124. In connection with these three motions, the parties have conducted discovery on a  
10 number of issues, including the suitability of LLTQ, FERG, and Mr. Seibel. And, as a defense to  
11 LLTQ and FERG's motion for the payment of administrative defenses, Caesars Palace and CAC  
12 have raised LLTQ and FERG's failure to disclose Mr. Seibel's criminal activities. Caesars Palace  
13 and CAC contend that LLTQ and FERG's failure to do so constitutes fraudulent inducement and  
14 breaches the LLTQ and FERG Agreements.

15 125. The contested matters in the bankruptcy court do not, however, directly implicate  
16 Caesars' decision to terminate its agreements with the Seibel-Affiliated Entities. Instead, counsel  
17 for LLTQ and FERG have stated in filings in the bankruptcy court that they intend to challenge the  
18 propriety of the termination of the relevant agreements but do not believe that issue should be heard  
19 by the bankruptcy court:

- 20 • "[T]he [Debtors'] fraudulent inducement claim, like the issue of whether the  
21 Termination [of the LLTQ and FERG Agreements] was proper in the first instance,  
22 is not presently before [the bankruptcy court] and should be resolved in separate  
23 proceedings (likely in state court or federal district court)."
- 24 • "[LLTQ and FERG] will challenge the propriety of the purported termination  
25 of the [LLTQ and FERG Agreements] in the appropriate venue, likely outside of the  
26 Chapter 11 cases."

27 **(b) *Litigation involving GRB and Planet Hollywood.***

28 126. On January 11, 2017, Mr. Seibel, purportedly derivatively on behalf of GRB, filed  
a complaint in the United States District Court for the District of Nevada naming Planet Hollywood  
as a defendant. Mr. Seibel also filed a motion for a preliminary injunction enjoining

Planet Hollywood from (i) terminating the GRB Agreement or, alternatively, (ii) utilizing GRB's intellectual property and operating a restaurant in the premises for the GR Burgr restaurant. This action was dismissed from the federal court on jurisdictional grounds and Mr. Seibel re-filed a similar complaint and motion for preliminary injunction in the Eighth Judicial District Court in Clark County, Nevada, Case No. A-17-751759 (Hon. Joe Hardy). The state court complaint included counts for (i) breach of contract arising out of the termination of the GRB Agreement; (ii) breach of the implied covenant of good faith and fair dealing relating to the termination of the GRB Agreement on suitability grounds; (iii) unjust enrichment relating to Planet Hollywood's use of GRB's intellectual property; (iv) civil conspiracy relating to the circumstances surrounding the termination of the GRB Agreement; (v) specific performance requiring Planet Hollywood to pay GRB; and (vi) declaratory relief establishing, inter alia, that Planet Hollywood must stop using the GR intellectual property and compensate GR for the period of time it utilized GRB's intellectual property.

127. The Court denied Mr. Seibel's motion for a preliminary injunction on the grounds that Mr. Seibel did not demonstrate irreparable harm, likelihood of success on the merits, balance of hardships, or that public policy weighed in his favor.

128. Planet Hollywood moved to dismiss Mr. Seibel's claims for breach of contract, breach of the implied covenant of good faith and fair dealing, unjust enrichment, civil conspiracy, and declaratory relief. The Court granted in part and denied in part Planet Hollywood's motion. Specifically, the Court granted Planet Hollywood's motion to dismiss Mr. Seibel's breach of contract claim to the extent it was based on Caesars allegedly receiving money that should have been paid to GRB under the GRB Agreement, Caesars' failure to provide GRB with an opportunity to cure its association with any unsuitable persons, and Caesars' efforts to open a rebranded restaurant with Gordon Ramsay. Mr. Seibel subsequently filed an amended complaint, reasserting some of the same causes of action and adding further allegations. On July 21, 2017, Planet Hollywood answered the amended complaint and asserted a counterclaim for fraudulent concealment against Mr. Seibel individually.

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 LAS VEGAS, NEVADA 89101

(c) *Nevada Federal District Court litigation involving TPOV and Paris.*

129. On February 3, 2017, TPOV Enterprises 16, LLC filed a complaint in the United States District Court for the District of Nevada against Paris, Case No. 2:17-cv-00346-JCM-VCF. TPOV Enterprises 16, LLC alleges, inter alia, that (i) Paris breached the TPOV Agreement by, inter alia, refusing to continue to pay TPOV 16 and terminating the TPOV Agreement; (ii) Paris breached the implied covenant of good faith and fair dealing by, inter alia, disputing the validity of the assignment of the TPOV Agreement and claiming that TPOV is an Unsuitable Person; (iii) Paris has been unjustly enriched by its failure to pay TPOV 16 in accordance with the TPOV Agreement; and (iv) it is entitled to a declaration that the assignment of the TPOV Agreement from TPOV to TPOV 16 was valid and TPOV 16 is not associated with an Unsuitable Person.

130. Paris moved to dismiss TPOV 16's claims based on subject matter jurisdiction and failure to state a claim upon which relief could be granted. The District Court (Judge Mahan) granted the motion in part, and denied it in part, dismissing TPOV 16's claim for unjust enrichment. On July 21, 2017, Paris answered the complaint, and asserted counterclaims for breach of contract, breach of the implied covenant, fraudulent concealment, civil conspiracy, and declaratory relief against TPOV, TPOV 16, and Mr. Seibel personally.

**COUNT I**

**(Declaratory Judgment Against All Defendants Declaring That  
Caesars Properly Terminated All of the Seibel Agreements)**

131. Caesars hereby repeats and re-alleges each of the above paragraphs as though fully set forth herein.

132. NRS 30.040(1) provides that "[a]ny person interested under [a written contract] or whose rights, status or other legal relations are affected by a [contract] may have determined any question of construction or validity arising under the [contract] and obtain a declaration of rights, status or other legal relations thereunder."

133. The parties dispute whether Caesars properly terminated the Seibel Agreements. Thus, there is a justiciable controversy ripe for adjudication among the parties.

134. Caesars properly exercised its sole and absolute discretion to terminate the Seibel Agreements after it determined Mr. Seibel and the Seibel-Affiliated Entities were unsuitable under the Seibel Agreements given Mr. Seibel's felony conviction and his criminal activities that led to his conviction. Caesars also properly exercised its sole and absolute discretion to terminate the Seibel Agreements in light of the Seibel-Affiliated Entities' failure to disclose Mr. Seibel's felony conviction and his criminal activities that led to his conviction. Caesars therefore seeks a declaration that the Seibel Agreements were properly terminated.

135. Caesars further requests any additional relief authorized by the law, the Seibel Agreements or found fair, equitable, just, or proper by the Court, including but not limited to attorneys' fees, costs, and interest under NRS 30.120 or any other law or agreement allowing the same.

## COUNT II

### **(Declaratory Judgment Against All Defendants Declaring That Caesars Does Not Have Any Current or Future Obligations to Defendants Under the Seibel Agreements)**

136. Caesars hereby repeats and re-alleges each of the above paragraphs as though fully set forth herein.

137. NRS 30.040(1) provides that "[a]ny person interested under [a written contract] or whose rights, status or other legal relations are affected by a [contract] may have determined any question of construction or validity arising under the [contract] and obtain a declaration of rights, status or other legal relations thereunder."

138. The parties dispute whether Caesars has any current or future financial obligations or commitments to Mr. Seibel or the Seibel-Affiliated Entities. Thus, there is a justiciable controversy ripe for adjudication among the parties.

139. Caesars does not have any current or future financial obligations or commitments to Mr. Seibel or the Seibel-Affiliated Entities for at least three reasons.

140. First, the express language of the Seibel Agreements states that Caesars has no future obligations to the Seibel-Affiliated Entities where, as here, termination is based on suitability or non-disclosure grounds. For example, the MOTI Agreement provides that "[a]ny termination by



1 Caesars under [the suitability and disclosure provision] shall terminate the obligations of each Party  
2 to this Agreement . . . ." Similarly, all of the Seibel Agreements state that termination based on  
3 unsuitability grounds under the agreements has "immediate effect" and alleviates the parties of any  
4 future obligations.

5 141. Second, Mr. Seibel and the Seibel-Affiliated Entities fraudulently induced Caesars  
6 to enter into the Seibel Agreements when they failed to disclose Mr. Seibel's illegal activities.  
7 Mr. Seibel and the Seibel-Affiliated Entities all represented—through the MOTI and DNT Business  
8 Information Forms—that he had not been a party to any felony in the past ten years and there was  
9 nothing in Mr. Seibel's past that would prevent him from being licensed by a gaming authority.  
10 Although Caesars had the right to request information from each entity to satisfy itself that  
11 Mr. Seibel was suitable from a regulatory perspective, it had received such assurances in the  
12 Business Information Forms with respect to the MOTI Agreement and DNT Agreement. To the  
13 extent the MOTI and DNT suitability disclosures became inaccurate, they had to be updated without  
14 Caesars making a request. Caesars therefore reasonably relied on Mr. Seibel's prior representations  
15 to satisfy itself that Mr. Seibel remained a suitable person when entering into the TPOV Agreement,  
16 LLTQ Agreement, GRB Agreement, and FERG Agreement.

17 142. Caesars reasonably relied on Defendants' representations when deciding to enter into  
18 each agreement with the Seibel-Affiliated Entities. Specifically, Caesars relied on the following  
19 representations:

- 20 • The MOTI and DNT Business Information Forms;
- 21 • Sections 8.1, 9.1, and 9.2 of the MOTI Agreement;
- 22 • Sections 10.2, 11.1, and 11.2 of the DNT Agreement;
- 23 • Sections 9.2, 10.1, and 10.2 of the TPOV Agreement;
- 24 • Sections 9.2, 10.1, and 10.2 of the LLTQ Agreement;
- 25 • Sections 10.3, 11.1, and 11.2 of the GRB Agreement; and
- 26 • Sections 10.2, 11.1, and 11.2 of the FERG Agreement.

27 143. Mr. Seibel and the Seibel-Affiliated Entities knew that these representations were  
28 false when made. The fraudulent inducement of Mr. Seibel and the Seibel-Affiliated Entities

1 permits Caesars to rescind the Seibel Agreements and thereby avoid future obligations to Mr. Seibel  
2 or the Seibel-Affiliated Entities.

3 144. Third, the Seibel-Affiliated Entities repeatedly breached the Seibel Agreements  
4 when they failed to update their prior disclosures to reflect Mr. Seibel's illegal activities. Because  
5 the Seibel-Affiliated Entities breached the Seibel Agreements, Caesars is no longer required to  
6 perform under the Seibel Agreement.

7 145. Caesars therefore seeks a declaration that Caesars does not have any current or future  
8 financial obligations or commitments to Mr. Seibel or the Seibel-Affiliated Entities.

9 146. Caesars further requests any additional relief authorized by the law, the Seibel  
10 Agreements or found fair, equitable, just, or proper by the Court, including but not limited to  
11 attorneys' fees, costs, and interest under NRS 30.120 or any other law or agreement allowing the  
12 same.

### 13 COUNT III

#### 14 **(Declaratory Judgment Against All Defendants Declaring that the Seibel Agreements Do** 15 **Not Prohibit or Limit Existing or Future Restaurant Ventures Between Caesars and** 16 **Gordon Ramsay)**

17 147. Caesars hereby repeats and re-alleges each of the above paragraphs as though fully  
18 set forth herein.

19 148. NRS 30.040(1) provides that "[a]ny person interested under [a written contract] or  
20 whose rights, status or other legal relations are affected by a [contract] may have determined any  
21 question of construction or validity arising under the [contract] and obtain a declaration of rights,  
22 status or other legal relations thereunder."

23 149. The parties dispute whether section 13.22 of the LLTQ Agreement and Section 4.1  
24 of the FERG Agreement are enforceable and require Caesars to include Mr. Seibel, LLTQ, and/or  
25 FERG in current or future ventures between Caesars and Mr. Ramsay. Thus, there is a justiciable  
26 controversy ripe for adjudication among the parties.

27 150. Section 13.22 of the LLTQ Agreement is unenforceable as a matter of law because  
28 (a) the LLTQ Agreement was properly terminated; (b) Caesars is prohibited from entering into a



1 business relationship with LLTQ or Mr. Seibel given that LLTQ and Mr. Seibel are Unsuitable  
2 Persons; and (c) Section 13.22 is overly broad, indefinite, vague, and ambiguous.

3 151. Section 13.22 is overly broad and indefinite because it does not contain any  
4 geographic or temporal limitations. For example, by its terms, the restrictive covenant in  
5 Section 13.22 could apply to future ventures between any Caesars affiliate and Mr. Ramsay located  
6 anywhere in world. It could also apply to future ventures between any Caesars affiliate and  
7 Mr. Ramsay entered into 40 years after LLTQ and Caesars Palace entered into the LLTQ  
8 Agreement. Under Nevada law, the lack of any geographic or temporal restrictions render the  
9 restrictive covenant in Section 13.22 unenforceable.

10 152. Section 13.22 is vague and ambiguous because it does not clearly specify which  
11 future ventures are subject to the restrictive covenant contained therein. On the one hand,  
12 Section 13.22 broadly states that ventures "generally in the nature of" pubs, bars, cafes, taverns,  
13 steak restaurants, fine dining steakhouses, and chophouses are encompassed by the restrictive  
14 covenant. On the other hand, Section 13.22 is seemingly limited to ventures that Caesars elects to  
15 pursue "under the [LLTQ Agreement]," which relates only to the Gordon Ramsay Pub.

16 153. Section 4.1 of the FERG Agreement is unenforceable as a matter of law because  
17 (a) the FERG Agreement was properly terminated; (b) Caesars is prohibited from entering into a  
18 business relationship with FERG or Mr. Seibel given that FERG and Mr. Seibel are Unsuitable  
19 Persons; and (c) Section 4.1 is overly broad, indefinite, vague, and ambiguous.

20 154. Section 4.1 is overly broad, indefinite, vague, and ambiguous because it does not  
21 contain any temporal limitations. For example, by its terms, Section 4.1 could apply to any future  
22 ventures entered into between CAC and an affiliate at any point in time. In addition, Section 4.1 is  
23 not limited to CAC but includes all of CAC's affiliates. Section 4.1 also is not limited to specific  
24 types of restaurants but includes any agreement that merely relates to the premises where the current  
25 restaurant is located. Finally, Section 4.1 is vague and ambiguous because it is unclear how the  
26 FERG Agreement could "be in effect and binding on the parties" if a "new agreement is executed"  
27 between the parties—i.e., it is not clear how both agreements could simultaneously be in effect,  
28

1 what the terms of the agreements would be, how the new agreement would be negotiated, and which  
2 terms would govern the parties' relationship.

3 155. Caesars therefore seeks a declaration that section 13.22 of the LLTQ Agreement and  
4 Section 4.1 of the FERG Agreement are unenforceable and Caesars does not have any current or  
5 future obligations pursuant to those provisions or otherwise that would prohibit or limit existing or  
6 future restaurant ventures between Caesars and Gordon Ramsay.

7 156. Caesars further requests any additional relief authorized by the law, the Seibel  
8 Agreements or found fair, equitable, just, or proper by the Court, including but not limited to  
9 attorneys' fees, costs, and interest under NRS 30.120 or any other law or agreement allowing the  
10 same.

11 Prayer for Relief

12 WHEREFORE, Caesars respectfully prays for judgment as follows:

- 13 (a) Declaratory Relief as requested herein;
- 14 (b) Equitable relief;
- 15 (c) Reasonable attorneys' fees and costs; and
- 16 (d) Any additional relief this Court may deem just and proper

17 DATED this 24th day of August, 2017.

18 PISANELLI BICE PLLC

19 By: 

20 James J. Pisanelli, Esq., Bar No. 4027  
21 Debra L. Spinelli, Esq., Bar No. 9695  
22 M. Magali Mercera, Esq., Bar No. 11742  
23 Brittne T. Watkins, Esq., Bar No. 13612  
24 400 South 7th Street, Suite 300  
25 Las Vegas, Nevada 89101

26 and

27 Jeffrey J. Zeiger, P.C., Esq.  
28 (pro hac vice forthcoming)  
William E. Arnault, IV, Esq.  
(pro hac vice forthcoming)  
KIRKLAND & ELLIS LLP  
300 North LaSalle  
Chicago, IL 60654

Attorneys for Plaintiffs

PISANELLI BICE PLLC  
400 SOUTH 7TH STREET, SUITE 300  
LAS VEGAS, NEVADA 89101

# **GROUP EXHIBIT B**

Case Information

A-17-760537-B | Desert Palace Inc, Plaintiff(s) vs. Rowen Seibel, Defendant(s)

Case Number	Court	Judicial Officer
A-17-760537-B	Department 27	Allf, Nancy
File Date	Case Type	Case Status
08/25/2017	Other Business Court Matters	Open

Party

Plaintiff	Active Attorneys ▼
Desert Palace Inc	Lead Attorney
	Pisanelli, James J
	Retained
	Attorney
	Mercera, Maria
	Magali
	Retained
	Attorney
	Spinelli, Debra L.
	Retained
	Attorney
	Watkins, Brittinee
	T
	Retained
Plaintiff	Active Attorneys ▼
PHWLV LLC	Lead Attorney
	Pisanelli, James J
	Retained

Attorney  
Mercera, Maria  
Magali  
Retained

Attorney  
Spinelli, Debra L.  
Retained

Attorney  
Watkins, Brittinee  
T  
Retained

Plaintiff  
Boardwalk Regency Corporation  
  
Aliases  
*DBA* Caesars Atlantic City

Active Attorneys ▼  
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Pisanelli, James J  
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Attorney  
Mercera, Maria  
Magali  
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Attorney  
Watkins, Brittinee  
T  
Retained

Attorney  
Spinelli, Debra L.  
Retained

Plaintiff  
Paris Las Vegas Operating Company LLC

Active Attorneys ▼  
Lead Attorney  
Pisanelli, James J  
Retained

Attorney  
Mercera, Maria  
Magali  
Retained

Attorney  
Spinelli, Debra L.  
Retained

Attorney  
Watkins, Brittinee  
T  
Retained

Defendant  
Seibel, Rowen

Defendant  
LLTQ Enterprises LLC

Defendant  
LLTQ Enterprises 16 LLC

Defendant  
Ferg LLC

Defendant  
Ferg 16 LLC

Defendant  
MOTI Partners LLC

Defendant  
MOTI Partners 16, LLC

Defendant

TPOV Enterprises LLC

Defendant

TPOV Enterprises 16 LLC

Defendant

DNT Acquisition LLC

Defendant

GR Burgr LLC

Defendant

Frederick, J Jeffrey

Active Attorneys▼

Lead Attorney  
Atkinson, Robert  
E.  
Retained

Events and Hearings

08/25/2017 Initial Appearance Fee Disclosure ▼

Initial Appearance Fee Disclosure - IAFD

Comment

Initial Appearance Fee Disclosure

08/25/2017 Complaint (Business Court) ▼

Complaint (Business Court) - COMPB

Comment

Complaint



09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to Rowen Seibel**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to LLTQ Enterprises, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to LLTQ Enterprises 16, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to FERG, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to FERG 16, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to Moti Partners, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to Moti Partners 16, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to TPOV Enterprises, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to TPOV Enterprises 16, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to DNT Acquisition, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to GR Burgr, LLC**

09/05/2017 Summons Electronically Issued - Service Pending ▼

Comment

**Summons to J. Jeffrey Frederick**

09/12/2017 Affidavit of Service ▼

Affidavit of Service - AOS

Comment

**Affidavit of Service to GR Burgr, LLC**

09/14/2017 Affidavit of Service ▼

Affidavit of Service - AOS

Comment

**Affidavit of Service - DNT Acquisition, LLC**

09/26/2017 Initial Appearance Fee Disclosure ▼

Initial Appearance Fee Disclosure - IAFD

Comment

**Initial Appearance Fee Disclosure**

09/26/2017 Notice of Appearance ▼

Notice of Appearance - NOTA

Comment

**Notice of Appearance for Defendant J. Jeffrey Frederick****Financial**

Desert Palace Inc

**Total Financial Assessment****\$1,620.00****Total Payments and Credits****\$1,620.00**8/25/2017 Transaction  
Assessment**\$1,620.00**

8/25/2017	Efile Payment	Receipt # 2017-67410- CCCLK	Desert Palace Inc	(\$1,620.00)
Frederick, J Jeffrey				
	Total Financial Assessment			\$1,483.00
	Total Payments and Credits			\$1,483.00
9/26/2017	Transaction Assessment			\$1,483.00
9/26/2017	Efile Payment	Receipt # 2017-74493- CCCLK	Frederick, J Jeffrey	(\$1,483.00)

## Documents

Initial Appearance Fee Disclosure - IAFD

Complaint (Business Court) - COMPB

Affidavit of Service - AOS

Affidavit of Service - AOS

Initial Appearance Fee Disclosure - IAFD

Notice of Appearance - NOTA

Electronically Filed  
8/25/2017 12:54 PM  
Steven D. Grierson  
CLERK OF THE COURT



IAFD

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DISTRICT COURT

CLARK COUNTY, NEVADA

DESERT PALACE, INC.; PARIS  
LAS VEGAS OPERATING  
COMPANY, LLC; PHWLV, LLC; and  
BOARDWALK REGENCY  
CORPORATION d/b/a CAESARS  
ATLANTIC CITY,

CASE NO. A-17-760537-B

DEPT. NO. Department 27

Plaintiffs,

-vs-

ROWEN SEIBEL; LLTQ ENTERPRISES,  
LLC; LLTQ ENTERPRISES 16, LLC;  
FERG, LLC; FERG 16, LLC; MOTI  
PARTNERS, LLC; MOTI PARTNERS 16,  
LLC; TPOV ENTERPRISES, LLC; TPOV  
ENTERPRISES 16, LLC; DNT  
ACQUISITION, LLC; GR BURGR, LLC;  
and J. JEFFREY FREDERICK,

Defendants.

INITIAL APPEARANCE FEE DISCLOSURE (NRS CHAPTER 19)

Pursuant to NRS Chapter 19, as amended by Senate Bill 106, filing fees are  
submitted for parties appearing in the above entitled action as indicated below:

New Complaint Fee	1 <sup>st</sup> Appearance Fee
<input checked="" type="checkbox"/> \$1530 <input type="checkbox"/> \$520 <input type="checkbox"/> \$299 <input type="checkbox"/> \$270.00	<input type="checkbox"/> \$1483.00 <input type="checkbox"/> \$473.00 <input type="checkbox"/> \$223.00

Name: DESERT PALACE, INC.

PARIS LAS VEGAS OPERATING

☒ \$30

COMPANY, LLC

PHWLV, LLC

☒ \$30

IAFD.doc/8/23/2017

1 BOARDWALK REGENCY CORPORATION

☒ \$30

2 d/b/a CAESARS ATLANTIC CITY

3 TOTAL REMITTED: (Required)

Total Paid

\$ 1620

4  
5 DATED this 23rd day of August, 2017.

6  
7  
8 James J. Pisanelli, Esq.

#9695  
622

Electronically Issued  
9/5/2017 6:08 PM

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11 *Attorneys for Plaintiffs*

12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;

15 PARIS LAS VEGAS OPERATING

COMPANY, LLC; PHWLTV, LLC; and

16 BOARDWALK REGENCY CORPORATION

d/b/a CAESARS ATLANTIC CITY,

17 Plaintiffs,

18 v.

19 ROWEN SEIBEL; LLTQ

ENTERPRISES, LLC; LLTQ

20 ENTERPRISES 16, LLC; FERG, LLC;

FERG 16, LLC; MOTI PARTNERS, LLC;

21 MOTI PARTNERS 16, LLC; TPOV

ENTERPRISES, LLC; TPOV ENTERPRISES

22 16, LLC; DNT ACQUISITION, LLC; GR

BURGR, LLC; and J. JEFFREY

23 FREDERICK,

24 Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO ROWEN SEIBEL**

26 **SUMMONS – CIVIL**

27 **NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU**  
28 **WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS.**  
**READ THE INFORMATION BELOW.**

1 **TO DEFENDANT:** A civil Complaint has been filed by the Plaintiff(s) against you for the relief  
2 set forth in the Complaint.

3 1. If you intend to defend this lawsuit, within 20 days after this Summons is served  
4 on you, exclusive of the day of service, you must do the following:

5 (a) File with the Clerk of this Court, whose address is shown below, a formal  
6 written response to the Complaint in accordance with the rules of the Court,  
7 with the appropriate filing fee.

8 (b) Serve a copy of your response upon the attorney whose name and address  
9 is shown below.

10 2. Unless you respond, your default will be entered upon application of the  
11 Plaintiff(s) and failure to so respond will result in a judgment of default against  
12 you for the relief demanded in the Complaint, which could result in the taking of  
13 money or property or other relief requested in the Complaint.

14 3. If you intend to seek the advice of an attorney in this matter, you should do so  
15 promptly so that your response may be filed on time.

16 4. The State of Nevada, its political subdivisions, agencies, officers, employees,  
17 board members, commission members and legislators each have 45 days after  
18 service of this Summons within which to file an Answer or other responsive  
19 pleading to the Complaint.

20 Submitted by:

21 PISANELLI BICE PLLC

STEVEN D. GRIERSON  
CLERK OF COURT

22 By: 

By:  9/6/2017

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12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

14 DESERT PALACE, INC.;

15 PARIS LAS VEGAS OPERATING

16 COMPANY, LLC; PHWLTV, LLC; and

17 BOARDWALK REGENCY CORPORATION

d/b/a CAESARS ATLANTIC CITY,

18 Plaintiffs,

19 v.

20 ROWEN SEIBEL; LLTQ

21 ENTERPRISES, LLC; LLTQ

22 ENTERPRISES 16, LLC; FERG, LLC;

23 FERG 16, LLC; MOTI PARTNERS, LLC;

24 MOTI PARTNERS 16, LLC; TPOV

25 ENTERPRISES, LLC; TPOV ENTERPRISES

26 16, LLC; DNT ACQUISITION, LLC; GR

27 BURGR, LLC; and J. JEFFREY

28 FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: XXVII

**SUMMONS TO  
LLTQ ENTERPRISES, LLC**

**SUMMONS – CIVIL**

**NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU  
WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS.  
READ THE INFORMATION BELOW.**



1 Caesars under [the suitability and disclosure provision] shall terminate the obligations of each Party  
2 to this Agreement . . . ." Similarly, all of the Seibel Agreements state that termination based on  
3 unsuitability grounds under the agreements has "immediate effect" and alleviates the parties of any  
4 future obligations.

5 141. Second, Mr. Seibel and the Seibel-Affiliated Entities fraudulently induced Caesars  
6 to enter into the Seibel Agreements when they failed to disclose Mr. Seibel's illegal activities.  
7 Mr. Seibel and the Seibel-Affiliated Entities all represented—through the MOTI and DNT Business  
8 Information Forms—that he had not been a party to any felony in the past ten years and there was  
9 nothing in Mr. Seibel's past that would prevent him from being licensed by a gaming authority.  
10 Although Caesars had the right to request information from each entity to satisfy itself that  
11 Mr. Seibel was suitable from a regulatory perspective, it had received such assurances in the  
12 Business Information Forms with respect to the MOTI Agreement and DNT Agreement. To the  
13 extent the MOTI and DNT suitability disclosures became inaccurate, they had to be updated without  
14 Caesars making a request. Caesars therefore reasonably relied on Mr. Seibel's prior representations  
15 to satisfy itself that Mr. Seibel remained a suitable person when entering into the TPOV Agreement,  
16 LLTQ Agreement, GRB Agreement, and FERG Agreement.

17 142. Caesars reasonably relied on Defendants' representations when deciding to enter into  
18 each agreement with the Seibel-Affiliated Entities. Specifically, Caesars relied on the following  
19 representations:

- 20 • The MOTI and DNT Business Information Forms;
- 21 • Sections 8.1, 9.1, and 9.2 of the MOTI Agreement;
- 22 • Sections 10.2, 11.1, and 11.2 of the DNT Agreement;
- 23 • Sections 9.2, 10.1, and 10.2 of the TPOV Agreement;
- 24 • Sections 9.2, 10.1, and 10.2 of the LLTQ Agreement;
- 25 • Sections 10.3, 11.1, and 11.2 of the GRB Agreement; and
- 26 • Sections 10.2, 11.1, and 11.2 of the FERG Agreement.

27 143. Mr. Seibel and the Seibel-Affiliated Entities knew that these representations were  
28 false when made. The fraudulent inducement of Mr. Seibel and the Seibel-Affiliated Entities

1 permits Caesars to rescind the Seibel Agreements and thereby avoid future obligations to Mr. Seibel  
2 or the Seibel-Affiliated Entities.

3 144. Third, the Seibel-Affiliated Entities repeatedly breached the Seibel Agreements  
4 when they failed to update their prior disclosures to reflect Mr. Seibel's illegal activities. Because  
5 the Seibel-Affiliated Entities breached the Seibel Agreements, Caesars is no longer required to  
6 perform under the Seibel Agreement.

7 145. Caesars therefore seeks a declaration that Caesars does not have any current or future  
8 financial obligations or commitments to Mr. Seibel or the Seibel-Affiliated Entities.

9 146. Caesars further requests any additional relief authorized by the law, the Seibel  
10 Agreements or found fair, equitable, just, or proper by the Court, including but not limited to  
11 attorneys' fees, costs, and interest under NRS 30.120 or any other law or agreement allowing the  
12 same.

### 13 COUNT III

#### 14 **(Declaratory Judgment Against All Defendants Declaring that the Seibel Agreements Do** 15 **Not Prohibit or Limit Existing or Future Restaurant Ventures Between Caesars and** 16 **Gordon Ramsay)**

17 147. Caesars hereby repeats and re-alleges each of the above paragraphs as though fully  
18 set forth herein.

19 148. NRS 30.040(1) provides that "[a]ny person interested under [a written contract] or  
20 whose rights, status or other legal relations are affected by a [contract] may have determined any  
21 question of construction or validity arising under the [contract] and obtain a declaration of rights,  
22 status or other legal relations thereunder."

23 149. The parties dispute whether section 13.22 of the LLTQ Agreement and Section 4.1  
24 of the FERG Agreement are enforceable and require Caesars to include Mr. Seibel, LLTQ, and/or  
25 FERG in current or future ventures between Caesars and Mr. Ramsay. Thus, there is a justiciable  
26 controversy ripe for adjudication among the parties.

27 150. Section 13.22 of the LLTQ Agreement is unenforceable as a matter of law because  
28 (a) the LLTQ Agreement was properly terminated; (b) Caesars is prohibited from entering into a

1 business relationship with LLTQ or Mr. Seibel given that LLTQ and Mr. Seibel are Unsuitable  
2 Persons; and (c) Section 13.22 is overly broad, indefinite, vague, and ambiguous.

3 151. Section 13.22 is overly broad and indefinite because it does not contain any  
4 geographic or temporal limitations. For example, by its terms, the restrictive covenant in  
5 Section 13.22 could apply to future ventures between any Caesars affiliate and Mr. Ramsay located  
6 anywhere in world. It could also apply to future ventures between any Caesars affiliate and  
7 Mr. Ramsay entered into 40 years after LLTQ and Caesars Palace entered into the LLTQ  
8 Agreement. Under Nevada law, the lack of any geographic or temporal restrictions render the  
9 restrictive covenant in Section 13.22 unenforceable.

10 152. Section 13.22 is vague and ambiguous because it does not clearly specify which  
11 future ventures are subject to the restrictive covenant contained therein. On the one hand,  
12 Section 13.22 broadly states that ventures "generally in the nature of" pubs, bars, cafes, taverns,  
13 steak restaurants, fine dining steakhouses, and chophouses are encompassed by the restrictive  
14 covenant. On the other hand, Section 13.22 is seemingly limited to ventures that Caesars elects to  
15 pursue "under the [LLTQ Agreement]," which relates only to the Gordon Ramsay Pub.

16 153. Section 4.1 of the FERG Agreement is unenforceable as a matter of law because  
17 (a) the FERG Agreement was properly terminated; (b) Caesars is prohibited from entering into a  
18 business relationship with FERG or Mr. Seibel given that FERG and Mr. Seibel are Unsuitable  
19 Persons; and (c) Section 4.1 is overly broad, indefinite, vague, and ambiguous.

20 154. Section 4.1 is overly broad, indefinite, vague, and ambiguous because it does not  
21 contain any temporal limitations. For example, by its terms, Section 4.1 could apply to any future  
22 ventures entered into between CAC and an affiliate at any point in time. In addition, Section 4.1 is  
23 not limited to CAC but includes all of CAC's affiliates. Section 4.1 also is not limited to specific  
24 types of restaurants but includes any agreement that merely relates to the premises where the current  
25 restaurant is located. Finally, Section 4.1 is vague and ambiguous because it is unclear how the  
26 FERG Agreement could "be in effect and binding on the parties" if a "new agreement is executed"  
27 between the parties—i.e., it is not clear how both agreements could simultaneously be in effect,  
28

1 what the terms of the agreements would be, how the new agreement would be negotiated, and which  
2 terms would govern the parties' relationship.

3 155. Caesars therefore seeks a declaration that section 13.22 of the LLTQ Agreement and  
4 Section 4.1 of the FERG Agreement are unenforceable and Caesars does not have any current or  
5 future obligations pursuant to those provisions or otherwise that would prohibit or limit existing or  
6 future restaurant ventures between Caesars and Gordon Ramsay.

7 156. Caesars further requests any additional relief authorized by the law, the Seibel  
8 Agreements or found fair, equitable, just, or proper by the Court, including but not limited to  
9 attorneys' fees, costs, and interest under NRS 30.120 or any other law or agreement allowing the  
10 same.

11 Prayer for Relief

12 WHEREFORE, Caesars respectfully prays for judgment as follows:

- 13 (a) Declaratory Relief as requested herein;  
14 (b) Equitable relief;  
15 (c) Reasonable attorneys' fees and costs; and  
16 (d) Any additional relief this Court may deem just and proper

17 DATED this 24th day of August, 2017.

18 PISANELLI BICE PLLC

19 By: 

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21 Debra L. Spinelli, Esq., Bar No. 9695  
22 M. Magali Mercera, Esq., Bar No. 11742  
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*Attorney for Defendants:*  
 MOTI PARTNERS, LLC; AND  
 MOTI PARTNERS 16, LLC

**UNITED STATES BANKRUPTCY COURT**

**DISTRICT OF NEVADA**

DESERT PALACE, INC.; PARIS LAS  
 VEGAS OPERATING COMPANY, LLC;  
 PHWLTV, LLC.; and BOARDWALK  
 REGENCY CORPORATION d/b/a  
 CAESARS ATLANTIC CITY,

Plaintiffs,

v.

ROWEN SEIBEL; LLTQ  
 ENTERPRISES, LLC; LLTQ  
 ENTERPRISES 16, LLC; FERG, LLC;  
 FERG 16 LLC; MOTI PARTNERS, LLC;  
 MOTI PARTNER 16, LLC; TPOV  
 ENTERPRISES, LLC; TPOV  
 ENTERPRISES 16, LLC; DNT  
 ACQUISITION, LLC; GR BURGR, LLC;  
 AND J. JEFFREY FREDERICK,

Defendants.

Case No.: \_\_\_\_\_

**NOTICE OF REMOVAL OF LAWSUIT  
 PENDING IN NEVADA STATE COURT  
 TO BANKRUPTCY COURT**

Defendants MOTI PARTNERS, LLC (“MOTI”) and MOTI PARTNERS 16, LLC (“MOTI 16,” and together with MOTI, the “MOTI Defendants”), hereby remove the lawsuit entitled *Desert Palace Inc., et al. v. Rowen Seibel, et al.*, designated as case number A-17-760537-B, including all claims, counterclaims, third-party claims and defenses thereto (the “Nevada Action”) formerly pending in the District Court, Clark County, Nevada (the “State Court”) to the United States Bankruptcy Court for the District of Nevada, pursuant to 28 U.S.C. §§ 1452(a) and 1334(b) and Rule 9027 of the Federal Rules of Bankruptcy Procedure.



1 As grounds for the removal, the MOTI Defendants state as follows:

2 1. On January 15, 2015 (the “Petition Date”), Desert Palace, Inc. and several of  
3 its affiliated entities (collectively, the “Debtors”) each filed voluntary petitions under Chapter  
4 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of  
5 Illinois, thereby commencing the chapter 11 cases jointly administered as case no. 15-01145  
6 (collectively, the “Chapter 11 Cases”). The Chapter 11 Cases remain pending.

7 2. In 2009, Desert Palace and MOTI entered into an agreement (the “MOTI  
8 Agreement”) relating to the development and operation of Serendipity 3 Restaurant in Las  
9 Vegas (“Serendipity”).

10 3. Pursuant to Section 3.1 of the MOTI Agreement, the MOTI Agreement would  
11 expire by its terms five (5) years from its opening date (i.e. April 5, 2009), unless extended by  
12 the parties.

13 4. The parties discussed entering into an extension but never executed an  
14 amendment extending the term of the MOTI Agreement.

15 5. Desert Palace continued to make payments to the MOTI Defendants for the  
16 continued operation of Serendipity through September 2, 2016.

17 6. On September 2, 2016, Caesars sent MOTI a letter stating that Caesars was  
18 terminating the MOTI Agreement effective immediately.

19 7. Caesars then began the process of shutting Serendipity down and completed  
20 the process on January 1, 2017.

21 8. From September 2, 2016, until Serendipity was closed on January 1, 2017,  
22 Caesars continued to operate Serendipity and use the intellectual property provided by MOTI  
23 without compensating MOTI.

24 9. On November 30, 2016, the MOTI Defendants filed that certain *Request for*  
25 *Payment of Administrative Expense* [Dkt. No. 5862] (the “MOTI Admin Request”) seeking  
26 payment attributable to the continued operations of Serendipity after the filing the Chapter 11  
27 Cases through and including January 1, 2017.

28 10. The Debtors filed an objection to the relief sought in the MOTI Admin Request  
thereby triggering a “contested matter” subject to Rule 9014 of the Federal Rules of  
Bankruptcy Procedure. In the contested matter pending in the Chapter 11 Cases the Debtors

1 assert, among other things, allegations of fraudulent inducement and that the MOTI  
2 Agreement may not be a valid, enforceable agreement and, instead, may be void, voidable or  
3 void ab initio.

4 11. In addition, the Bankruptcy Court concluded that a factual question exists as to  
5 the terms under which the parties operated the Serendipity restaurant requiring discovery and  
6 an evidentiary hearing to resolve the MOTI Admin Request.

7 12. The MOTI Admin Request remains pending.

8 13. On August 25, 2017, the Plaintiffs filed the Nevada Action.

9 14. In the Nevada Action, the Plaintiffs seek declaratory judgments as more fully  
10 set forth in the copy of the Complaint attached hereto as Exhibit A. The relief sought in the  
11 Nevada Action concerns the very issues set to be resolved by the Bankruptcy Court in  
12 connection with the MOTI Admin Request.

13 15. The Nevada Action is not a proceeding before the United States Tax Court.

14 16. The Nevada Action is not a civil action by a governmental unit to enforce its  
15 police or regulatory power.

16 17. The Nevada Action, until the filing of this Notice of Removal and the filing of  
17 a copy of this Notice of Removal with the State Court, was pending in the District Court of  
18 the State of Nevada, Clark County.

19 18. This Court has “arising under” jurisdiction over the Nevada Action pursuant to  
20 28 U.S.C. § 1334(b). The MOTI Defendants filed the MOTI Admin Request pursuant to  
21 section 503(b) of the Bankruptcy Code.

22 19. This Court also has “related to” jurisdiction over the Nevada Action pursuant  
23 to 28 U.S.C. § 1334(b). The outcome of the Nevada Action will alter the Debtors’ liabilities to  
24 the MOTI Defendants, affecting the estates and the amount of property available for  
25 distribution.

26 20. For example, if rescission of the MOTI Agreement is not an available remedy,  
27 and the Debtors are found to be liable to the MOTI Defendants in connection with their  
28 continued operations of Serendipity, the MOTI Defendants will be awarded a large  
administrative priority claim (i.e. six to seven figures) that affects the administration of the  
estate and the amount of property available for distribution.

1           21.     The MOTI Admin Request cannot be resolved without resolving the issues  
2 raised in the Nevada Action.

3           22.     Removal of the Nevada Action to this Court is proper pursuant to 28 U.S.C. §  
4 1452(a) and Rule 9027 of the Federal Rules of Bankruptcy Procedure.

5           23.     Venue for the Nevada Action is proper in this Court under 28 U.S.C. § 1452(a)  
6 because this Court is the Bankruptcy Court located in the District where the Nevada Action is  
7 pending. The MOTI Defendants intend to promptly file a motion to transfer venue to the  
8 United States Bankruptcy Court for the Northern District of Illinois, where the Chapter 11  
9 Cases are pending and the MOTI Admin Request is being litigated.

10           24.     On August 28, 2017, counsel to the MOTI Defendants informally obtained a  
11 copy of the Complaint (the “Informal Receipt Date”).

12           25.     By agreement of the Plaintiffs, service of the Complaint was effective on  
13 September 21, 2017, and the MOTI Defendants have until October 20, 2017, by which to  
14 respond to the summons and Complaint.

15           26.     Because the MOTI Defendants have filed this Notice of Removal within thirty  
16 days of service (and within thirty days of the Informal Receipt Date), removal is timely under  
17 Rule 9027(a)(3) of the Federal Rules of Bankruptcy Procedure.

18           27.     Attached as Group Exhibit B is the docket from the Nevada Action as of the  
19 date of removal, which reflects that the Complaint is the only pleading filed to date, and  
20 copies of all accessible summonses issued and affidavits of service.<sup>1</sup>

21           28.     Promptly after filing the Notice of Removal, the MOTI Defendants will serve a  
22 copy of it on all parties to the Nevada Action as required by Federal Rule of Bankruptcy  
23 Procedure 9027(b).

24           29.     Promptly after filing the Notice of Removal, the MOTI Defendants will file  
25 with the State Court a copy of this Notice of Removal, as required by Federal Rule of  
26 Bankruptcy Procedure 9027(c).

27           30.     Removal is made directly to this Court under 28 U.S.C. § 157(a).

---

28 <sup>1</sup> The summonses issued for defendants DNT Acquisition, LLC, GR BURGR, LLC and J. Jeffrey  
Frederick were not accessible as of the time of this filing and therefore are not included in Group  
Exhibit B.

31. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

32. The MOTI Defendants consent to the Bankruptcy Court entering final orders and judgments in this matter.

33. Venue lies properly in this Court pursuant to 28 U.S.C. § 1409(a).

34. This adversary proceeding is commenced pursuant to Rules 7001(7) and (9) and 7008 of the Federal Rules of Bankruptcy Procedure and 28 U.S.C. §§ 2201-2202.

DATED September 27, 2017.

Respectfully submitted:

MOTI PARTNERS, LLC, AND  
MOTI PARTNERS 16, LLC

By: /s/ Daniel R. McNutt  
One of their attorneys

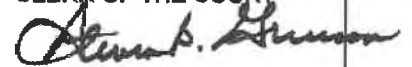
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# EXHIBIT A

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## DISTRICT COURT

### CLARK COUNTY, NEVADA

DESERT PALACE, INC.;  
PARIS LAS VEGAS OPERATING  
COMPANY, LLC; PHWLTV, LLC; and  
BOARDWALK REGENCY  
CORPORATION d/b/a CAESARS  
ATLANTIC CITY;

Case No.: A-17-760537-B

Dept. No.: Department 27

### COMPLAINT

(Exempt from Arbitration –  
Declaratory Relief Requested)

Plaintiffs,  
vs.

ROWEN SEIBEL; LLTQ  
ENTERPRISES, LLC; LLTQ  
ENTERPRISES 16, LLC; FERG, LLC;  
FERG 16, LLC; MOTI PARTNERS, LLC;  
MOTI PARTNERS 16, LLC; TPOV  
ENTERPRISES, LLC; TPOV  
ENTERPRISES 16, LLC; DNT  
ACQUISITION, LLC; GR BURGR, LLC;  
and J. JEFFREY FREDERICK,

Defendants.

Desert Palace Inc. ("Caesars Palace"), Paris Las Vegas Operating Company, LLC ("Paris"),  
PHWLTV, LLC ("Planet Hollywood") and Boardwalk Regency Corporation d/b/a  
Caesars Atlantic City ("CAC," and collectively with Caesars Palace, Paris, and Planet Hollywood,

"Plaintiffs" or "Caesars") bring this Complaint against Rowen Seibel, J. Jeffrey Frederick, LLTQ Enterprises, LLC, LLTQ Enterprises 16, LLC (collectively, with LLTQ Enterprises, LLC, "LLTQ"), FERG, LLC, FERG 16, LLC (collectively, with FERG, LLC, "FERG"), Moti Partners, LLC, Moti Partners 16, LLC (collectively, with Moti Partners, LLC, "MOTI"), TPOV Enterprises, LLC, TPOV Enterprises 16, LLC (collectively, with TPOV Enterprises, LLC, "TPOV"), DNT Acquisition, LLC ("DNT"), and GR Burgr, LLC ("GRB," and collectively with LLTQ, FERG, MOTI, TPOV, and DNT, the "Seibel-Affiliated Entities") seeking declaratory relief as a result of Mr. Seibel's criminal activities and Defendants' failure to disclose those criminal activities to the Plaintiffs.

Caesars alleges as follows:

#### PRELIMINARY STATEMENT

1. Since 2009, Caesars has entered into six agreements with entities owned by, managed by, and/or affiliated with Rowen Seibel relating to the operation of restaurants at Caesars' casinos (the "Seibel Agreements"). Because of the highly-regulated nature of Caesars' business, each of these agreements contained representations, warranties, and conditions to ensure that Caesars was not entering into a business relationship that would jeopardize its good standing with gaming regulators. To further ensure that Caesars was not doing business with an "Unsuitable Person," Caesars also requested and received "Business Information Forms" from Mr. Seibel at the outset of the MOTI and DNT business relationships in which he represented that he had not been a party to a felony in the last ten years and there was nothing "that would prevent him from being licensed by a gaming authority." Although the agreements required Mr. Seibel and the Seibel-Affiliated Entities to update those disclosures to the extent they subsequently became inaccurate, neither Mr. Seibel nor the Seibel-Affiliates Entities ever did so.

2. Unbeknownst to Caesars, when the parties entered into each of the agreements, Mr. Seibel was engaged in criminal conduct that rendered him "Unsuitable" under the terms of each agreement. In 2004, Mr. Seibel began using foreign bank accounts to defraud the IRS. In 2009, when Mr. Seibel was assuring Caesars that he had not been a party to a felony and there was nothing



1 "that would prevent him from being licensed by a gaming authority," he was submitting false  
2 documentation to the IRS regarding his use of foreign bank accounts.

3 3. In April 2016, Mr. Seibel was charged with defrauding the IRS. Rather than contest  
4 the charges against him, Mr. Seibel pleaded guilty to one count of a corrupt endeavor to obstruct  
5 and impede the due administration of the Internal Revenue Laws, 26 U.S.C. § 7212, a Class E  
6 Felony, and subsequently served time in a federal penitentiary for his crime.

7 4. Mr. Seibel, however, never informed Caesars that he was engaged in criminal  
8 activities. Nor did he disclose to Caesars that he had lied to the United States government, was  
9 under investigation by the United States government, or that he had pleaded guilty to a felony.

10 5. Instead, Caesars only learned about Mr. Seibel's felony conviction from press reports  
11 four months after he pleaded guilty. Upon learning of Mr. Seibel's felony conviction, Caesars  
12 exercised its contractual right to terminate its agreements with the Seibel-Affiliated Entities.  
13 Indeed, the parties to the Seibel Agreements expressly agreed that Caesars in its "sole and exclusive  
14 judgment" could terminate the agreements if it determined that Mr. Seibel and/or the  
15 Seibel-Affiliated Entities were "Unsuitable Persons" as defined in the agreements. The parties  
16 likewise expressly agreed that Caesars' decision to terminate the agreements would "not be subject  
17 to dispute by [the Seibel-Affiliated Entities]." Caesars determined that Mr. Seibel's conduct and  
18 felony conviction rendered him an "Unsuitable Person" as defined in the agreements. Therefore,  
19 Caesars exercised its "sole and exclusive judgment" and terminated the Seibel Agreements on or  
20 around September 2, 2016.

21 6. Nevertheless, Defendants are now claiming that Caesars wrongfully terminated  
22 those agreements and either have initiated or indicated that they intend to initiate legal proceedings  
23 relating to the termination of the agreements. Because there is an actual dispute among the parties,  
24 Caesars brings this action for a declaratory judgment confirming that it was proper, in its sole and  
25 exclusive judgment, to terminate each of the agreements with the Seibel-Affiliated Entities.

26 7. In addition, Caesars seeks a declaratory judgment that it has no current or future  
27 obligations to Defendants. Certain defendants are seeking monetary relief from Caesars in three  
28 different courts across the country related to the Seibel Agreements and have threatened to attempt

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1 to force Caesars to include Mr. Seibel in other restaurant opportunities. Simply put, Caesars is not  
2 required under the Seibel Agreements or otherwise to do business with a convicted felon. Indeed,  
3 Mr. Seibel and the Seibel-Affiliated Entities concealed material facts from Caesars that they had a  
4 duty to disclose regarding Mr. Seibel's wrongdoings. Mr. Seibel concealed these wrongdoings from  
5 Caesars to avoid the termination of the Seibel Agreements. Had Caesars been aware of Mr. Seibel's  
6 wrongdoings when the relationship first began, it would not have entered into the Seibel  
7 Agreements. And, if Mr. Seibel had properly disclosed his wrongdoings, Caesars would not have  
8 continued doing business with Mr. Seibel and would have terminated its relationship with  
9 Mr. Seibel and his companies. Because Mr. Seibel and the Seibel-Affiliated Entities fraudulently  
10 induced Caesars to enter into the Seibel Agreements and breached the Seibel Agreements by failing  
11 to disclose material facts regarding Mr. Seibel's wrongdoings, Caesars owes no current or future  
12 obligations to Defendants.

13 8. Caesars therefore brings this action to obtain declarations that it properly terminated  
14 its agreements with the Seibel-Affiliated Entities and does not owe any current or future obligations  
15 to Defendants.

#### 16 PARTIES, JURISDICTION, AND VENUE

17 9. Plaintiff Desert Palace, Inc. is a Nevada corporation that operates the Caesars Palace  
18 casino. Desert Palace Inc.'s principal place of business is 3570 Las Vegas Boulevard South,  
19 Las Vegas, Nevada 89109.

20 10. Plaintiff Paris Las Vegas Operating Co., LLC is a Nevada limited liability company  
21 that operates the Paris Las Vegas Hotel and Casino. Paris Las Vegas Operating Co., LLC's principal  
22 place of business is 3655 Las Vegas Boulevard South, Las Vegas, Nevada 89109.

23 11. Plaintiff PHWLTV, LLC is a Nevada limited liability company that operates the  
24 Planet Hollywood Las Vegas Resort and Casino. PHWLTV, LLC's principal place of business is  
25 3667 Las Vegas Boulevard South, Las Vegas, Nevada 89109.

26 12. Plaintiff Boardwalk Regency Corporation d/b/a Caesars Atlantic City LLC is a  
27 Delaware limited liability company that operates the Caesars Atlantic City Hotel and Casino.

28

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1 Caesars Atlantic City's principal place of business is 2100 Pacific Avenue, Atlantic City,  
2 New Jersey 08401.

3 13. Defendant Rowen Seibel currently resides at 200 Central Park South, Unit 19E,  
4 New York, New York 10019. Mr. Seibel regularly travels to and conducts business in Nevada, and  
5 owns real estate in Nevada. Mr. Seibel also filed a lawsuit in the district court of Clark County,  
6 Nevada, purportedly derivatively on behalf of GRB, that relates to certain of the issues set forth in  
7 this Complaint and remains pending. Case No. A-17-751759-B.

8 14. Defendant Moti Partners, LLC is a New York limited liability company located at  
9 200 Central Park South, New York, New York 10019. In March 2009, Caesars Palace and  
10 MOTI Partners, LLC entered into a Development, Operation, and License Agreement  
11 (the "MOTI Agreement"). The MOTI Agreement relates to the design, development, construction,  
12 and operation of the Serendipity restaurant in Las Vegas. The negotiations of the MOTI Agreement  
13 occurred primarily in Nevada. The MOTI Agreement also was signed by the parties in Nevada,  
14 and Mr. Seibel signed the MOTI Agreement on behalf of MOTI. The MOTI Agreement further  
15 provided that "[t]he laws of the State of Nevada applicable to agreements made in that State shall  
16 govern the validity, construction, performance and effect of [the MOTI Agreement]." The  
17 MOTI Agreement likewise required (i) MOTI to provide "Development Services" during meetings  
18 that "shall take place primarily in Las Vegas;" (ii) MOTI to provide "Menu Development Services"  
19 during meetings that "shall take place primarily in Las Vegas;" and (iii) Mr. Seibel to provide  
20 "Marketing Consulting Services" during meetings that "shall take place primarily in Las Vegas."

21 15. Defendant Moti Partners 16, LLC is a Delaware limited liability company. In  
22 April 2016, Mr. Seibel informed Caesars Palace that the MOTI Agreement would purportedly be  
23 assigned to Moti Partners 16, LLC. Caesars Palace disputes the propriety of this assignment.

24 16. Defendant DNT Acquisition, LLC is a Delaware limited liability company located  
25 at 200 Central Park South, 19th Floor, New York, New York 10019. In June 2011, Caesars Palace  
26 and DNT entered into a Development, Operation, and License Agreement among  
27 DNT Acquisition, LLC, The Original Homestead Restaurant, Inc., and Desert Palace, Inc.  
28 ("DNT Agreement"). The DNT Agreement relates to the design, development, construction, and

1 operation of an Old Homestead restaurant in Las Vegas. The negotiations of the DNT Agreement  
2 occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the  
3 DNT Agreement on behalf of DNT. The DNT Agreement also provided that "[t]he laws of the  
4 State of Nevada applicable to agreements made in that State shall govern the validity, construction,  
5 performance, and effect of this Agreement." The DNT Agreement further required (i) DNT to  
6 provide "Restaurant Development Services" that "shall take place in Las Vegas;" (ii) Mr. Seibel to  
7 visit the restaurant one time each quarter for two consecutive nights; and (iii) Mr. Seibel to  
8 participate in marketing consultations and meetings that "shall take place in Las Vegas."

9 17. Defendant TPOV Enterprises, LLC is a New York limited liability company located  
10 at 200 Central Park South, New York, NY 10019. In November 2011, Paris and TPOV entered  
11 into a Development and Operation Agreement between TPOV Enterprises, LLC and  
12 Paris Las Vegas Operating Company, LLC ("TPOV Agreement"). The TPOV Agreement relates  
13 to the design, development, construction, and operation of the Gordon Ramsay Steak restaurant in  
14 Las Vegas. The negotiations of the TPOV Agreement occurred in Nevada and the agreement was  
15 signed by the parties in Nevada. Mr. Seibel signed the TPOV Agreement on behalf of TPOV. The  
16 TPOV Agreement also provided that "[t]he laws of the State of Nevada applicable to agreements  
17 made in that State shall govern the validity, construction, performance and effect of this  
18 Agreement." The TPOV Agreement further required (i) TPOV to provide "Restaurant  
19 Development Services" during meetings that "shall take place in Las Vegas, Nevada;"  
20 (ii) Mr. Seibel to visit and attend the restaurant one time each quarter for five consecutive nights;  
21 and (iii) Mr. Seibel to provide operational consulting and advice and attend meetings "with respect  
22 to same [that] shall take place in Las Vegas, Nevada."

23 18. Defendant TPOV Enterprises 16, LLC is a Delaware limited liability company. In  
24 April 2016, Mr. Seibel informed Paris that the TPOV Agreement would purportedly be assigned to  
25 TPOV Enterprises 16, LLC. Paris disputes the propriety of this assignment.

26 19. Defendant LLTQ Enterprises, LLC is a Delaware limited liability company located  
27 at 200 Central Park South, New York, New York 10019. In April 2012, Caesars Palace and LLTQ  
28 entered into a Development and Operation Agreement between LLTQ Enterprises, LLC and

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1 Desert Palace, Inc. ("LLTQ Agreement"). The LLTQ Agreement relates to the design,  
2 development, construction, and operation of the Gordon Ramsay Pub restaurant in Las Vegas. The  
3 negotiations of the LLTQ Agreement primarily occurred in Nevada and the agreement was signed  
4 by the parties in Nevada. Mr. Seibel signed the LLTQ Agreement on behalf of LLTQ. The LLTQ  
5 Agreement also provided that "[t]he laws of the State of Nevada applicable to agreements made in  
6 that State shall govern the validity, construction, performance and effect of this Agreement." The  
7 LLTQ Agreement further required (i) LLTQ to provide "Restaurant Development Services" during  
8 meetings that "shall take place in Las Vegas, Nevada;" (ii) Mr. Seibel to visit and attend the  
9 restaurant one time each quarter for five consecutive nights; and (iii) Mr. Seibel to provide  
10 operational consulting and advice and "meetings with respect to same [that] shall take place in  
11 Las Vegas, Nevada."

12 20. Defendant LLTQ Enterprises 16, LLC is a Delaware limited liability company. In  
13 April 2016, Mr. Seibel informed Caesars Palace that the LLTQ Agreement would purportedly be  
14 assigned to LLTQ Enterprises 16, LLC. Caesars Palace disputes the propriety of this assignment.

15 21. Defendant GR Burgr, LLC is a Delaware limited liability company located at  
16 200 Central Park South, 19th Floor, New York, New York 10019. In December 2012,  
17 Planet Hollywood and GRB entered into a Development, Operation and License Agreement  
18 Among Gordon Ramsay, GR Burgr, LLC and PHW Manager, LLC on behalf of  
19 PHW Las Vegas, LLC DBA Planet Hollywood ("GRB Agreement"). The GRB Agreement relates  
20 to the design, development, construction, and operation of the BURGR Gordon Ramsay restaurant  
21 in Las Vegas. The negotiations of the GRB Agreement primarily occurred in Nevada and the  
22 agreement was signed by the parties in Nevada. Mr. Seibel signed the GRB Agreement on behalf  
23 of GRB. The GRB Agreement also provided that "[t]he laws of the State of Nevada applicable to  
24 agreements made in that State shall govern the validity, construction, performance and effect of this  
25 Agreement." The GRB Agreement further required GRB to provide "Restaurant Development  
26 Services," and meetings with respect to same, that "shall take place in Las Vegas, Nevada." Caesars  
27 is naming GRB as a defendant to the extent of Mr. Seibel's involvement with that entity.  
28



22. Defendant FERG, LLC is a Delaware limited liability company located at 200 Central Park South, New York, New York 10019. In May 2014, CAC and FERG entered into a Consulting Agreement between FERG, LLC and Boardwalk Regency Corporation DBA Caesars Atlantic City ("FERG Agreement"). The FERG Agreement relates to the design, development, construction, and operation of the Gordon Ramsay Pub and Grill restaurant. The negotiations of the FERG Agreement primarily occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the FERG Agreement on behalf of FERG.

23. Defendant FERG 16, LLC is a Delaware limited liability company. In April 2016, Mr. Seibel informed CAC that the FERG Agreement would purportedly be assigned to FERG 16, LLC. CAC disputes the propriety of this assignment.

24. Defendant J. Jeffrey Frederick resides at 31 Grand Masters Drive, Las Vegas, Nevada 89141. Mr. Seibel purportedly assigned his duties and obligations under the LLTQ, FERG, TPOV, and MOTI Agreements to Mr. Frederick. Mr. Frederick considers Mr. Seibel to be his best friend. Caesars disputes the propriety of this assignment and contends that Mr. Seibel did not properly delegate his duties and obligations to Mr. Frederick and instead attempted to effectuate this assignment to circumvent the suitability provisions in the LLTQ, FERG, TPOV, and MOTI Agreements.

25. Clark County, Nevada is a proper venue because the agreements, acts, events, occurrences, decisions, transactions, and/or omissions giving rise to this lawsuit occurred or were performed in Clark County, Nevada.

## STATEMENT OF FACTS

### A. The Business Relationship Between Caesars and Mr. Seibel.

#### (a) *The MOTI Agreement.*

26. Caesars' relationship with Mr. Seibel began in 2009 when the parties commenced negotiations for an agreement relating to the Serendipity 3 restaurant in Las Vegas. At the time, Mr. Seibel was a restaurateur responsible for the Serendipity restaurant in New York City and was looking to partner with Caesars on a similar concept at its Caesars Palace casino.

1           27.     Caesars holds gaming licenses and therefore is subject to rigorous regulation.  
2 Nevada requires its licensees to police themselves and their affiliates to ensure unwavering  
3 compliance with gaming regulations. As part of its compliance program, Caesars conducts  
4 suitability investigations of potential vendors that meet certain criteria as outlined in its compliance  
5 program, and requires various disclosures by vendors meeting such criteria to ensure that the entities  
6 with which it does business are suitable. Thus, in connection with the initial discussions between  
7 the parties, Caesars required Mr. Seibel to complete a "Business Information Form." On that form,  
8 Mr. Seibel represented that he had not been a party to a felony in the last ten years and there was  
9 nothing "that would prevent [him] from being licensed by a gaming authority." In reliance on those  
10 representations (among other things), Caesars Palace and MOTI entered into the MOTI Agreement.

11           28.     The MOTI Agreement also contained a number of representations relating to the  
12 conduct of the parties and their disclosure obligations.

13           29.     As far as conduct, MOTI represented that "it shall conduct all of its obligations  
14 hereunder in accordance with the highest standards of honesty, integrity, quality and courtesy so as  
15 to maintain and enhance the reputation and goodwill of Caesars, the Marks, the Hotel Casino, and  
16 the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the  
17 operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant."

18           30.     With respect to disclosure, MOTI agreed that it would "provide to Caesars written  
19 disclosure regarding MOTI and all of their respective key employees, agents, representatives,  
20 management personnel, lenders, or any financial participants (collectively, the "Associated  
21 Parties") . . . ." And, "[t]o the extent that any prior disclosure becomes inaccurate, MOTI shall,  
22 within five (5) calendar days from that event, update the prior disclosure without Caesars making  
23 any further request."

24           31.     The prior written disclosures referenced in the MOTI Agreement included and were  
25 intended to include the information that Mr. Seibel provided in the MOTI Business Information  
26 Form. Accordingly, MOTI was obligated to update the Business Information Form in accordance  
27 with the provisions in the MOTI Agreement.

28



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32. The MOTI Agreement provided Caesars with the ability to terminate the MOTI Agreement in its discretion if it determined that (i) MOTI was not complying with its disclosure obligations or (ii) MOTI or an Associated Party was engaged in any activity or relationship that jeopardized the privileged licenses held by Caesars. Specifically, the MOTI Agreement stated:

If MOTI fails to satisfy or fails to cause the Associated Parties to satisfy [the disclosure] requirement, if Caesars or any of Caesars' affiliates are directed to cease business with MOTI or any Associated Party by the Gaming Authorities, or if Caesars shall determine, in Caesars' sole and exclusive judgment, that MOTI or any Associated Party is or may engage in any activity or relationship that could or does jeopardize any of the privileged licenses held by Caesars or any Caesars' Affiliate, then (a) MOTI shall terminate any relationship with the Associated Party who is the source of such issue, (b) MOTI shall cease the activity or relationship creating the issue to Caesars' satisfaction, in Caesars' sole judgment, or (c) if such activity or relationship is not subject to cure as set forth in the foregoing clauses (a) and (b), as determined by Caesars in its sole discretion, Caesars shall, without prejudice to any other rights or remedies of Caesars including at law or in equity, terminate this Agreement and its relationship with MOTI. In the event MOTI does not comply with any of the foregoing, such noncompliance may be deemed, in Caesars' sole discretion, as a default hereunder. MOTI further acknowledges that Caesars shall have the absolute right, without any obligation [to initiate arbitration], to terminate this Agreement in the event any Gaming Authority require Caesars to do so.

33. Finally, MOTI represented that, "[a]s of the Effective date [of the agreement], no representation or warranty made herein by [MOTI] contains any untrue statement of a material fact, or omits to state a material fact necessary to make such statements not misleading."

34. Significantly, the disclosure obligations under the MOTI Agreement were not limited to the corporate entity MOTI. Instead, MOTI's obligations—both with respect to conduct and disclosure—applied to "Associated Parties" of MOTI, which included all of MOTI's key employees, agents, representatives, and financial participants. As the member-manager of MOTI and the individual who signed the MOTI Agreement, Mr. Seibel was an "Associated Party" of MOTI. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest standards of honesty, integrity, quality, and courtesy. And MOTI had an ongoing obligation to disclose any information regarding Mr. Seibel that jeopardized any of the privileged licenses held by Caesars.

35. The initial disclosures that MOTI and Mr. Seibel provided were false when made. And, despite the obligations set out in the MOTI Agreement, neither Mr. Seibel nor MOTI ever provided Caesars with an updated Business Information Form or any other supplemental disclosure.

1 Nor did they otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his  
2 investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

3 36. Over the next five years, Caesars and Mr. Seibel entered into five more agreements  
4 with entities owned and managed by Mr. Seibel. With respect to each of these agreements, Caesars  
5 relied upon the MOTI Business Information Form and the ongoing obligations of MOTI and  
6 Mr. Seibel to update that disclosure when and if necessary.

7 *(b) The DNT Agreement.*

8 37. Like the MOTI Agreement, the DNT Agreement related to Caesars' efforts to  
9 introduce a New York City restaurant—Old Homestead—at its Caesars Palace property. Unlike  
10 the MOTI Agreement, however, the DNT Agreement involved a third-party unrelated to Mr. Seibel  
11 (The Original Homestead Restaurant, Inc.; collectively, with DNT, the "DNT Parties"). As part of  
12 the DNT Agreement, the Old Homestead Restaurant, Inc. licensed its intellectual property to  
13 Caesars Palace (the "Old Homestead Marks").

14 38. In connection with the discussions between DNT and Caesars Palace, Caesars  
15 required Mr. Seibel to complete another "Business Information Form" in 2011. On that form,  
16 Mr. Seibel represented that he had not been a party to a felony in the last ten years and there was  
17 nothing "that would prevent [him] from being licensed by a gaming authority." In reliance on those  
18 representations (among other things), Caesars Palace and DNT entered into the DNT Agreement.

19 39. The DNT Agreement contained a number of representations relating to the conduct  
20 of the parties and their disclosure obligations.

21 40. First, the DNT Parties represented in the DNT Agreement that "they shall, and they  
22 shall cause their Affiliates to, conduct themselves in accordance with the highest standards of  
23 honesty, integrity, quality and courtesy so as to maintain and enhance the reputation and goodwill  
24 of Caesars, the Old Homestead Marks, the Old Homestead Materials, the Old Homestead System,  
25 the Caesars Palace and the Restaurant and at all times in keeping with and not inconsistent with or  
26 detrimental to the operation of an exclusive, first-class resort hotel and casino and an exclusive,  
27 first-class restaurant." The DNT Parties further agreed that they would "use commercially  
28 reasonable efforts to continuously monitor the performance of each of its and its Affiliates'

1 respective agents, employees, servants, contractors and licensees and shall ensure the foregoing  
 2 standards are consistently maintained by all of them." Finally, the DNT Agreement provided that  
 3 "[a]ny failure by the DNT Parties, their affiliates or any of their respective agents, employees,  
 4 servants, contractors or licensees to maintain the standards described [above] shall, in addition to  
 5 any other rights or remedies Caesars may have, give Caesars the right to terminate [the DNT  
 6 Agreement] in its sole and absolute discretion."

7 41. Second, the DNT Parties agreed that they would "provide to Caesars written  
 8 disclosure regarding the DNT Associates . . .," which included Mr. Seibel. And, "[t]o the extent  
 9 that any prior disclosure becomes inaccurate, the DNT Parties shall, within ten (10) calendar days  
 10 from the event, update the prior disclosure without Caesars making any further request."

11 42. The DNT Agreement provided Caesars with the ability to terminate the DNT  
 12 Agreement in its discretion if it determined that (i) DNT was not complying with its disclosure  
 13 obligations, or (ii) DNT or an Associated Party was an "Unsuitable Person." Specifically, the DNT  
 14 Agreement provided:

15 If any DNT Associate fails to satisfy or [sic] such requirement, if Caesars or any of  
 16 Caesars' affiliates are directed to cease business with any DNT Associate by any  
 17 Gaming Authority, or if Caesars shall determine, in Caesars' sole and exclusive  
 18 judgment, that any DNT Associate is an Unsuitable Person, whether as a result of  
 19 DNT Change of Control or otherwise, then, immediately following notice by Caesars  
 20 to DNT, (a) the DNT Parties shall terminate any relationship with the Person who is  
 21 the source of such issue, (b) the DNT Parties shall cease the activity or relationship  
 22 creating the issue to Caesars' satisfaction, in Caesars' sole judgment, or (c) if such  
 23 activity or relationship is not subject to cure as set forth in the foregoing clauses (a)  
 24 and (b), as determined by Caesars in its sole discretion, Caesars shall, without  
 25 prejudice to any other rights or remedies of Caesars including at law or in equity,  
 26 have the right to terminate this Agreement and its relationship with the DNT Parties.  
 27 The DNT Parties further acknowledges [sic] that Caesars shall have the absolute right  
 28 to terminate this Agreement in the event any Gaming Authority requires Caesars or  
 one of its Affiliates to do so. Any termination by Caesars pursuant to this [section]  
 shall not be subject to dispute by the DNT Parties and shall not be the subject of any  
 [arbitration proceeding].

43. Under the DNT Agreement, an "Unsuitable Person" was defined as follows:

Any Person (a) whose association with Caesars could be anticipated to result in a  
 disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain,  
 any registration, application or license or any other rights or entitlements held or  
 required to be held by Caesars or any of its Affiliates under any United States, state,  
 local or foreign laws, rules or regulations relating to gaming or the sale of alcohol,  
 (b) whose association or relationship with Caesars or its Affiliates could be  
 anticipated to violate any United States, state, local or foreign laws, rules or

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1 regulations relating to gaming or the sale of alcohol to which Caesars or its Affiliates  
2 are subject, (c) who is or might be engaged or about to be engaged in any activity  
3 which could adversely impact the business or reputation of Caesars or its Affiliates,  
4 or (d) who is required to be licensed, registered, qualified or found suitable under any  
5 United States, state, local, or foreign laws, rules or regulations relating to gaming or  
6 the sale of alcohol under which Caesars or any of its Affiliates is licensed, registered,  
7 qualified or found suitable, and such Person is not or does not remain so licensed,  
8 registered, qualified or found suitable.

9 44. Finally, DNT represented that, "[a]s of the Effective date [of the agreement], no  
10 representation or warranty made herein by [DNT] contains any untrue statement of a material fact,  
11 or omits to state a material fact necessary to make such statements not misleading."

12 45. As with the MOTI Agreement, the disclosure obligations under the DNT Agreement  
13 were not limited to the corporate entity DNT. Instead, DNT's obligations—both with respect to  
14 conduct and disclosure—applied to "DNT Associates," which included persons controlling DNT.  
15 Mr. Seibel, as the member-manager of DNT and the individual who signed the DNT Agreement,  
16 was a "DNT Associate." Thus, Mr. Seibel had an ongoing obligation to conduct himself with the  
17 highest standards of honesty, integrity, quality, and courtesy. And DNT had an ongoing obligation  
18 to disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

19 46. The initial disclosures that DNT and Mr. Seibel provided were false when made.  
20 And, despite the obligations set out in the DNT Agreement, neither Mr. Seibel nor DNT ever  
21 provided Caesars with an updated Business Information Form or any other supplemental disclosure.  
22 Nor did they otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his  
23 investigation by the IRS, his guilty plea, his conviction, or his incarceration.

24 *(c) The TPOV Agreement.*

25 47. The TPOV Agreement related to Paris' plans to partner with celebrity chef Gordon  
26 Ramsay to design and develop a restaurant in the Paris casino known as "Gordon Ramsay Steak."  
27 The TPOV Agreement set forth the obligations of TPOV and Mr. Seibel to assist with the design,  
28 development, construction, and operation of Gordon Ramsay Steak.

48. The TPOV Agreement contained a number of representations relating to the conduct  
of the parties and their disclosure obligations.



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49. First, TPOV represented that "it shall and it shall cause its Affiliates to conduct themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so as to maintain and enhance the reputation and goodwill of Paris, the Paris Las Vegas and the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant." TPOV further agreed that it would "use commercially reasonable efforts to continuously monitor the performance of each of its and its Affiliates' respective agents, employees, servants, contractors and licensees and shall ensure the foregoing standards are consistently maintained by all of them."

50. Second, TPOV agreed that it would "provide to Paris written disclosure regarding the TPOV Associates . . .," which included Mr. Seibel. And, "[t]o the extent that any prior disclosure becomes inaccurate, TPOV shall, within ten (10) calendar days from the event, update the prior disclosure without Paris making any further request."

51. The TPOV Agreement provided Paris with the ability to terminate the TPOV Agreement in its discretion if it determined that (i) TPOV was not complying with its disclosure obligations, or (ii) TPOV or an Associated Party was an "Unsuitable Person." Specifically, the TPOV Agreement provided:

If any TPOV Associate fails to satisfy or [sic] such requirement, if Paris or any of Paris' Affiliates are directed to cease business with any TPOV Associate by any Gaming Authority, or if Paris shall determine, in Paris' sole and exclusive judgment, that any TPOV Associate is an Unsuitable Person, whether as a result of a TPOV Change of Control or otherwise, then (a) TPOV shall terminate any relationship with the Person who is the source of such issue, (b) TPOV shall cease the activity or relationship creating the issue to Paris' satisfaction, in Paris' sole judgment, or (c) if such activity or relationship is not subject to cure as set forth in the foregoing clauses (a) and (b), as determined by Paris in its sole discretion, Paris shall, without prejudice to any other rights or remedies of Paris including at law or in equity, have the right to terminate this Agreement and its relationship with TPOV. TPOV further acknowledges that Paris shall have the right to terminate this Agreement in the event any Gaming Authority requires Paris or one of its Affiliates to do so. Any termination by Paris pursuant to this [section] shall not be subject to dispute by TPOV and shall not be the subject of any proceeding [in arbitration].

52. Under the TPOV Agreement, an "Unsuitable Person" was defined as follows:

Any Person (a) whose association with Paris or its Affiliates could be anticipated to result in a disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain, any registration, application or license or any other rights or entitlements held or required to be held by Paris or any of its Affiliates under any United States, state, local or foreign laws, rules or regulations relating to gaming or the sale of

1 alcohol, (b) whose association or relationship with Paris or its Affiliates could be  
 2 anticipated to violate any United States, state, local or foreign laws, rules or  
 3 regulations relating to gaming or the sale of alcohol to which Paris or its Affiliates  
 4 are subject, (c) who is or might be engaged or about to be engaged in any activity  
 5 which could adversely impact the business or reputation of Paris or its Affiliates, or  
 6 (d) who is required to be licensed, registered, qualified or found suitable under any  
 7 United States, state, local, or foreign laws, rules or regulations relating to gaming or  
 8 the sale of alcohol under which Paris or any of its Affiliates is licensed, registered,  
 9 qualified or found suitable, and such Person is not or does not remain so licensed,  
 10 registered, qualified or found suitable.

11 53. Finally, TPOV represented that, "[a]s of the Effective date [of the agreement], no  
 12 representation or warranty made herein by [TPOV] contains any untrue statement of a material fact,  
 13 or omits to state a material fact necessary to make such statements not misleading."

14 54. The disclosure and conduct obligations under the TPOV Agreement were not limited  
 15 to the corporate entity TPOV. Instead, TPOV's obligations—both with respect to conduct and  
 16 disclosure—included TPOV's "Associates" and "Affiliates." TPOV's Affiliates included persons  
 17 controlling TPOV. The TPOV Agreement specifically stated that "with respect to TPOV, the term  
 18 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." TPOV's Associates  
 19 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
 20 TPOV and the individual who signed the TPOV Agreement, was both a TPOV Affiliate and TPOV  
 21 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
 22 standards of honesty, integrity, quality, and courtesy. And TPOV had an ongoing obligation to  
 23 disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

24 55. Because Mr. Seibel was specifically included as a TPOV Associate, Paris relied  
 25 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
 26 not been a party to a felony in the past ten years and there was nothing in his past that would prevent  
 27 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
 28 Information Forms constituted prior written disclosures referenced in the TPOV Agreement that  
 needed to be updated to the extent they were no longer accurate.

56. The initial disclosures that TPOV provided were false when made. And, despite the  
 obligations set out in the TPOV Agreement, neither Mr. Seibel nor TPOV ever provided Caesars  
 with an updated Business Information Form or any other supplemental disclosure. Nor did TPOV

otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

*(d) The LLTQ Agreement.*

57. The LLTQ Agreement related to Caesars Palace's plans to partner with celebrity chef Gordon Ramsay to license intellectual property that would be used in connection with a restaurant in the Caesars Palace casino known as the Gordon Ramsay Pub. The LLTQ Agreement set forth the obligations of LLTQ and Mr. Seibel to assist with the design, development, construction, and operation of the Gordon Ramsay Pub.

58. The LLTQ Agreement contained a number of representations relating to the conduct of the parties and their disclosure obligations.

59. First, LLTQ represented that "it shall and it shall cause its Affiliates to conduct themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so as to maintain and enhance the reputation and goodwill of Caesars, the Caesars Palace Las Vegas and the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant." LLTQ further agreed that it would "use commercially reasonable efforts to continuously monitor the performance of each of its and its Affiliates' respective agents, employees, servants, contractors and licensees and shall ensure the foregoing standards are consistently maintained by all of them."

60. Second, LLTQ agreed that it would "provide to Caesars written disclosure regarding the LLTQ Associates . . . ," which included Mr. Seibel. And, "[t]o the extent that any prior disclosure becomes inaccurate, LLTQ shall, within ten (10) calendar days from the event, update the prior disclosure without Caesars making any further request."

61. The LLTQ Agreement provided Caesars Palace with the ability to terminate the LLTQ Agreement in its discretion if it determined that (i) LLTQ was not complying with its disclosure obligations or (ii) LLTQ or an Associated Party was an "Unsuitable Person." Specifically, the LLTQ Agreement provided:

If any LLTQ Associate fails to satisfy or [sic] such requirement, if Caesars or any of Caesars' Affiliates are directed to cease business with any LLTQ Associate by any Gaming Authority, or if Caesars shall determine, in Caesars' sole and exclusive



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1 judgment, that any LLTQ Associate is an Unsuitable Person, whether as a result of a  
2 LLTQ Change of Control or otherwise, then (a) LLTQ shall terminate any  
3 relationship with the Person who is the source of such issue, (b) LLTQ shall cease  
4 the activity or relationship creating the issue to Caesars' satisfaction, in Caesars' sole  
5 judgment, or (c) if such activity or relationship is not subject to cure as set forth in  
6 the foregoing clauses (a) and (b), as determined by Caesars in its sole discretion,  
7 Caesars shall, without prejudice to any other rights or remedies of Caesars including  
8 at law or in equity, have the right to terminate this Agreement and its relationship  
9 with LLTQ. LLTQ further acknowledges that Caesars shall have the right to  
10 terminate this Agreement in the event any Gaming Authority requires Caesars or one  
11 of its Affiliates to do so. Any termination by Caesars pursuant to this [section] shall  
12 not be subject to dispute by LLTQ and shall not be the subject of any proceeding [in  
13 arbitration].

8 62. Under the LLTQ Agreement, an "Unsuitable Person" was defined as follows:

9 Any Person (a) whose association with Caesars or its Affiliates could be anticipated  
10 to result in a disciplinary action relating to, or the loss of, inability to reinstate or  
11 failure to obtain, any registration, application or license or any other rights or  
12 entitlements held or required to be held by Caesars or any of its Affiliates under any  
13 United States, state, local or foreign laws, rules or regulations relating to gaming or  
14 the sale of alcohol, (b) whose association or relationship with Caesars or its Affiliates  
15 could be anticipated to violate any United States, state, local or foreign laws, rules or  
16 regulations relating to gaming or the sale of alcohol to which Caesars or its Affiliates  
17 are subject, (c) who is or might be engaged or about to be engaged in any activity  
18 which could adversely impact the business or reputation of Caesars or its Affiliates,  
19 or (d) who is required to be licensed, registered, qualified or found suitable under any  
20 United States, state, local, or foreign laws, rules or regulations relating to gaming or  
21 the sale of alcohol under which Caesars or any of its Affiliates is licensed, registered,  
22 qualified or found suitable, and such Person is not or does not remain so licensed,  
23 registered, qualified or found suitable.

17 63. Finally, LLTQ represented that, "[a]s of the Effective date [of the agreement], no  
18 representation or warranty made herein by [LLTQ] contains any untrue statement of a material fact,  
19 or omits to state a material fact necessary to make such statements not misleading."

20 64. The disclosure and conduct obligations under the LLTQ Agreement were not limited  
21 to the corporate entity LLTQ. Instead, LLTQ's obligations—both with respect to conduct and  
22 disclosure—included LLTQ's "Associates" and "Affiliates." LLTQ's Affiliates included persons  
23 controlling LLTQ. The LLTQ Agreement specifically stated that "with respect to LLTQ, the term  
24 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." LLTQ's Associates  
25 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
26 LLTQ and the individual who signed the LLTQ Agreement, was both an LLTQ Affiliate and  
27 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
28

standards of honesty, integrity, quality, and courtesy. And LLTQ had an ongoing obligation to disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

65. Because Mr. Seibel was specifically included as an LLTQ Associate, Caesars relied upon his previous representations in the MOTI and DNT Business Information Forms that he had not been a party to a felony in the past ten years and there was nothing in his past that would prevent him from being licensed by a gaming authority. Thus, the disclosures contained in the Business Information Forms constituted the prior written disclosures referenced in the LLTQ Agreement.

66. The initial disclosures that LLTQ provided were false when made. And, despite the obligations set out in the LLTQ Agreement, neither Mr. Seibel nor LLTQ ever provided Caesars with an updated Business Information Form or any other supplemental disclosure. Nor did LLTQ otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

67. In addition, Section 13.22 of the LLTQ Agreement ("Section 13.22") contains the following provision:

If Caesars elects under this Agreement to pursue any venture similar to (i) the Restaurant (i.e., any venture generally in the nature of a pub, bar, café or tavern) or (ii) the "Restaurant" as defined in the [TPOV Agreement] (i.e., any venture generally in the nature of a steak restaurant, fine dining steakhouse or chop house), Caesars and LLTQ shall, or shall cause an Affiliate to, execute a development and operation agreement on the same terms and conditions as this Agreement, subject only to revisions proposed by Caesars or its Affiliate as are necessary to reflect the difference in location between the Restaurant and such other venture (including, for the avoidance of doubt, the Baseline Amount, permitted Operating Expenses and necessary Project Costs).

68. Caesars has taken the position that this provision, which has been characterized as a restrictive covenant, is unenforceable as a matter of law because (a) the LLTQ Agreement was properly terminated; (b) Caesars is prohibited from entering into a business relationship with LLTQ or Mr. Seibel given that LLTQ and Mr. Seibel are Unsuitable Persons; and (c) Section 13.22 is vague, ambiguous, indefinite, and overly broad. In contrast, LLTQ has asserted that it is enforceable and should apply to any future ventures in any location between Caesars and Gordon Ramsay.

(e) *The GR Burgr Agreement.*

69. The GRB Agreement related to Planet Hollywood's plans to design, develop, and operate a restaurant in the Planet Hollywood casino known as "BURGR Gordon Ramsay." As such, the GRB Agreement set forth the obligations of GRB to license certain intellectual property to Planet Hollywood and assist with the design, development, construction, and operation of the BURGR Gordon Ramsay Restaurant.

70. The GRB Agreement contained a number of representations relating to the conduct of the parties and their disclosure obligations.

71. First, GRB represented that "it shall and it shall cause its Affiliates to conduct themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so as to maintain and enhance the reputation and goodwill of PH, the GRB Marks, PH and the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant." GRB further agreed that it would "use commercially reasonable efforts to continuously monitor the performance of each of its and its Affiliates' respective agents, employees, servants, contractors and licensees and shall ensure the foregoing standards are consistently maintained by all of them. Any failure by GRB or any of its respective Affiliates or any of their respective agents, employees, servants, contractors or licensees to maintain the standards described in this [section] shall, in addition to any other rights or remedies PH have, give PH the right to terminate this Agreement . . . in its sole and absolute discretion."

72. Second, GRB further agreed that it would "provide or cause to be provided to PH written disclosure regarding its GR Associates . . .," which included Mr. Seibel. And, "[t]o the extent that any prior disclosure becomes inaccurate, GRB shall, within ten (10) calendar days from the event, update the prior disclosure without PH making any further request."

73. The GRB Agreement provided Planet Hollywood with the ability to terminate the GRB Agreement in its discretion if it determined that (i) GRB was not complying with its disclosure obligations, or (ii) GRB or an Associated Party was an "Unsuitable Person." Specifically, the GRB Agreement provided:

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If any GRB Associate fails to satisfy any such requirement, if PH or any of PH's Affiliates are directed to cease business with any GRB Associate by any Gaming Authority, or if PH shall determine, in PH's sole and exclusive judgment, that any GRB Associate is an Unsuitable Person, then immediately following notice by PH to Gordon Ramsay and GRB, (a) Gordon Ramsay and/or GRB shall terminate any relationship with the Person who is the source of such issue, (b) Gordon Ramsay and/or GRB shall cease the activity or relationship creating the issue to PH's satisfaction, in PH's sole judgment, or (c) if such activity or relationship is not subject to cure as set forth in the foregoing clauses (a) and (b), as determined by PH in its sole discretion, PH shall, without prejudice to any other rights or remedies of Caesars including at law or in equity, have the right to terminate this Agreement and its relationship with Gordon Ramsay and GRB. Each of Gordon Ramsay and GRB further acknowledges that PH shall have the absolute right to terminate this Agreement in the event any Gaming Authority requires PH or one of its Affiliates to do so. Any termination by PH pursuant to this [section] shall not be subject to dispute by Gordon Ramsay or GRB and shall not be the subject of any proceeding [in arbitration].

74. Under the GRB Agreement, an "Unsuitable Person" was defined as follows:

Any Person (a) whose association with PH or its Affiliates could be anticipated to result in a disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain, any registration, application or license or any other rights or entitlements held or required to be held by PH or any of its Affiliates under any United States, state, local or foreign laws, rules or regulations relating to gaming or the sale of alcohol, (b) whose association or relationship with PH or its Affiliates could be anticipated to violate any United States, state, local or foreign laws, rules or regulations relating to gaming or the sale of alcohol to which PH or its Affiliates are subject, (c) who is or might be engaged or about to be engaged in any activity which could adversely impact the business or reputation of PH or its Affiliates, or (d) who is required to be licensed, registered, qualified or found suitable under any United States, state, local, or foreign laws, rules or regulations relating to gaming or the sale of alcohol under which PH or any of its Affiliates is licensed, registered, qualified or found suitable, and such Person is not or does not remain so licensed, registered, qualified or found suitable.

75. Finally, GRB represented that, "[a]s of the Effective date [of the agreement], no representation or warranty made herein by [GRB] contains any untrue statement of a material fact, or omits to state a material fact necessary to make such statements not misleading."

76. The disclosure and conduct obligations under the GRB Agreement were not limited to the corporate entity GRB. Instead, GRB's obligations—both with respect to conduct and disclosure—included GRB's "Associates" and "Affiliates." GRB's Affiliates included persons controlling GRB and GRB's Associates included its directors, employees, and representatives. Mr. Seibel, as the member-manager of GRB and the individual who signed the GRB Agreement, was both a GRB Affiliate and Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest standards of honesty, integrity, quality, and courtesy. And GRB had an



1 ongoing obligation to disclose any information regarding Mr. Seibel that would render him an  
2 Unsuitable Person.

3 77. Because Mr. Seibel was specifically included as a GRB Associate, Caesars relied  
4 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
5 not been a party to a felony in the past ten years and there was nothing in his past that would prevent  
6 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
7 Information Forms constituted the prior written disclosures referenced in the GRB Agreement.

8 78. The initial disclosures that GRB provided were false when made. And, despite the  
9 obligations set out in the GRB Agreement, neither Mr. Seibel nor GRB ever provided Caesars with  
10 an updated Business Information Form or any other supplemental disclosure. Nor did GRB  
11 otherwise provide updated disclosures regarding Mr. Seibel's illegal activities, his criminal  
12 investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

13 (f) *The FERG Agreement*

14 79. As with the LLTQ Agreement, the FERG Agreement related to CAC's plans to  
15 partner with Mr. Ramsay to license intellectual property that would be used in connection with a  
16 restaurant in the CAC casino known as "Gordon Ramsay Pub and Grill." The FERG Agreement  
17 set forth the obligations of FERG and Mr. Seibel to assist with the design, development,  
18 construction, and operation of the Gordon Ramsay Pub and Grill.

19 80. The FERG Agreement contained a number of representations relating to the conduct  
20 of the parties and their disclosure obligations.

21 81. First, FERG represented in the FERG Agreement that "it shall and it shall cause its  
22 Affiliates to conduct themselves in accordance with the highest standards of honesty, integrity,  
23 quality and courtesy so as to maintain and enhance the reputation and goodwill of the CAC Marks  
24 and materials, the GR Marks, CAC, and the Restaurant and at all times in keeping with and not  
25 inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel and casino  
26 and an exclusive, first-class restaurant." FERG further agreed that it would "use commercially  
27 reasonable efforts to continuously monitor the performance of each of its and its Affiliates'  
28

1 respective agents, employees, servants, contractors and licensees and shall ensure the foregoing  
2 standards are consistently maintained by all of them."

3 82. Second, FERG agreed that it would "provide to CAC written disclosure regarding  
4 the FERG Associates . . . ," which included Mr. Seibel. And, "[t]o the extent that any prior  
5 disclosure becomes inaccurate, FERG shall, within ten (10) calendar days from the event, update  
6 the prior disclosure without CAC making any further request."

7 83. The FERG Agreement provided CAC with the ability to terminate the  
8 FERG Agreement in its discretion if it determined that (i) FERG was not complying with its  
9 disclosure obligations, or (ii) FERG or an Associated Party was an "Unsuitable Person."  
10 Specifically, the FERG Agreement provided:

11 If any FERG Associate fails to satisfy or [sic] such requirement, if CAC or any of  
12 CAC's Affiliates are directed to cease business with any FERG Associate by any  
13 Gaming Authority, or if CAC shall determine, in CAC's sole and exclusive judgment,  
14 that any FERG Associate is an Unsuitable Person, whether as a result of a FERG  
15 Change of Control or otherwise, then (a) FERG shall terminate any relationship with  
16 the Person who is the source of such issue, (b) FERG shall cease the activity or  
17 relationship creating the issue to CAC's satisfaction, in CAC's sole judgment, or (c) if  
18 such activity or relationship is not subject to cure as set forth in the foregoing clauses  
19 (a) and (b), as determined by CAC in its sole discretion, CAC shall, without prejudice  
20 to any other rights or remedies of CAC including at law or in equity, have the right  
21 to terminate this Agreement and its relationship with FERG. FERG further  
22 acknowledges that CAC shall have the right to terminate this Agreement in the event  
23 any Gaming Authority requires CAC or one of its Affiliates to do so. Any termination  
24 by CAC pursuant to this [section] shall not be subject to dispute by FERG and shall  
25 not be the subject of any proceeding [in arbitration].

19 84. Under the FERG Agreement, an "Unsuitable Person" was defined as follows:

20 Any Person (a) whose association with CAC or its Affiliates could be anticipated to  
21 result in a disciplinary action relating to, or the loss of, inability to reinstate or failure  
22 to obtain, any registration, application or license or any other rights or entitlements  
23 held or required to be held by CAC or any of its Affiliates under any United States,  
24 state, local or foreign laws, rules or regulations relating to gaming or the sale of  
25 alcohol, (b) whose association or relationship with CAC or its Affiliates could be  
26 anticipated to violate any United States, state, local or foreign laws, rules or  
27 regulations relating to gaming or the sale of alcohol to which CAC or its Affiliates  
28 are subject, (c) who is or might be engaged or about to be engaged in any activity  
which could adversely impact the business or reputation of CAC or its Affiliates, or  
(d) who is required to be licensed, registered, qualified or found suitable under any  
United States, state, local, or foreign laws, rules or regulations relating to gaming or  
the sale of alcohol under which CAC or any of its Affiliates is licensed, registered,  
qualified or found suitable, and such Person is not or does not remain so licensed,  
registered, qualified or found suitable.

1           85. Finally, FERG represented that, "[a]s of the Effective date [of the agreement], no  
2 representation or warranty made herein by [FERG] contains any untrue statement of a material fact,  
3 or omits to state a material fact necessary to make such statements not misleading."

4           86. The disclosure and conduct obligations under the FERG Agreement were not limited  
5 to the corporate entity FERG. Instead, FERG's obligations—both with respect to conduct and  
6 disclosure—included FERG's "Associates" and "Affiliates." FERG's Affiliates included persons  
7 controlling FERG. The FERG Agreement specifically stated that "with respect to FERG, the term  
8 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." FERG's Associates  
9 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
10 FERG and the individual who signed the FERG Agreement, was both a FERG Affiliate and  
11 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
12 standards of honesty, integrity, quality, and courtesy. And FERG had an ongoing obligation to  
13 disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

14           87. Because Mr. Seibel was specifically included as a FERG Associate, Caesars relied  
15 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
16 not been a party to a felony in the last ten years and there was nothing in his past that would prevent  
17 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
18 Information Forms constituted the prior written disclosures referenced in the FERG Agreement.

19           88. The initial disclosures that FERG provided were false when made. And, despite the  
20 obligations set out in the FERG Agreement, neither Mr. Seibel nor FERG ever provided Caesars  
21 with an updated Business Information Form or any other supplemental disclosure. Nor did FERG  
22 otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation  
23 by the IRS, his guilty plea, his felony conviction, or his incarceration.

24           89. In addition, Section 4.1 of the FERG Agreement ("Section 4.1") states: "In the event  
25 a new agreement is executed between CAC and/or its Affiliate and Gordon Ramsay and/or his  
26 Affiliate relative to the Restaurant or Restaurant Premises, this Agreement shall be in effect and  
27 binding on the parties during the term hereof."  
28



90. Caesars contends that this provision, which has been characterized as a restrictive covenant, is unenforceable as a matter of law because (a) the FERG Agreement was properly terminated; (b) Caesars is prohibited from entering into a business relationship with FERG or Mr. Seibel given that FERG and Mr. Seibel are Unsuitable Persons; and (c) Section 4.1 is vague, ambiguous, indefinite, and overly broad. In contrast, FERG has asserted that this provision is enforceable and should apply to any future ventures between CAC and Gordon Ramsay.

**B. The Activities of Mr. Seibel and the Seibel-Affiliated Entities Rendered Him Unsuitable Under the Seibel Agreements.**

91. Approximately five years before completing the MOTI Business Information Form and entering into the MOTI Agreement, Mr. Seibel was engaged in activities of the type that would have rendered him unsuitable under the Seibel Agreements. And, despite his obligations to do so, Mr. Seibel and the Seibel-Affiliated Entities never disclosed Mr. Seibel's illegal activities to Caesars.

**(a) *Mr. Seibel set up numbered UBS accounts in Switzerland and concealed them from the United States government.***

92. From approximately March 3, 2004 through 2008, Mr. Seibel maintained an account at Union Bank of Switzerland ("UBS").

93. In 2004, Mr. Seibel and his mother traveled to UBS' offices in Switzerland. While in Switzerland, Mr. Seibel opened and became the beneficiary and account holder of a UBS bank account that was not titled in his own name. Instead, the account was identified in internal bank records with the phrase "CQUE" and a unique account number (the "Numbered UBS Account").

94. At the same time, Mr. Seibel executed a UBS Telefax Agreement that allowed him to have regular communication with UBS via facsimile. Mr. Seibel also executed forms acknowledging that he was a United States citizen subject to United States taxation, and that he was the beneficial owner of the assets and income associated with the Numbered UBS Account.

95. In exchange for the payment of an additional fee to UBS, Mr. Seibel authorized and directed UBS to retain all account correspondence so that no bank statements or other correspondence related to the Numbered UBS Account would be mailed to him in the United States.

1           96. Mr. Seibel caused his Numbered UBS Account to be opened in 2004 with a  
2 \$25,000 cash deposit made by his mother. Between 2004 and 2005, Mr. Seibel's mother deposited  
3 cash and checks totaling approximately \$1,000,000 into Mr. Seibel's account, bringing to  
4 \$1,011,279 the total deposits made into Mr. Seibel's Numbered UBS Account.

5           97. UBS bank records demonstrate that Mr. Seibel and not his mother was the individual  
6 who actively monitored and approved the selection and investment of the assets maintained in the  
7 Numbered UBS Account. Mr. Seibel's trading in the account resulted in a substantial amount of  
8 income in the form of capital gains, dividends, and interest. By 2008, the account had a balance of  
9 approximately \$1,300,200.

10                   ***(b) In 2008, Mr. Seibel closed his UBS account and opened a new account.***

11           98. On or about May 30, 2008, Mr. Seibel traveled back to Switzerland and informed  
12 UBS personnel that he wanted to close his Numbered UBS Account. Mr. Seibel explained he was  
13 concerned about the existence of the account given recent press reports. Those press reports had  
14 revealed various investigations commenced by United States law enforcement of UBS's role in  
15 helping United States citizens evade federal income taxes by, among other things, using undeclared  
16 foreign bank accounts at UBS.

17           99. In late May 2008, Mr. Seibel traveled to Switzerland to close out his Numbered UBS  
18 Account. Prior to doing so, he created a Panamanian shell company called Mirza International  
19 ("Mirza"). Mr. Seibel was the beneficial owner of the shell company. In addition, Mr. Seibel  
20 opened another offshore account at a different Swiss bank, Banque J. Safra. This time, however,  
21 he opened the account in the name of the newly created Mirza International instead of his own  
22 name.

23                   ***(c) Mr. Seibel filed incomplete and inaccurate tax returns.***

24           100. On or about October 10, 2008, Mr. Seibel filed with the IRS a Form 1040 for  
25 calendar year 2007. United States citizens and residents are obligated, on their Form 1040, to report  
26 their income from any source, regardless of whether the source is inside or outside the United States.  
27 Taxpayers who have a financial interest in, or signature authority over, a financial account in a  
28

1 foreign country over a threshold amount also are required to file with the IRS a Report of Foreign  
2 Bank and Financial Accounts, Form TD F 90-22.1 ("FBAR").

3 101. On his return, which Mr. Seibel signed under penalty of perjury, he omitted reporting  
4 any dividend, interest, and other income received by him in one or more bank, securities, and other  
5 financial accounts at UBS. Mr. Seibel also failed to report on Schedule B of his 2007 Form 1040  
6 that he had an interest in or a signature authority over a financial account in a foreign country.  
7 Moreover, because of his authority over the Numbered UBS Account, Mr. Seibel was required to  
8 file a FBAR for calendar year 2007. He failed to do so.

9 102. On or about April 15, 2009, Mr. Seibel submitted his IRS Form 1040 for calendar  
10 year 2008. On that return, Mr. Seibel omitted the dividend, interest, and other income received by  
11 him in one or more bank, securities, and other financial accounts at UBS. Moreover, Mr. Seibel  
12 falsely claimed that he did not have an interest in or signature authority or control over a financial  
13 account in a foreign country. In addition, because of his authority over the Numbered UBS  
14 Account, Mr. Seibel was required to file a FBAR for calendar year 2008. He failed to do so.

15 *(d) Mr. Seibel provided false application to voluntary disclosure program.*

16 103. In March 2009, the IRS began the Voluntary Disclosure Program to provide an  
17 opportunity for U.S. taxpayers, not already under investigation by the IRS, to avoid criminal  
18 prosecution by disclosing their previously undeclared offshore accounts and paying tax and  
19 penalties on the income earned in those accounts.

20 104. On or about October 15, 2009, Mr. Seibel signed and caused to be submitted to the  
21 IRS an application to the Voluntary Disclosure Program (the "Application"). The Application,  
22 drafted by Mr. Seibel's mother's attorney, stated that Mr. Seibel had been unaware, during the years  
23 2004 and 2005, that his mother had made deposits into the Numbered UBS Account for Mr. Seibel's  
24 benefit. It also stated Mr. Seibel had been unaware, until he made inquiries of UBS in 2009, of the  
25 status of his account at UBS and had in fact over time reached "the conclusion that deposits [into  
26 his Numbered UBS Account] had been stolen or otherwise disappeared."

27 105. These statements were false. As set forth above, Mr. Seibel was (i) at all times  
28 knowledgeable about the Numbered UBS Account and had taken a role in the oversight of, and

1 transactions in, that account, and (ii) was aware as to the disposition of the funds from that account,  
2 as Mr. Seibel traveled to Switzerland the year before to effect the closing of the Numbered UBS  
3 Account and transfer of its funds into another foreign bank account at a different Swiss bank. Thus,  
4 when Mr. Seibel signed and submitted the Application, he was lying to the United States  
5 government.

6 106. At some point, the United States government began to investigate Mr. Seibel for his  
7 criminal activities. On April 18, 2016, the United States Attorney filed an information charging  
8 Mr. Seibel with corrupt endeavor to obstruct and impede the due administration of the Internal  
9 Revenue Laws, 26 U.S.C. § 7212(a). That same day, Mr. Seibel pleaded guilty to one count of a  
10 corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws,  
11 26 U.S.C. § 7212, a Class E Felony. Mr. Seibel stated that he was "pleading guilty because [he  
12 was] in fact guilty," and admitted that on his IRS Form 1040 for the year 2008, he "corruptly  
13 answer[ed] the question 'no' when [he] knew that answer was incorrect." Mr. Seibel's guilty plea  
14 was the result of criminal conduct that began prior to Caesars entering into the Seibel Agreements.

15 107. On August 19, 2016, Mr. Seibel appeared at his sentencing hearing where he was  
16 sentenced to 30 days in prison, six months of home confinement, and 300 hours of community  
17 service.

18 108. Mr. Seibel, however, did not notify Caesars of his guilty plea. But he certainly  
19 understood that it would result in the termination of his relationship with Caesars. In an attempt to  
20 avoid these consequences of his impending felony conviction, Mr. Seibel informed Caesars on  
21 April 8, 2016—ten days before entering his guilty plea—that he was (i) transferring all of the  
22 membership interests of the Seibel-Affiliated Entities that he previously owned to two individuals  
23 that would be trustees of a trust he had created; (ii) naming other individuals as the managers of the  
24 Seibel-Affiliated Entities; (iii) assigning the agreements to new entities that had been created  
25 (*i.e.*, LLTQ 16, FERG Enterprises 16, TPOV 16, and MOTI Partners 16, LLC); and (iv) delegating  
26 all of his duties under the LLTQ, FERG, TPOV, and MOTI Agreements to Mr. Frederick.  
27 Mr. Seibel did not disclose that he decided to perform these purported assignments, transfers, and  
28 delegations because of his impending felony conviction. Mr. Seibel also transferred the interests

1 and duties relating to the Seibel-Affiliated Entities to his family and close friends—like  
2 Mr. Frederick—and thus remained associated with the Seibel-Affiliated Entities.

3 **C. Caesars Exercises Its Sole Discretion to Terminate the Agreements with the**  
4 **Seibel-Affiliated Entities.**

5 109. Despite the obligations of Mr. Seibel and the Seibel-Affiliated Entities to inform  
6 Caesars of Mr. Seibel's felony conviction and update the relevant disclosures, they never did so.  
7 Instead, Caesars only learned of Mr. Seibel's felony conviction from press reports in August 2016.  
8 When Caesars became aware of Mr. Seibel's felony conviction, it promptly terminated all of its  
9 agreements with the Seibel-Affiliated Entities.

10 **(a) *Termination of the MOTI Agreement.***

11 110. On September 2, 2016, counsel for Caesars Palace sent MOTI a letter terminating  
12 the MOTI Agreement. Caesars explained the grounds for termination in its letter:

13 Pursuant to Section 9.2 of the Agreement, MOTI has acknowledged and agrees that  
14 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
15 because of privileged licenses issued by governmental authorities. Additionally,  
16 Section 9.2 provides that if Caesars determines, in its sole and absolute judgment,  
17 that (a) any MOTI Associate is an Unsuitable Person and (b) such relationship is not  
18 subject to cure, Caesars shall have the right to terminate the Agreement.

19 Caesars is aware that Rowen Seibel, who is a MOTI Associate under the Agreement,  
20 has recently pleaded guilty to a one-count criminal information charging him with  
21 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
22 (corrupt endeavor to obstruct and impede the due administration of the Internal  
23 Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
24 Unsuitable Person.

25 Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his  
26 relationship to MOTI are not capable of being cured. Accordingly, Caesars is  
27 exercising its rights under Section 9.2 of the Agreement and is terminating the  
28 Agreement effective immediately.

23 **(b) *Termination of the DNT Agreement.***

24 111. On September 2, 2016, counsel for Caesars Palace sent DNT a letter terminating the  
25 DNT agreement. Caesars explained the grounds for termination in its letter:

26 Pursuant to Section 11.2 of the Agreement, the DNT Parties have acknowledged and  
27 agree that Caesars and/or its affiliates conduct business that are or may be subject to  
28 and exist because of privileged licenses issued by governmental authorities. Additionally, Section 11.2 provides that Caesars determines, in its sole and absolute



1 judgment, that any DNT Associate is an Unsuitable Person, the DNT Parties shall  
2 cease activity or relationship creating the issue.

3 Caesars is aware that Rowen Seibel, who is a DNT Associate under the Agreement,  
4 has recently pleaded guilty to a one-count criminal information charging him with  
5 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
(corrupt endeavor to obstruct and impede the due administration of the Internal  
Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
Unsuitable Person.

6 Therefore, the DNT Parties shall, within 10 business days of receipt of this letter,  
7 terminate any relationship with Mr. Seibel and provide Caesars with written evidence  
8 of such terminated relationship. If the DNT Parties fails to terminate the relationship  
with Mr. Seibel, Caesars will be required to terminate the agreement pursuant to  
section 4.2.3 of the Agreement.

9 112. In response to this letter, DNT failed to provide Caesars with sufficient evidence  
10 demonstrating that it had terminated its relationship with Mr. Seibel. Though Mr. Seibel had  
11 purportedly assigned his rights and interests in DNT and the DNT Agreement, Caesars determined,  
12 in its sole discretion—as it was entitled to do under the DNT Agreement—that DNT's relationship  
13 was not subject to cure given Mr. Seibel's continued relationship with the principals and  
14 representatives of DNT. As a result, the DNT Agreement was terminated.

15 (c) *Termination of the TPOV Agreement.*

16 113. On September 2, 2016, counsel for Caesars Palace sent TPOV a letter terminating  
17 the TPOV agreement. Caesars explained the grounds for termination in its letter:

18 Pursuant to Section 10.2 of the Agreement, TPOV has acknowledged and agrees that  
19 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
20 because of privileged licenses issued by governmental authorities. Additionally,  
21 Section 10.2 provides that if Caesars determines, in its sole and absolute judgment,  
that (a) any TPOV Associate is an Unsuitable Person and (b) such relationship is not  
subject to cure, Caesars shall have the right to terminate the Agreement.

22 Caesars is aware that Rowen Seibel, who is a TPOV Associate under the Agreement,  
23 has recently pleaded guilty to a one-count criminal information charging him with  
24 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
(corrupt endeavor to obstruct and impede the due administration of the Internal  
Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
Unsuitable Person.

25 Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his  
26 relationship to TPOV are not capable of being cured. Accordingly, Caesars is  
27 exercising its rights under Section 4.2.5 of the Agreement and is terminating the  
28 Agreement effective immediately.

(d) *Termination of the LLTQ Agreement.*

114. On September 2, 2016, counsel for Caesars Palace sent LLTQ a letter terminating the LLTQ agreement. Caesars explained the grounds for termination in its letter:

Pursuant to Section 10.2 of the Agreement, LLTQ has acknowledged and agrees that Caesars and/or its affiliates conduct business that are or may be subject to and exist because of privileged licenses issued by governmental authorities. Additionally, Section 10.2 provides that if Caesars determines, in its sole and absolute judgment, that (a) any LLTQ Associate is an Unsuitable Person and (b) such relationship is not subject to cure, Caesars shall have the right to terminate the Agreement.

Caesars is aware that Rowen Seibel, who is a LLTQ Associate under the Agreement, has recently pleaded guilty to a one-count criminal information charging him with impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212) (corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an Unsuitable Person.

Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his relationship to LLTQ are not capable of being cured. Accordingly, Caesars is exercising its rights under Section 4.2.5 of the Agreement and is terminating the Agreement effective immediately.

(e) *Termination of the GRB Agreement.*

115. On September 2, 2016, counsel for Caesars Palace sent GRB a letter terminating the GRB Agreement. Caesars explained the grounds for termination in its letter:

Pursuant to Section 11.2 of the Agreement, GRB has acknowledged and agrees that Caesars and/or its affiliates conduct business that are or may be subject to and exist because of privileged licenses issued by governmental authorities. Additionally, Section 11.2 provides that if Caesars determines, in its sole and absolute judgment, that any GRB Associate is an Unsuitable Person, GRB shall cease the activity or relationship creating the issue.

Caesars is aware that Rowen Seibel, who is a GR Associate under the Agreement, has recently pleaded guilty to a one-count criminal information charging him with impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212) (corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an Unsuitable Person.

Therefore, GRB shall, within 10 business days of the receipt of this letter, terminate any relationship with Mr. Seibel and provide Caesars with written evidence of such terminated relationship. If GRB fails to terminate the relationship with Mr. Seibel, Caesars will be required to terminate the Agreement pursuant to Section 4.2.5 of the Agreement.

116. In response to this letter, GRB failed to provide Caesars with sufficient evidence demonstrating that it had terminated its relationship with Mr. Seibel. Though Mr. Seibel had



purportedly assigned his rights and interests in GRB and the GRB Agreement, Caesars determined, in its sole discretion—as it was entitled to do under the GRB Agreement—that GRB's relationship was not subject to cure given Mr. Seibel's continued relationship with the principals and representatives of GRB. Mr. Seibel's partner in GRB similarly informed Caesars that GRB could not adequately disassociate itself with Mr. Seibel. As a result, the GRB Agreement was terminated.

*(f) Termination of the FERG Agreement.*

117. On September 2, 2016, counsel for Caesars Palace sent FERG a letter terminating the FERG agreement. Caesars explained the grounds for termination in its letter:

Pursuant to Section 11.2 of the Agreement, FERG has acknowledged and agrees that Caesars and/or its affiliates conduct business that are or may be subject to and exist because of privileged licenses issued by governmental authorities. Additionally, Section 11.2 provides that if Caesars determines, in its sole and absolute judgment, that (a) any FERG Associate is an Unsuitable Person and (b) such relationship is not subject to cure, Caesars shall have the right to terminate the Agreement.

Caesars is aware that Rowen Seibel, who is a FERG Associate under the Agreement, has recently pleaded guilty to a one-count criminal information charging him with impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212) (corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an Unsuitable Person.

Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his relationship to FERG are not capable of being cured. Accordingly, Caesars is exercising its rights under Section 4.2(c) of the Agreement and is terminating the Agreement effective immediately.

*(g) The Seibel-Affiliated Entities dispute the propriety of the termination of their agreements with Caesars,*

118. After receiving the termination notices on September 2, 2016, counsel for the Defendants sent Caesars several letters disputing the propriety of the terminations. According to the Seibel-Affiliated Entities, Mr. Seibel no longer had any relationship with the Seibel-Affiliated Entities and thus Caesars' termination of the agreements was improper.

119. In response, counsel for Caesars explained that the Seibel-Affiliated Entities' relationship with Mr. Seibel was still unacceptable given the relationships of the assignees (like Mr. Frederick) to Mr. Seibel:

We note that the proposed assignee [of the agreements] and its Associates have direct or indirect relationships with Rowen Seibel. Based on the Company's experiences with the Nevada Gaming Control Board and other gaming regulatory authorities

1 which regulate the Company and its affiliates (collectively, "Gaming Regulatory  
2 Authorities"), the Company believes that such relationships with Mr. Seibel would  
3 be unacceptable to the Gaming Regulatory Authorities. Further the Company  
4 believes that a commercial relationship with the proposed assignee and its Associates,  
5 because of their relationships with Mr. Seibel, would also be unacceptable to the  
6 Gaming Regulatory Authorities. Lastly, we note that Mr. Seibel failed, through the  
7 applicable entity, to affirmatively update prior disclosures to the Company, which  
8 updated disclosure is required and bears directly on his suitability.

9 Based on the foregoing, the Company reasonably believes the commercial  
10 relationship with the proposed assignee and its Associates would result in a  
11 disciplinary action by one or more of the Gaming Regulatory Authorities, which  
12 could jeopardize the Company's privileged licenses. Therefore, the Company has  
13 determined that the proposed assignee and its Affiliates are Unsuitable Persons.

14 Pursuant to the Letter Agreement, dated May 16, 2014, (i) the Company is not  
15 satisfied, in its sole reasonable discretion, that the proposed assignee and its  
16 Associates are not Unsuitable Persons and (ii) the Compliance Committee has not  
17 approved the proposed assignee and its Associates.

18 **D. Legal Proceedings Involving Caesars and the Defendants.**

19 **(a) *Contested matters involving Caesars Palace, CAC, LLTQ, FERG, and***  
20 ***MOTI.***

21 120. In January 2015, Caesars Entertainment Operating Company, Inc. and a number of  
22 its subsidiaries and affiliates (including Caesars Palace and CAC) filed for bankruptcy protection  
23 under Chapter 11 in the United States Bankruptcy Court, Northern District of Illinois, Eastern  
24 Division. As part of that bankruptcy, Caesars Palace, CAC, FERG, LLTQ, and MOTI are involved  
25 in several contested matters.

26 121. First, Caesars Palace filed a motion to reject the LLTQ and FERG Agreements.  
27 Caesars Palace concluded that the costs of these two agreements outweighed any potential benefits  
28 that Caesars Palace could realize by continuing to perform under the agreements. LLTQ and FERG  
objected to Caesars Palace's motion to reject the LLTQ and FERG Agreements on the grounds that,  
inter alia, (i) the LLTQ and FERG Agreements are integrated with the separate agreements that  
Caesars Palace entered into with Gordon Ramsay, and (ii) Sections 13.22 and 4.1 are enforceable  
restrictive covenants that prevent the rejection of the LLTQ and FERG agreements.

122. Second, LLTQ and FERG filed a motion for the payment of administrative expenses  
relating to payments purportedly owed to LLTQ and FERG for operation of the relevant restaurants  
after Caesars Palace filed for bankruptcy. Caesars Palace objected to this motion on the grounds

1 that LLTQ and FERG have not provided any post-petition benefit to Caesars Palace. Indeed, LLTQ  
2 and FERG did not provide Caesars Palace with any services after Caesars Palace filed for  
3 bankruptcy.

4 123. Third, MOTI filed a motion for the payment of administrative expenses relating to  
5 Caesars Palace's use of MOTI's intellectual property during the wind-down period following the  
6 termination of the MOTI Agreement. Caesars Palace objected to this motion on the grounds that  
7 MOTI is not entitled to an administrative expense where, as here, the MOTI Agreement was  
8 terminated because MOTI was, and is, an "Unsuitable Person."

9 124. In connection with these three motions, the parties have conducted discovery on a  
10 number of issues, including the suitability of LLTQ, FERG, and Mr. Seibel. And, as a defense to  
11 LLTQ and FERG's motion for the payment of administrative defenses, Caesars Palace and CAC  
12 have raised LLTQ and FERG's failure to disclose Mr. Seibel's criminal activities. Caesars Palace  
13 and CAC contend that LLTQ and FERG's failure to do so constitutes fraudulent inducement and  
14 breaches the LLTQ and FERG Agreements.

15 125. The contested matters in the bankruptcy court do not, however, directly implicate  
16 Caesars' decision to terminate its agreements with the Seibel-Affiliated Entities. Instead, counsel  
17 for LLTQ and FERG have stated in filings in the bankruptcy court that they intend to challenge the  
18 propriety of the termination of the relevant agreements but do not believe that issue should be heard  
19 by the bankruptcy court:

- 20 • "[T]he [Debtors'] fraudulent inducement claim, like the issue of whether the  
21 Termination [of the LLTQ and FERG Agreements] was proper in the first instance,  
22 is not presently before [the bankruptcy court] and should be resolved in separate  
23 proceedings (likely in state court or federal district court)."
- 24 • "[LLTQ and FERG] will challenge the propriety of the purported termination  
25 of the [LLTQ and FERG Agreements] in the appropriate venue, likely outside of the  
26 Chapter 11 cases."

27 **(b) *Litigation involving GRB and Planet Hollywood.***

28 126. On January 11, 2017, Mr. Seibel, purportedly derivatively on behalf of GRB, filed  
a complaint in the United States District Court for the District of Nevada naming Planet Hollywood  
as a defendant. Mr. Seibel also filed a motion for a preliminary injunction enjoining

Planet Hollywood from (i) terminating the GRB Agreement or, alternatively, (ii) utilizing GRB's intellectual property and operating a restaurant in the premises for the GR Burgr restaurant. This action was dismissed from the federal court on jurisdictional grounds and Mr. Seibel re-filed a similar complaint and motion for preliminary injunction in the Eighth Judicial District Court in Clark County, Nevada, Case No. A-17-751759 (Hon. Joe Hardy). The state court complaint included counts for (i) breach of contract arising out of the termination of the GRB Agreement; (ii) breach of the implied covenant of good faith and fair dealing relating to the termination of the GRB Agreement on suitability grounds; (iii) unjust enrichment relating to Planet Hollywood's use of GRB's intellectual property; (iv) civil conspiracy relating to the circumstances surrounding the termination of the GRB Agreement; (v) specific performance requiring Planet Hollywood to pay GRB; and (vi) declaratory relief establishing, inter alia, that Planet Hollywood must stop using the GR intellectual property and compensate GR for the period of time it utilized GRB's intellectual property.

127. The Court denied Mr. Seibel's motion for a preliminary injunction on the grounds that Mr. Seibel did not demonstrate irreparable harm, likelihood of success on the merits, balance of hardships, or that public policy weighed in his favor.

128. Planet Hollywood moved to dismiss Mr. Seibel's claims for breach of contract, breach of the implied covenant of good faith and fair dealing, unjust enrichment, civil conspiracy, and declaratory relief. The Court granted in part and denied in part Planet Hollywood's motion. Specifically, the Court granted Planet Hollywood's motion to dismiss Mr. Seibel's breach of contract claim to the extent it was based on Caesars allegedly receiving money that should have been paid to GRB under the GRB Agreement, Caesars' failure to provide GRB with an opportunity to cure its association with any unsuitable persons, and Caesars' efforts to open a rebranded restaurant with Gordon Ramsay. Mr. Seibel subsequently filed an amended complaint, reasserting some of the same causes of action and adding further allegations. On July 21, 2017, Planet Hollywood answered the amended complaint and asserted a counterclaim for fraudulent concealment against Mr. Seibel individually.

1                   **IN THE SUPREME COURT OF THE STATE OF NEVADA**

2   ROWEN           SEIBEL;           LLTQ  
3   ENTERPRISES,        LLC;       LLTQ  
4   ENTERPRISES 16, LLC; FERG, LLC;  
5   FERG 16, LLC; MOTI PARTNERS,  
6   LLC; MOTI PARTNERS 16, LLC; TPOV  
7   ENTERPRISES,        LLC;   TPOV 16  
8   ENTERPRISES,        LLC;       DNT  
9   ACQUISITION,       LLC,       appearing  
10   derivatively by one of its two members, R  
11   Squared Global Solutions, LLC,

12                   Petitioners

13                   vs.

14   CLARK COUNTY DISTRICT COURT,  
15   THE HONORABLE JOSEPH HARDY,  
16   DEPARTMENT 15,

17                   Respondent,

18   DESERT PALACE, INC.; PARIS LAS  
19   VEGAS OPERATING COMPANY,  
20   LLC; PHWLTV, LLC; and BOARDWALK  
21   REGENCY CORPORATION   d/b/a  
22   CAESARS ATLANTIC CITY,

23                   Real Parties in Interest.

Case Number:

Electronic Filed  
Eighth Judicial District  
Case No. A-17-76037-18  
Jun 18 2018 04:29 p.m.  
Dept. 15, Honorable Joseph Hardy  
Elizabeth A. Brown  
Clerk of Supreme Court

**APPENDIX TO PETITION FOR  
WRIT OF MANDAMUS OR  
PROHIBITION**

**VOLUME 1 OF 15**

**(APP. 1 – 249)**

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Honorable Joseph Hardy  
District Court Judge, Dept. 15  
Regional Justice Center  
200 Lewis Ave., Las Vegas, NV 89155  
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/s/ Lisa Heller  
Employee of McNutt Law Firm, P.C.

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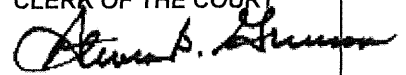
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03.28.18	Defendant Rowen Seibel’s Reply in further support of his Motion to Dismiss Plaintiffs’ Claims	14	App. 3464 - 3470
02.22.18	Defendants TPOV Enterprises and TPOV Enterprises 16’s Motion to Dismiss Plaintiffs’ Claims	3/4	App. 667 - 776
03.28.18	Defendants TPOV Enterprises and TPOV Enterprises 16, LLC Reply Memorandum of Law in further support of Motion to Dismiss or, in the alternative, to Stay	14	App. 3471 – 3481
12.14.17	Findings of Fact and Conclusions of Law	1	App. 201 – 216
12.14.17	Findings of Fact and Conclusions of Law	1	App. 225 – 241
02.22.18	Motion to Dismiss or, in the alternative,	2	App. 254 - 272

<b>Date</b>	<b>Description</b>	<b>Vol.</b>	<b>Page Nos.</b>
	to Stay Claims Asserted Against Defendant DNT Acquisition, LLC		
06.04.18	Notice of Entry of Order Denying, without prejudice, (1) Defendant Rowen Seibel's Motion to Dismiss Plaintiffs' Claims; (2) Defendants TPOV Enterprises and TPOV Enterprises 16's Motion to Dismiss Plaintiffs' Claims; (3) Motion to Dismiss or, in the alternative, to Stay Claims Asserted Against DNT Acquisition, LLC; (4) Amended Motion to Dismiss or, in the alternative, to Stay Claims Asserted Against LLTQ/FERG Defendants; and (5) Amended Motion to Dismiss or, in the alternative, to Stay Claims Asserted Against MOTI Defendants	15	App. 3574 - 3617
09.27.17	Notice of Removal of Counts II and III of Lawsuit Pending in Nevada State Court to Bankruptcy Court	1	App. 120 - 200
09.27.17	Notice of Removal of Lawsuit Pending in Nevada State Court to Bankruptcy Court	1	App. 41 - 119
12.14.17	Order Denying Motion to Transfer	1	App. 217 - 220
12.14.17	Order Granting Motion to Transfer	1	App. 246 - 249
12.14.17	Order Granting Motion to Remand	1	App. 221 - 224
12.14.17	Order Denying Motion to Remand	1	App. 242 - 245
06.01.18	Order Denying, without prejudice, (1) Defendant Rowen Seibel's Motion to Dismiss Plaintiffs' Claims; (2) Defendants TPOV Enterprises and TPOV Enterprises 16's Motion to Dismiss Plaintiffs' Claims; (3) Motion to Dismiss or, in the alternative, to Stay Claims Asserted Against DNT Acquisition, LLC; (4) Amended Motion to Dismiss or, in the alternative,	15	App. 3534 - 3573

<b>Date</b>	<b>Description</b>	<b>Vol.</b>	<b>Page Nos.</b>
	to Stay Claims Asserted Against LLTQ/FERG Defendants; and (5) Amended Motion to Dismiss or, in the alternative, to Stay Claims Asserted Against MOTI Defendants		
03.12.18	Plaintiffs' Combined Opposition to Certain Defendants' Motions to Dismiss	10	App. 2383 - 2405
03.28.18	Reply in support of Amended Motion to Dismiss or, in the alternative, to Stay Claims Asserted Against LLTQ/FERG and MOTI Defendants	14	App. 3303 - 3320
02.09.18	Stipulation and Order to Consolidate Case No. A-17-760537-B with and into Case No. A-751759-B	2	App. 250 - 253
05.01.18	Transcript of Proceedings: Motions to Dismiss	14/15	App. 3482 - 3533





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**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

DESERT PALACE, INC.;  
PARIS LAS VEGAS OPERATING  
COMPANY, LLC; PHWLTV, LLC; and  
BOARDWALK REGENCY  
CORPORATION d/b/a CAESARS  
ATLANTIC CITY;

Plaintiffs,  
vs.

ROWEN SEIBEL; LLTQ  
ENTERPRISES, LLC; LLTQ  
ENTERPRISES 16, LLC; FERG, LLC;  
FERG 16, LLC; MOTI PARTNERS, LLC;  
MOTI PARTNERS 16, LLC; TPOV  
ENTERPRISES, LLC; TPOV  
ENTERPRISES 16, LLC; DNT  
ACQUISITION, LLC; GR BURGR, LLC;  
and J. JEFFREY FREDERICK,

Defendants.

Case No.: A-17-760537-B

Dept. No.: Department 27

**COMPLAINT**

**(Exempt from Arbitration –  
Declaratory Relief Requested)**

Desert Palace Inc. ("Caesars Palace"), Paris Las Vegas Operating Company, LLC ("Paris"),  
PHWLTV, LLC ("Planet Hollywood") and Boardwalk Regency Corporation d/b/a  
Caesars Atlantic City ("CAC," and collectively with Caesars Palace, Paris, and Planet Hollywood,

"Plaintiffs" or "Caesars") bring this Complaint against Rowen Seibel, J. Jeffrey Frederick, LLTQ Enterprises, LLC, LLTQ Enterprises 16, LLC (collectively, with LLTQ Enterprises, LLC, "LLTQ"), FERG, LLC, FERG 16, LLC (collectively, with FERG, LLC, "FERG"), Moti Partners, LLC, Moti Partners 16, LLC (collectively, with Moti Partners, LLC, "MOTI"), TPOV Enterprises, LLC, TPOV Enterprises 16, LLC (collectively, with TPOV Enterprises, LLC, "TPOV"), DNT Acquisition, LLC ("DNT"), and GR Burgr, LLC ("GRB," and collectively with LLTQ, FERG, MOTI, TPOV, and DNT, the "Seibel-Affiliated Entities") seeking declaratory relief as a result of Mr. Seibel's criminal activities and Defendants' failure to disclose those criminal activities to the Plaintiffs.

Caesars alleges as follows:

#### PRELIMINARY STATEMENT

1. Since 2009, Caesars has entered into six agreements with entities owned by, managed by, and/or affiliated with Rowen Seibel relating to the operation of restaurants at Caesars' casinos (the "Seibel Agreements"). Because of the highly-regulated nature of Caesars' business, each of these agreements contained representations, warranties, and conditions to ensure that Caesars was not entering into a business relationship that would jeopardize its good standing with gaming regulators. To further ensure that Caesars was not doing business with an "Unsuitable Person," Caesars also requested and received "Business Information Forms" from Mr. Seibel at the outset of the MOTI and DNT business relationships in which he represented that he had not been a party to a felony in the last ten years and there was nothing "that would prevent him from being licensed by a gaming authority." Although the agreements required Mr. Seibel and the Seibel-Affiliated Entities to update those disclosures to the extent they subsequently became inaccurate, neither Mr. Seibel nor the Seibel-Affiliates Entities ever did so.

2. Unbeknownst to Caesars, when the parties entered into each of the agreements, Mr. Seibel was engaged in criminal conduct that rendered him "Unsuitable" under the terms of each agreement. In 2004, Mr. Seibel began using foreign bank accounts to defraud the IRS. In 2009, when Mr. Seibel was assuring Caesars that he had not been a party to a felony and there was nothing

1 "that would prevent him from being licensed by a gaming authority," he was submitting false  
2 documentation to the IRS regarding his use of foreign bank accounts.

3 3. In April 2016, Mr. Seibel was charged with defrauding the IRS. Rather than contest  
4 the charges against him, Mr. Seibel pleaded guilty to one count of a corrupt endeavor to obstruct  
5 and impede the due administration of the Internal Revenue Laws, 26 U.S.C. § 7212, a Class E  
6 Felony, and subsequently served time in a federal penitentiary for his crime.

7 4. Mr. Seibel, however, never informed Caesars that he was engaged in criminal  
8 activities. Nor did he disclose to Caesars that he had lied to the United States government, was  
9 under investigation by the United States government, or that he had pleaded guilty to a felony.

10 5. Instead, Caesars only learned about Mr. Seibel's felony conviction from press reports  
11 four months after he pleaded guilty. Upon learning of Mr. Seibel's felony conviction, Caesars  
12 exercised its contractual right to terminate its agreements with the Seibel-Affiliated Entities.  
13 Indeed, the parties to the Seibel Agreements expressly agreed that Caesars in its "sole and exclusive  
14 judgment" could terminate the agreements if it determined that Mr. Seibel and/or the  
15 Seibel-Affiliated Entities were "Unsuitable Persons" as defined in the agreements. The parties  
16 likewise expressly agreed that Caesars' decision to terminate the agreements would "not be subject  
17 to dispute by [the Seibel-Affiliated Entities]." Caesars determined that Mr. Seibel's conduct and  
18 felony conviction rendered him an "Unsuitable Person" as defined in the agreements. Therefore,  
19 Caesars exercised its "sole and exclusive judgment" and terminated the Seibel Agreements on or  
20 around September 2, 2016.

21 6. Nevertheless, Defendants are now claiming that Caesars wrongfully terminated  
22 those agreements and either have initiated or indicated that they intend to initiate legal proceedings  
23 relating to the termination of the agreements. Because there is an actual dispute among the parties,  
24 Caesars brings this action for a declaratory judgment confirming that it was proper, in its sole and  
25 exclusive judgment, to terminate each of the agreements with the Seibel-Affiliated Entities.

26 7. In addition, Caesars seeks a declaratory judgment that it has no current or future  
27 obligations to Defendants. Certain defendants are seeking monetary relief from Caesars in three  
28 different courts across the country related to the Seibel Agreements and have threatened to attempt

1 to force Caesars to include Mr. Seibel in other restaurant opportunities. Simply put, Caesars is not  
2 required under the Seibel Agreements or otherwise to do business with a convicted felon. Indeed,  
3 Mr. Seibel and the Seibel-Affiliated Entities concealed material facts from Caesars that they had a  
4 duty to disclose regarding Mr. Seibel's wrongdoings. Mr. Seibel concealed these wrongdoings from  
5 Caesars to avoid the termination of the Seibel Agreements. Had Caesars been aware of Mr. Seibel's  
6 wrongdoings when the relationship first began, it would not have entered into the Seibel  
7 Agreements. And, if Mr. Seibel had properly disclosed his wrongdoings, Caesars would not have  
8 continued doing business with Mr. Seibel and would have terminated its relationship with  
9 Mr. Seibel and his companies. Because Mr. Seibel and the Seibel-Affiliated Entities fraudulently  
10 induced Caesars to enter into the Seibel Agreements and breached the Seibel Agreements by failing  
11 to disclose material facts regarding Mr. Seibel's wrongdoings, Caesars owes no current or future  
12 obligations to Defendants.

13 8. Caesars therefore brings this action to obtain declarations that it properly terminated  
14 its agreements with the Seibel-Affiliated Entities and does not owe any current or future obligations  
15 to Defendants.

#### 16 **PARTIES, JURISDICTION, AND VENUE**

17 9. Plaintiff Desert Palace, Inc. is a Nevada corporation that operates the Caesars Palace  
18 casino. Desert Palace Inc.'s principal place of business is 3570 Las Vegas Boulevard South,  
19 Las Vegas, Nevada 89109.

20 10. Plaintiff Paris Las Vegas Operating Co., LLC is a Nevada limited liability company  
21 that operates the Paris Las Vegas Hotel and Casino. Paris Las Vegas Operating Co., LLC's principal  
22 place of business is 3655 Las Vegas Boulevard South, Las Vegas, Nevada 89109.

23 11. Plaintiff PHWLTV, LLC is a Nevada limited liability company that operates the  
24 Planet Hollywood Las Vegas Resort and Casino. PHWLTV, LLC's principal place of business is  
25 3667 Las Vegas Boulevard South, Las Vegas, Nevada 89109.

26 12. Plaintiff Boardwalk Regency Corporation d/b/a Caesars Atlantic City LLC is a  
27 Delaware limited liability company that operates the Caesars Atlantic City Hotel and Casino.  
28

1 Caesars Atlantic City's principal place of business is 2100 Pacific Avenue, Atlantic City,  
2 New Jersey 08401.

3 13. Defendant Rowen Seibel currently resides at 200 Central Park South, Unit 19E,  
4 New York, New York 10019. Mr. Seibel regularly travels to and conducts business in Nevada, and  
5 owns real estate in Nevada. Mr. Seibel also filed a lawsuit in the district court of Clark County,  
6 Nevada, purportedly derivatively on behalf of GRB, that relates to certain of the issues set forth in  
7 this Complaint and remains pending. Case No. A-17-751759-B.

8 14. Defendant Moti Partners, LLC is a New York limited liability company located at  
9 200 Central Park South, New York, New York 10019. In March 2009, Caesars Palace and  
10 MOTI Partners, LLC entered into a Development, Operation, and License Agreement  
11 (the "MOTI Agreement"). The MOTI Agreement relates to the design, development, construction,  
12 and operation of the Serendipity restaurant in Las Vegas. The negotiations of the MOTI Agreement  
13 occurred primarily in Nevada. The MOTI Agreement also was signed by the parties in Nevada,  
14 and Mr. Seibel signed the MOTI Agreement on behalf of MOTI. The MOTI Agreement further  
15 provided that "[t]he laws of the State of Nevada applicable to agreements made in that State shall  
16 govern the validity, construction, performance and effect of [the MOTI Agreement]." The  
17 MOTI Agreement likewise required (i) MOTI to provide "Development Services" during meetings  
18 that "shall take place primarily in Las Vegas;" (ii) MOTI to provide "Menu Development Services"  
19 during meetings that "shall take place primarily in Las Vegas;" and (iii) Mr. Seibel to provide  
20 "Marketing Consulting Services" during meetings that "shall take place primarily in Las Vegas."

21 15. Defendant Moti Partners 16, LLC is a Delaware limited liability company. In  
22 April 2016, Mr. Seibel informed Caesars Palace that the MOTI Agreement would purportedly be  
23 assigned to Moti Partners 16, LLC. Caesars Palace disputes the propriety of this assignment.

24 16. Defendant DNT Acquisition, LLC is a Delaware limited liability company located  
25 at 200 Central Park South, 19th Floor, New York, New York 10019. In June 2011, Caesars Palace  
26 and DNT entered into a Development, Operation, and License Agreement among  
27 DNT Acquisition, LLC, The Original Homestead Restaurant, Inc., and Desert Palace, Inc.  
28 ("DNT Agreement"). The DNT Agreement relates to the design, development, construction, and

1 operation of an Old Homestead restaurant in Las Vegas. The negotiations of the DNT Agreement  
2 occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the  
3 DNT Agreement on behalf of DNT. The DNT Agreement also provided that "[t]he laws of the  
4 State of Nevada applicable to agreements made in that State shall govern the validity, construction,  
5 performance, and effect of this Agreement." The DNT Agreement further required (i) DNT to  
6 provide "Restaurant Development Services" that "shall take place in Las Vegas;" (ii) Mr. Seibel to  
7 visit the restaurant one time each quarter for two consecutive nights; and (iii) Mr. Seibel to  
8 participate in marketing consultations and meetings that "shall take place in Las Vegas."

9 17. Defendant TPOV Enterprises, LLC is a New York limited liability company located  
10 at 200 Central Park South, New York, NY 10019. In November 2011, Paris and TPOV entered  
11 into a Development and Operation Agreement between TPOV Enterprises, LLC and  
12 Paris Las Vegas Operating Company, LLC ("TPOV Agreement"). The TPOV Agreement relates  
13 to the design, development, construction, and operation of the Gordon Ramsay Steak restaurant in  
14 Las Vegas. The negotiations of the TPOV Agreement occurred in Nevada and the agreement was  
15 signed by the parties in Nevada. Mr. Seibel signed the TPOV Agreement on behalf of TPOV. The  
16 TPOV Agreement also provided that "[t]he laws of the State of Nevada applicable to agreements  
17 made in that State shall govern the validity, construction, performance and effect of this  
18 Agreement." The TPOV Agreement further required (i) TPOV to provide "Restaurant  
19 Development Services" during meetings that "shall take place in Las Vegas, Nevada;"  
20 (ii) Mr. Seibel to visit and attend the restaurant one time each quarter for five consecutive nights;  
21 and (iii) Mr. Seibel to provide operational consulting and advice and attend meetings "with respect  
22 to same [that] shall take place in Las Vegas, Nevada."

23 18. Defendant TPOV Enterprises 16, LLC is a Delaware limited liability company. In  
24 April 2016, Mr. Seibel informed Paris that the TPOV Agreement would purportedly be assigned to  
25 TPOV Enterprises 16, LLC. Paris disputes the propriety of this assignment.

26 19. Defendant LLTQ Enterprises, LLC is a Delaware limited liability company located  
27 at 200 Central Park South, New York, New York 10019. In April 2012, Caesars Palace and LLTQ  
28 entered into a Development and Operation Agreement between LLTQ Enterprises, LLC and

Desert Palace, Inc. ("LLTQ Agreement"). The LLTQ Agreement relates to the design, development, construction, and operation of the Gordon Ramsay Pub restaurant in Las Vegas. The negotiations of the LLTQ Agreement primarily occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the LLTQ Agreement on behalf of LLTQ. The LLTQ Agreement also provided that "[t]he laws of the State of Nevada applicable to agreements made in that State shall govern the validity, construction, performance and effect of this Agreement." The LLTQ Agreement further required (i) LLTQ to provide "Restaurant Development Services" during meetings that "shall take place in Las Vegas, Nevada;" (ii) Mr. Seibel to visit and attend the restaurant one time each quarter for five consecutive nights; and (iii) Mr. Seibel to provide operational consulting and advice and "meetings with respect to same [that] shall take place in Las Vegas, Nevada."

20. Defendant LLTQ Enterprises 16, LLC is a Delaware limited liability company. In April 2016, Mr. Seibel informed Caesars Palace that the LLTQ Agreement would purportedly be assigned to LLTQ Enterprises 16, LLC. Caesars Palace disputes the propriety of this assignment.

21. Defendant GR Burgr, LLC is a Delaware limited liability company located at 200 Central Park South, 19th Floor, New York, New York 10019. In December 2012, Planet Hollywood and GRB entered into a Development, Operation and License Agreement Among Gordon Ramsay, GR Burgr, LLC and PHW Manager, LLC on behalf of PHW Las Vegas, LLC DBA Planet Hollywood ("GRB Agreement"). The GRB Agreement relates to the design, development, construction, and operation of the BURGR Gordon Ramsay restaurant in Las Vegas. The negotiations of the GRB Agreement primarily occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the GRB Agreement on behalf of GRB. The GRB Agreement also provided that "[t]he laws of the State of Nevada applicable to agreements made in that State shall govern the validity, construction, performance and effect of this Agreement." The GRB Agreement further required GRB to provide "Restaurant Development Services," and meetings with respect to same, that "shall take place in Las Vegas, Nevada." Caesars is naming GRB as a defendant to the extent of Mr. Seibel's involvement with that entity.



22. Defendant FERG, LLC is a Delaware limited liability company located at 200 Central Park South, New York, New York 10019. In May 2014, CAC and FERG entered into a Consulting Agreement between FERG, LLC and Boardwalk Regency Corporation DBA Caesars Atlantic City ("FERG Agreement"). The FERG Agreement relates to the design, development, construction, and operation of the Gordon Ramsay Pub and Grill restaurant. The negotiations of the FERG Agreement primarily occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the FERG Agreement on behalf of FERG.

23. Defendant FERG 16, LLC is a Delaware limited liability company. In April 2016, Mr. Seibel informed CAC that the FERG Agreement would purportedly be assigned to FERG 16, LLC. CAC disputes the propriety of this assignment.

24. Defendant J. Jeffrey Frederick resides at 31 Grand Masters Drive, Las Vegas, Nevada 89141. Mr. Seibel purportedly assigned his duties and obligations under the LLTQ, FERG, TPOV, and MOTI Agreements to Mr. Frederick. Mr. Frederick considers Mr. Seibel to be his best friend. Caesars disputes the propriety of this assignment and contends that Mr. Seibel did not properly delegate his duties and obligations to Mr. Frederick and instead attempted to effectuate this assignment to circumvent the suitability provisions in the LLTQ, FERG, TPOV, and MOTI Agreements.

25. Clark County, Nevada is a proper venue because the agreements, acts, events, occurrences, decisions, transactions, and/or omissions giving rise to this lawsuit occurred or were performed in Clark County, Nevada.

## STATEMENT OF FACTS

### A. The Business Relationship Between Caesars and Mr. Seibel.

#### (a) *The MOTI Agreement.*

26. Caesars' relationship with Mr. Seibel began in 2009 when the parties commenced negotiations for an agreement relating to the Serendipity 3 restaurant in Las Vegas. At the time, Mr. Seibel was a restaurateur responsible for the Serendipity restaurant in New York City and was looking to partner with Caesars on a similar concept at its Caesars Palace casino.

1           27.     Caesars holds gaming licenses and therefore is subject to rigorous regulation.  
2 Nevada requires its licensees to police themselves and their affiliates to ensure unwavering  
3 compliance with gaming regulations. As part of its compliance program, Caesars conducts  
4 suitability investigations of potential vendors that meet certain criteria as outlined in its compliance  
5 program, and requires various disclosures by vendors meeting such criteria to ensure that the entities  
6 with which it does business are suitable. Thus, in connection with the initial discussions between  
7 the parties, Caesars required Mr. Seibel to complete a "Business Information Form." On that form,  
8 Mr. Seibel represented that he had not been a party to a felony in the last ten years and there was  
9 nothing "that would prevent [him] from being licensed by a gaming authority." In reliance on those  
10 representations (among other things), Caesars Palace and MOTI entered into the MOTI Agreement.

11           28.     The MOTI Agreement also contained a number of representations relating to the  
12 conduct of the parties and their disclosure obligations.

13           29.     As far as conduct, MOTI represented that "it shall conduct all of its obligations  
14 hereunder in accordance with the highest standards of honesty, integrity, quality and courtesy so as  
15 to maintain and enhance the reputation and goodwill of Caesars, the Marks, the Hotel Casino, and  
16 the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the  
17 operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant."

18           30.     With respect to disclosure, MOTI agreed that it would "provide to Caesars written  
19 disclosure regarding MOTI and all of their respective key employees, agents, representatives,  
20 management personnel, lenders, or any financial participants (collectively, the "Associated  
21 Parties") . . . ." And, "[t]o the extent that any prior disclosure becomes inaccurate, MOTI shall,  
22 within five (5) calendar days from that event, update the prior disclosure without Caesars making  
23 any further request."

24           31.     The prior written disclosures referenced in the MOTI Agreement included and were  
25 intended to include the information that Mr. Seibel provided in the MOTI Business Information  
26 Form. Accordingly, MOTI was obligated to update the Business Information Form in accordance  
27 with the provisions in the MOTI Agreement.  
28

1           32. The MOTI Agreement provided Caesars with the ability to terminate the  
2 MOTI Agreement in its discretion if it determined that (i) MOTI was not complying with its  
3 disclosure obligations or (ii) MOTI or an Associated Party was engaged in any activity or  
4 relationship that jeopardized the privileged licenses held by Caesars. Specifically, the MOTI  
5 Agreement stated:

6           If MOTI fails to satisfy or fails to cause the Associated Parties to satisfy [the  
7 disclosure] requirement, if Caesars or any of Caesars' affiliates are directed to cease  
8 business with MOTI or any Associated Party by the Gaming Authorities, or if Caesars  
9 shall determine, in Caesars' sole and exclusive judgment, that MOTI or any  
10 Associated Party is or may engage in any activity or relationship that could or does  
11 jeopardize any of the privileged licenses held by Caesars or any Caesars' Affiliate,  
12 then (a) MOTI shall terminate any relationship with the Associated Party who is the  
13 source of such issue, (b) MOTI shall cease the activity or relationship creating the  
14 issue to Caesars' satisfaction, in Caesars' sole judgment, or (c) if such activity or  
15 relationship is not subject to cure as set forth in the foregoing clauses (a) and (b), as  
16 determined by Caesars in its sole discretion, Caesars shall, without prejudice to any  
17 other rights or remedies of Caesars including at law or in equity, terminate this  
18 Agreement and its relationship with MOTI. In the event MOTI does not comply with  
19 any of the foregoing, such noncompliance may be deemed, in Caesars' sole discretion,  
20 as a default hereunder. MOTI further acknowledges that Caesars shall have the  
21 absolute right, without any obligation [to initiate arbitration], to terminate this  
22 Agreement in the event any Gaming Authority require Caesars to do so.

23           33. Finally, MOTI represented that, "[a]s of the Effective date [of the agreement], no  
24 representation or warranty made herein by [MOTI] contains any untrue statement of a material fact,  
25 or omits to state a material fact necessary to make such statements not misleading."

26           34. Significantly, the disclosure obligations under the MOTI Agreement were not  
27 limited to the corporate entity MOTI. Instead, MOTI's obligations—both with respect to conduct  
28 and disclosure—applied to "Associated Parties" of MOTI, which included all of MOTI's key  
employees, agents, representatives, and financial participants. As the member-manager of MOTI  
and the individual who signed the MOTI Agreement, Mr. Seibel was an "Associated Party" of  
MOTI. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest standards  
of honesty, integrity, quality, and courtesy. And MOTI had an ongoing obligation to disclose any  
information regarding Mr. Seibel that jeopardized any of the privileged licenses held by Caesars.

          35. The initial disclosures that MOTI and Mr. Seibel provided were false when made.  
And, despite the obligations set out in the MOTI Agreement, neither Mr. Seibel nor MOTI ever  
provided Caesars with an updated Business Information Form or any other supplemental disclosure.

1 Nor did they otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his  
2 investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

3 36. Over the next five years, Caesars and Mr. Seibel entered into five more agreements  
4 with entities owned and managed by Mr. Seibel. With respect to each of these agreements, Caesars  
5 relied upon the MOTI Business Information Form and the ongoing obligations of MOTI and  
6 Mr. Seibel to update that disclosure when and if necessary.

7 (b) *The DNT Agreement.*

8 37. Like the MOTI Agreement, the DNT Agreement related to Caesars' efforts to  
9 introduce a New York City restaurant—Old Homestead—at its Caesars Palace property. Unlike  
10 the MOTI Agreement, however, the DNT Agreement involved a third-party unrelated to Mr. Seibel  
11 (The Original Homestead Restaurant, Inc.; collectively, with DNT, the "DNT Parties"). As part of  
12 the DNT Agreement, the Old Homestead Restaurant, Inc. licensed its intellectual property to  
13 Caesars Palace (the "Old Homestead Marks").

14 38. In connection with the discussions between DNT and Caesars Palace, Caesars  
15 required Mr. Seibel to complete another "Business Information Form" in 2011. On that form,  
16 Mr. Seibel represented that he had not been a party to a felony in the last ten years and there was  
17 nothing "that would prevent [him] from being licensed by a gaming authority." In reliance on those  
18 representations (among other things), Caesars Palace and DNT entered into the DNT Agreement.

19 39. The DNT Agreement contained a number of representations relating to the conduct  
20 of the parties and their disclosure obligations.

21 40. First, the DNT Parties represented in the DNT Agreement that "they shall, and they  
22 shall cause their Affiliates to, conduct themselves in accordance with the highest standards of  
23 honesty, integrity, quality and courtesy so as to maintain and enhance the reputation and goodwill  
24 of Caesars, the Old Homestead Marks, the Old Homestead Materials, the Old Homestead System,  
25 the Caesars Palace and the Restaurant and at all times in keeping with and not inconsistent with or  
26 detrimental to the operation of an exclusive, first-class resort hotel and casino and an exclusive,  
27 first-class restaurant." The DNT Parties further agreed that they would "use commercially  
28 reasonable efforts to continuously monitor the performance of each of its and its Affiliates'

1 respective agents, employees, servants, contractors and licensees and shall ensure the foregoing  
2 standards are consistently maintained by all of them." Finally, the DNT Agreement provided that  
3 "[a]ny failure by the DNT Parties, their affiliates or any of their respective agents, employees,  
4 servants, contractors or licensees to maintain the standards described [above] shall, in addition to  
5 any other rights or remedies Caesars may have, give Caesars the right to terminate [the DNT  
6 Agreement] in its sole and absolute discretion."

7 41. Second, the DNT Parties agreed that they would "provide to Caesars written  
8 disclosure regarding the DNT Associates . . .," which included Mr. Seibel. And, "[t]o the extent  
9 that any prior disclosure becomes inaccurate, the DNT Parties shall, within ten (10) calendar days  
10 from the event, update the prior disclosure without Caesars making any further request."

11 42. The DNT Agreement provided Caesars with the ability to terminate the DNT  
12 Agreement in its discretion if it determined that (i) DNT was not complying with its disclosure  
13 obligations, or (ii) DNT or an Associated Party was an "Unsuitable Person." Specifically, the DNT  
14 Agreement provided:

15 If any DNT Associate fails to satisfy or [sic] such requirement, if Caesars or any of  
16 Caesars' affiliates are directed to cease business with any DNT Associate by any  
17 Gaming Authority, or if Caesars shall determine, in Caesars' sole and exclusive  
18 judgment, that any DNT Associate is an Unsuitable Person, whether as a result of  
19 DNT Change of Control or otherwise, then, immediately following notice by Caesars  
20 to DNT, (a) the DNT Parties shall terminate any relationship with the Person who is  
21 the source of such issue, (b) the DNT Parties shall cease the activity or relationship  
22 creating the issue to Caesars' satisfaction, in Caesars' sole judgment, or (c) if such  
23 activity or relationship is not subject to cure as set forth in the foregoing clauses (a)  
24 and (b), as determined by Caesars in its sole discretion, Caesars shall, without  
25 prejudice to any other rights or remedies of Caesars including at law or in equity,  
26 have the right to terminate this Agreement and its relationship with the DNT Parties.  
27 The DNT Parties further acknowledges [sic] that Caesars shall have the absolute right  
28 to terminate this Agreement in the event any Gaming Authority requires Caesars or  
one of its Affiliates to do so. Any termination by Caesars pursuant to this [section]  
shall not be subject to dispute by the DNT Parties and shall not be the subject of any  
[arbitration proceeding].

43. Under the DNT Agreement, an "Unsuitable Person" was defined as follows:

Any Person (a) whose association with Caesars could be anticipated to result in a  
disciplinary action relating to, or the loss of, inability to reinstate or failure to obtain,  
any registration, application or license or any other rights or entitlements held or  
required to be held by Caesars or any of its Affiliates under any United States, state,  
local or foreign laws, rules or regulations relating to gaming or the sale of alcohol,  
(b) whose association or relationship with Caesars or its Affiliates could be  
anticipated to violate any United States, state, local or foreign laws, rules or

1 regulations relating to gaming or the sale of alcohol to which Caesars or its Affiliates  
2 are subject, (c) who is or might be engaged or about to be engaged in any activity  
3 which could adversely impact the business or reputation of Caesars or its Affiliates,  
4 or (d) who is required to be licensed, registered, qualified or found suitable under any  
5 United States, state, local, or foreign laws, rules or regulations relating to gaming or  
6 the sale of alcohol under which Caesars or any of its Affiliates is licensed, registered,  
7 qualified or found suitable, and such Person is not or does not remain so licensed,  
8 registered, qualified or found suitable.

9 44. Finally, DNT represented that, "[a]s of the Effective date [of the agreement], no  
10 representation or warranty made herein by [DNT] contains any untrue statement of a material fact,  
11 or omits to state a material fact necessary to make such statements not misleading."

12 45. As with the MOTI Agreement, the disclosure obligations under the DNT Agreement  
13 were not limited to the corporate entity DNT. Instead, DNT's obligations—both with respect to  
14 conduct and disclosure—applied to "DNT Associates," which included persons controlling DNT.  
15 Mr. Seibel, as the member-manager of DNT and the individual who signed the DNT Agreement,  
16 was a "DNT Associate." Thus, Mr. Seibel had an ongoing obligation to conduct himself with the  
17 highest standards of honesty, integrity, quality, and courtesy. And DNT had an ongoing obligation  
18 to disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

19 46. The initial disclosures that DNT and Mr. Seibel provided were false when made.  
20 And, despite the obligations set out in the DNT Agreement, neither Mr. Seibel nor DNT ever  
21 provided Caesars with an updated Business Information Form or any other supplemental disclosure.  
22 Nor did they otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his  
23 investigation by the IRS, his guilty plea, his conviction, or his incarceration.

24 (c) *The TPOV Agreement.*

25 47. The TPOV Agreement related to Paris' plans to partner with celebrity chef Gordon  
26 Ramsay to design and develop a restaurant in the Paris casino known as "Gordon Ramsay Steak."  
27 The TPOV Agreement set forth the obligations of TPOV and Mr. Seibel to assist with the design,  
28 development, construction, and operation of Gordon Ramsay Steak.

48. The TPOV Agreement contained a number of representations relating to the conduct  
of the parties and their disclosure obligations.

1           49. First, TPOV represented that "it shall and it shall cause its Affiliates to conduct  
2 themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so  
3 as to maintain and enhance the reputation and goodwill of Paris, the Paris Las Vegas and the  
4 Restaurant and at all times in keeping with and not inconsistent with or detrimental to the operation  
5 of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant." TPOV  
6 further agreed that it would "use commercially reasonable efforts to continuously monitor the  
7 performance of each of its and its Affiliates' respective agents, employees, servants, contractors and  
8 licensees and shall ensure the foregoing standards are consistently maintained by all of them."

9           50. Second, TPOV agreed that it would "provide to Paris written disclosure regarding  
10 the TPOV Associates . . .," which included Mr. Seibel. And, "[t]o the extent that any prior  
11 disclosure becomes inaccurate, TPOV shall, within ten (10) calendar days from the event, update  
12 the prior disclosure without Paris making any further request."

13           51. The TPOV Agreement provided Paris with the ability to terminate the TPOV  
14 Agreement in its discretion if it determined that (i) TPOV was not complying with its disclosure  
15 obligations, or (ii) TPOV or an Associated Party was an "Unsuitable Person." Specifically, the  
16 TPOV Agreement provided:

17           If any TPOV Associate fails to satisfy or [sic] such requirement, if Paris or any of  
18 Paris' Affiliates are directed to cease business with any TPOV Associate by any  
19 Gaming Authority, or if Paris shall determine, in Paris' sole and exclusive judgment,  
20 that any TPOV Associate is an Unsuitable Person, whether as a result of a TPOV  
21 Change of Control or otherwise, then (a) TPOV shall terminate any relationship with  
22 the Person who is the source of such issue, (b) TPOV shall cease the activity or  
23 relationship creating the issue to Paris' satisfaction, in Paris' sole judgment, or (c) if  
24 such activity or relationship is not subject to cure as set forth in the foregoing clauses  
25 (a) and (b), as determined by Paris in its sole discretion, Paris shall, without prejudice  
26 to any other rights or remedies of Paris including at law or in equity, have the right  
27 to terminate this Agreement and its relationship with TPOV. TPOV further  
28 acknowledges that Paris shall have the right to terminate this Agreement in the event  
any Gaming Authority requires Paris or one of its Affiliates to do so. Any termination  
by Paris pursuant to this [section] shall not be subject to dispute by TPOV and shall  
not be the subject of any proceeding [in arbitration].

52. Under the TPOV Agreement, an "Unsuitable Person" was defined as follows:

Any Person (a) whose association with Paris or its Affiliates could be anticipated to  
result in a disciplinary action relating to, or the loss of, inability to reinstate or failure  
to obtain, any registration, application or license or any other rights or entitlements  
held or required to be held by Paris or any of its Affiliates under any United States,  
state, local or foreign laws, rules or regulations relating to gaming or the sale of



1 alcohol, (b) whose association or relationship with Paris or its Affiliates could be  
2 anticipated to violate any United States, state, local or foreign laws, rules or  
3 regulations relating to gaming or the sale of alcohol to which Paris or its Affiliates  
4 are subject, (c) who is or might be engaged or about to be engaged in any activity  
5 which could adversely impact the business or reputation of Paris or its Affiliates, or  
6 (d) who is required to be licensed, registered, qualified or found suitable under any  
United States, state, local, or foreign laws, rules or regulations relating to gaming or  
the sale of alcohol under which Paris or any of its Affiliates is licensed, registered,  
qualified or found suitable, and such Person is not or does not remain so licensed,  
registered, qualified or found suitable.

7 53. Finally, TPOV represented that, "[a]s of the Effective date [of the agreement], no  
8 representation or warranty made herein by [TPOV] contains any untrue statement of a material fact,  
9 or omits to state a material fact necessary to make such statements not misleading."

10 54. The disclosure and conduct obligations under the TPOV Agreement were not limited  
11 to the corporate entity TPOV. Instead, TPOV's obligations—both with respect to conduct and  
12 disclosure—included TPOV's "Associates" and "Affiliates." TPOV's Affiliates included persons  
13 controlling TPOV. The TPOV Agreement specifically stated that "with respect to TPOV, the term  
14 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." TPOV's Associates  
15 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
16 TPOV and the individual who signed the TPOV Agreement, was both a TPOV Affiliate and TPOV  
17 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
18 standards of honesty, integrity, quality, and courtesy. And TPOV had an ongoing obligation to  
19 disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

20 55. Because Mr. Seibel was specifically included as a TPOV Associate, Paris relied  
21 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
22 not been a party to a felony in the past ten years and there was nothing in his past that would prevent  
23 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
24 Information Forms constituted prior written disclosures referenced in the TPOV Agreement that  
25 needed to be updated to the extent they were no longer accurate.

26 56. The initial disclosures that TPOV provided were false when made. And, despite the  
27 obligations set out in the TPOV Agreement, neither Mr. Seibel nor TPOV ever provided Caesars  
28 with an updated Business Information Form or any other supplemental disclosure. Nor did TPOV

1 otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation  
2 by the IRS, his guilty plea, his felony conviction, or his incarceration.

3 (d) *The LLTQ Agreement.*

4 57. The LLTQ Agreement related to Caesars Palace's plans to partner with celebrity chef  
5 Gordon Ramsay to license intellectual property that would be used in connection with a restaurant  
6 in the Caesars Palace casino known as the Gordon Ramsay Pub. The LLTQ Agreement set forth  
7 the obligations of LLTQ and Mr. Seibel to assist with the design, development, construction, and  
8 operation of the Gordon Ramsay Pub.

9 58. The LLTQ Agreement contained a number of representations relating to the conduct  
10 of the parties and their disclosure obligations.

11 59. First, LLTQ represented that "it shall and it shall cause its Affiliates to conduct  
12 themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so  
13 as to maintain and enhance the reputation and goodwill of Caesars, the Caesars Palace Las Vegas  
14 and the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the  
15 operation of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant."  
16 LLTQ further agreed that it would "use commercially reasonable efforts to continuously monitor  
17 the performance of each of its and its Affiliates' respective agents, employees, servants, contractors  
18 and licensees and shall ensure the foregoing standards are consistently maintained by all of them."

19 60. Second, LLTQ agreed that it would "provide to Caesars written disclosure regarding  
20 the LLTQ Associates . . .," which included Mr. Seibel. And, "[t]o the extent that any prior  
21 disclosure becomes inaccurate, LLTQ shall, within ten (10) calendar days from the event, update  
22 the prior disclosure without Caesars making any further request."

23 61. The LLTQ Agreement provided Caesars Palace with the ability to terminate the  
24 LLTQ Agreement in its discretion if it determined that (i) LLTQ was not complying with its  
25 disclosure obligations or (ii) LLTQ or an Associated Party was an "Unsuitable Person."  
26 Specifically, the LLTQ Agreement provided:

27 If any LLTQ Associate fails to satisfy or [sic] such requirement, if Caesars or any of  
28 Caesars' Affiliates are directed to cease business with any LLTQ Associate by any  
Gaming Authority, or if Caesars shall determine, in Caesars' sole and exclusive

1 judgment, that any LLTQ Associate is an Unsuitable Person, whether as a result of a  
2 LLTQ Change of Control or otherwise, then (a) LLTQ shall terminate any  
3 relationship with the Person who is the source of such issue, (b) LLTQ shall cease  
4 the activity or relationship creating the issue to Caesars' satisfaction, in Caesars' sole  
5 judgment, or (c) if such activity or relationship is not subject to cure as set forth in  
6 the foregoing clauses (a) and (b), as determined by Caesars in its sole discretion,  
7 Caesars shall, without prejudice to any other rights or remedies of Caesars including  
8 at law or in equity, have the right to terminate this Agreement and its relationship  
9 with LLTQ. LLTQ further acknowledges that Caesars shall have the right to  
10 terminate this Agreement in the event any Gaming Authority requires Caesars or one  
11 of its Affiliates to do so. Any termination by Caesars pursuant to this [section] shall  
12 not be subject to dispute by LLTQ and shall not be the subject of any proceeding [in  
13 arbitration].

14 62. Under the LLTQ Agreement, an "Unsuitable Person" was defined as follows:

15 Any Person (a) whose association with Caesars or its Affiliates could be anticipated  
16 to result in a disciplinary action relating to, or the loss of, inability to reinstate or  
17 failure to obtain, any registration, application or license or any other rights or  
18 entitlements held or required to be held by Caesars or any of its Affiliates under any  
19 United States, state, local or foreign laws, rules or regulations relating to gaming or  
20 the sale of alcohol, (b) whose association or relationship with Caesars or its Affiliates  
21 could be anticipated to violate any United States, state, local or foreign laws, rules or  
22 regulations relating to gaming or the sale of alcohol to which Caesars or its Affiliates  
23 are subject, (c) who is or might be engaged or about to be engaged in any activity  
24 which could adversely impact the business or reputation of Caesars or its Affiliates,  
25 or (d) who is required to be licensed, registered, qualified or found suitable under any  
26 United States, state, local, or foreign laws, rules or regulations relating to gaming or  
27 the sale of alcohol under which Caesars or any of its Affiliates is licensed, registered,  
28 qualified or found suitable, and such Person is not or does not remain so licensed,  
registered, qualified or found suitable.

17 63. Finally, LLTQ represented that, "[a]s of the Effective date [of the agreement], no  
18 representation or warranty made herein by [LLTQ] contains any untrue statement of a material fact,  
19 or omits to state a material fact necessary to make such statements not misleading."

20 64. The disclosure and conduct obligations under the LLTQ Agreement were not limited  
21 to the corporate entity LLTQ. Instead, LLTQ's obligations—both with respect to conduct and  
22 disclosure—included LLTQ's "Associates" and "Affiliates." LLTQ's Affiliates included persons  
23 controlling LLTQ. The LLTQ Agreement specifically stated that "with respect to LLTQ, the term  
24 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." LLTQ's Associates  
25 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
26 LLTQ and the individual who signed the LLTQ Agreement, was both an LLTQ Affiliate and  
27 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
28

standards of honesty, integrity, quality, and courtesy. And LLTQ had an ongoing obligation to disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

65. Because Mr. Seibel was specifically included as an LLTQ Associate, Caesars relied upon his previous representations in the MOTI and DNT Business Information Forms that he had not been a party to a felony in the past ten years and there was nothing in his past that would prevent him from being licensed by a gaming authority. Thus, the disclosures contained in the Business Information Forms constituted the prior written disclosures referenced in the LLTQ Agreement.

66. The initial disclosures that LLTQ provided were false when made. And, despite the obligations set out in the LLTQ Agreement, neither Mr. Seibel nor LLTQ ever provided Caesars with an updated Business Information Form or any other supplemental disclosure. Nor did LLTQ otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

67. In addition, Section 13.22 of the LLTQ Agreement ("Section 13.22") contains the following provision:

If Caesars elects under this Agreement to pursue any venture similar to (i) the Restaurant (i.e., any venture generally in the nature of a pub, bar, café or tavern) or (ii) the "Restaurant" as defined in the [TPOV Agreement] (i.e., any venture generally in the nature of a steak restaurant, fine dining steakhouse or chop house), Caesars and LLTQ shall, or shall cause an Affiliate to, execute a development and operation agreement on the same terms and conditions as this Agreement, subject only to revisions proposed by Caesars or its Affiliate as are necessary to reflect the difference in location between the Restaurant and such other venture (including, for the avoidance of doubt, the Baseline Amount, permitted Operating Expenses and necessary Project Costs).

68. Caesars has taken the position that this provision, which has been characterized as a restrictive covenant, is unenforceable as a matter of law because (a) the LLTQ Agreement was properly terminated; (b) Caesars is prohibited from entering into a business relationship with LLTQ or Mr. Seibel given that LLTQ and Mr. Seibel are Unsuitable Persons; and (c) Section 13.22 is vague, ambiguous, indefinite, and overly broad. In contrast, LLTQ has asserted that it is enforceable and should apply to any future ventures in any location between Caesars and Gordon Ramsay.

1                   (e)     *The GR Burgr Agreement.*

2           69.     The GRB Agreement related to Planet Hollywood's plans to design, develop, and  
3     operate a restaurant in the Planet Hollywood casino known as "BURGR Gordon Ramsay." As such,  
4     the GRB Agreement set forth the obligations of GRB to license certain intellectual property to  
5     Planet Hollywood and assist with the design, development, construction, and operation of the  
6     BURGR Gordon Ramsay Restaurant.

7           70.     The GRB Agreement contained a number of representations relating to the conduct  
8     of the parties and their disclosure obligations.

9           71.     First, GRB represented that "it shall and it shall cause its Affiliates to conduct  
10    themselves in accordance with the highest standards of honesty, integrity, quality and courtesy so  
11    as to maintain and enhance the reputation and goodwill of PH, the GRB Marks, PH and the  
12    Restaurant and at all times in keeping with and not inconsistent with or detrimental to the operation  
13    of an exclusive, first-class resort hotel and casino and an exclusive, first-class restaurant." GRB  
14    further agreed that it would "use commercially reasonable efforts to continuously monitor the  
15    performance of each of its and its Affiliates' respective agents, employees, servants, contractors and  
16    licensees and shall ensure the foregoing standards are consistently maintained by all of them. Any  
17    failure by GRB or any of its respective Affiliates or any of their respective agents, employees,  
18    servants, contractors or licensees to maintain the standards described in this [section] shall, in  
19    addition to any other rights or remedies PH have, give PH the right to terminate this Agreement . . .  
20    in its sole and absolute discretion."

21          72.     Second, GRB further agreed that it would "provide or cause to be provided to PH  
22    written disclosure regarding its GR Associates . . .," which included Mr. Seibel. And, "[t]o the  
23    extent that any prior disclosure becomes inaccurate, GRB shall, within ten (10) calendar days from  
24    the event, update the prior disclosure without PH making any further request."

25          73.     The GRB Agreement provided Planet Hollywood with the ability to terminate the  
26    GRB Agreement in its discretion if it determined that (i) GRB was not complying with its disclosure  
27    obligations, or (ii) GRB or an Associated Party was an "Unsuitable Person." Specifically, the GRB  
28    Agreement provided:

1 If any GRB Associate fails to satisfy any such requirement, if PH or any of PH's  
2 Affiliates are directed to cease business with any GRB Associate by any Gaming  
3 Authority, or if PH shall determine, in PH's sole and exclusive judgment, that any  
4 GRB Associate is an Unsuitable Person, then immediately following notice by PH to  
5 Gordon Ramsay and GRB, (a) Gordon Ramsay and/or GRB shall terminate any  
6 relationship with the Person who is the source of such issue, (b) Gordon Ramsay  
7 and/or GRB shall cease the activity or relationship creating the issue to PH's  
8 satisfaction, in PH's sole judgment, or (c) if such activity or relationship is not subject  
9 to cure as set forth in the foregoing clauses (a) and (b), as determined by PH in its  
10 sole discretion, PH shall, without prejudice to any other rights or remedies of Caesars  
11 including at law or in equity, have the right to terminate this Agreement and its  
12 relationship with Gordon Ramsay and GRB. Each of Gordon Ramsay and GRB  
13 further acknowledges that PH shall have the absolute right to terminate this  
14 Agreement in the event any Gaming Authority requires PH or one of its Affiliates to  
15 do so. Any termination by PH pursuant to this [section] shall not be subject to dispute  
16 by Gordon Ramsay or GRB and shall not be the subject of any proceeding [in  
17 arbitration].

18 74. Under the GRB Agreement, an "Unsuitable Person" was defined as follows:

19 Any Person (a) whose association with PH or its Affiliates could be anticipated to  
20 result in a disciplinary action relating to, or the loss of, inability to reinstate or failure  
21 to obtain, any registration, application or license or any other rights or entitlements  
22 held or required to be held by PH or any of its Affiliates under any United States,  
23 state, local or foreign laws, rules or regulations relating to gaming or the sale of  
24 alcohol, (b) whose association or relationship with PH or its Affiliates could be  
25 anticipated to violate any United States, state, local or foreign laws, rules or  
26 regulations relating to gaming or the sale of alcohol to which PH or its Affiliates are  
27 subject, (c) who is or might be engaged or about to be engaged in any activity which  
28 could adversely impact the business or reputation of PH or its Affiliates, or (d) who  
is required to be licensed, registered, qualified or found suitable under any United  
States, state, local, or foreign laws, rules or regulations relating to gaming or the sale  
of alcohol under which PH or any of its Affiliates is licensed, registered, qualified or  
found suitable, and such Person is not or does not remain so licensed, registered,  
qualified or found suitable.

75. Finally, GRB represented that, "[a]s of the Effective date [of the agreement], no  
representation or warranty made herein by [GRB] contains any untrue statement of a material fact,  
or omits to state a material fact necessary to make such statements not misleading."

76. The disclosure and conduct obligations under the GRB Agreement were not limited  
to the corporate entity GRB. Instead, GRB's obligations—both with respect to conduct and  
disclosure—included GRB's "Associates" and "Affiliates." GRB's Affiliates included persons  
controlling GRB and GRB's Associates included its directors, employees, and representatives.  
Mr. Seibel, as the member-manager of GRB and the individual who signed the GRB Agreement,  
was both a GRB Affiliate and Associate. Thus, Mr. Seibel had an ongoing obligation to conduct  
himself with the highest standards of honesty, integrity, quality, and courtesy. And GRB had an

1 ongoing obligation to disclose any information regarding Mr. Seibel that would render him an  
2 Unsuitable Person.

3 77. Because Mr. Seibel was specifically included as a GRB Associate, Caesars relied  
4 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
5 not been a party to a felony in the past ten years and there was nothing in his past that would prevent  
6 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
7 Information Forms constituted the prior written disclosures referenced in the GRB Agreement.

8 78. The initial disclosures that GRB provided were false when made. And, despite the  
9 obligations set out in the GRB Agreement, neither Mr. Seibel nor GRB ever provided Caesars with  
10 an updated Business Information Form or any other supplemental disclosure. Nor did GRB  
11 otherwise provide updated disclosures regarding Mr. Seibel's illegal activities, his criminal  
12 investigation by the IRS, his guilty plea, his felony conviction, or his incarceration.

13 *(f) The FERG Agreement*

14 79. As with the LLTQ Agreement, the FERG Agreement related to CAC's plans to  
15 partner with Mr. Ramsay to license intellectual property that would be used in connection with a  
16 restaurant in the CAC casino known as "Gordon Ramsay Pub and Grill." The FERG Agreement  
17 set forth the obligations of FERG and Mr. Seibel to assist with the design, development,  
18 construction, and operation of the Gordon Ramsay Pub and Grill.

19 80. The FERG Agreement contained a number of representations relating to the conduct  
20 of the parties and their disclosure obligations.

21 81. First, FERG represented in the FERG Agreement that "it shall and it shall cause its  
22 Affiliates to conduct themselves in accordance with the highest standards of honesty, integrity,  
23 quality and courtesy so as to maintain and enhance the reputation and goodwill of the CAC Marks  
24 and materials, the GR Marks, CAC, and the Restaurant and at all times in keeping with and not  
25 inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel and casino  
26 and an exclusive, first-class restaurant." FERG further agreed that it would "use commercially  
27 reasonable efforts to continuously monitor the performance of each of its and its Affiliates'  
28



1 respective agents, employees, servants, contractors and licensees and shall ensure the foregoing  
2 standards are consistently maintained by all of them."

3 82. Second, FERG agreed that it would "provide to CAC written disclosure regarding  
4 the FERG Associates . . . , " which included Mr. Seibel. And, "[t]o the extent that any prior  
5 disclosure becomes inaccurate, FERG shall, within ten (10) calendar days from the event, update  
6 the prior disclosure without CAC making any further request."

7 83. The FERG Agreement provided CAC with the ability to terminate the  
8 FERG Agreement in its discretion if it determined that (i) FERG was not complying with its  
9 disclosure obligations, or (ii) FERG or an Associated Party was an "Unsuitable Person."  
10 Specifically, the FERG Agreement provided:

11 If any FERG Associate fails to satisfy or [sic] such requirement, if CAC or any of  
12 CAC's Affiliates are directed to cease business with any FERG Associate by any  
13 Gaming Authority, or if CAC shall determine, in CAC's sole and exclusive judgment,  
14 that any FERG Associate is an Unsuitable Person, whether as a result of a FERG  
15 Change of Control or otherwise, then (a) FERG shall terminate any relationship with  
16 the Person who is the source of such issue, (b) FERG shall cease the activity or  
17 relationship creating the issue to CAC's satisfaction, in CAC's sole judgment, or (c) if  
18 such activity or relationship is not subject to cure as set forth in the foregoing clauses  
19 (a) and (b), as determined by CAC in its sole discretion, CAC shall, without prejudice  
20 to any other rights or remedies of CAC including at law or in equity, have the right  
21 to terminate this Agreement and its relationship with FERG. FERG further  
22 acknowledges that CAC shall have the right to terminate this Agreement in the event  
23 any Gaming Authority requires CAC or one of its Affiliates to do so. Any termination  
24 by CAC pursuant to this [section] shall not be subject to dispute by FERG and shall  
25 not be the subject of any proceeding [in arbitration].

19 84. Under the FERG Agreement, an "Unsuitable Person" was defined as follows:

20 Any Person (a) whose association with CAC or its Affiliates could be anticipated to  
21 result in a disciplinary action relating to, or the loss of, inability to reinstate or failure  
22 to obtain, any registration, application or license or any other rights or entitlements  
23 held or required to be held by CAC or any of its Affiliates under any United States,  
24 state, local or foreign laws, rules or regulations relating to gaming or the sale of  
25 alcohol, (b) whose association or relationship with CAC or its Affiliates could be  
26 anticipated to violate any United States, state, local or foreign laws, rules or  
27 regulations relating to gaming or the sale of alcohol to which CAC or its Affiliates  
28 are subject, (c) who is or might be engaged or about to be engaged in any activity  
which could adversely impact the business or reputation of CAC or its Affiliates, or  
(d) who is required to be licensed, registered, qualified or found suitable under any  
United States, state, local, or foreign laws, rules or regulations relating to gaming or  
the sale of alcohol under which CAC or any of its Affiliates is licensed, registered,  
qualified or found suitable, and such Person is not or does not remain so licensed,  
registered, qualified or found suitable.

1           85. Finally, FERG represented that, "[a]s of the Effective date [of the agreement], no  
2 representation or warranty made herein by [FERG] contains any untrue statement of a material fact,  
3 or omits to state a material fact necessary to make such statements not misleading."

4           86. The disclosure and conduct obligations under the FERG Agreement were not limited  
5 to the corporate entity FERG. Instead, FERG's obligations—both with respect to conduct and  
6 disclosure—included FERG's "Associates" and "Affiliates." FERG's Affiliates included persons  
7 controlling FERG. The FERG Agreement specifically stated that "with respect to FERG, the term  
8 'Affiliate' shall include Rowen Seibel and each Affiliate of Rowen Seibel." FERG's Associates  
9 included its directors, employees, and representatives. Mr. Seibel, as the member-manager of  
10 FERG and the individual who signed the FERG Agreement, was both a FERG Affiliate and  
11 Associate. Thus, Mr. Seibel had an ongoing obligation to conduct himself with the highest  
12 standards of honesty, integrity, quality, and courtesy. And FERG had an ongoing obligation to  
13 disclose any information regarding Mr. Seibel that would render him an Unsuitable Person.

14           87. Because Mr. Seibel was specifically included as a FERG Associate, Caesars relied  
15 upon his previous representations in the MOTI and DNT Business Information Forms that he had  
16 not been a party to a felony in the last ten years and there was nothing in his past that would prevent  
17 him from being licensed by a gaming authority. Thus, the disclosures contained in the Business  
18 Information Forms constituted the prior written disclosures referenced in the FERG Agreement.

19           88. The initial disclosures that FERG provided were false when made. And, despite the  
20 obligations set out in the FERG Agreement, neither Mr. Seibel nor FERG ever provided Caesars  
21 with an updated Business Information Form or any other supplemental disclosure. Nor did FERG  
22 otherwise provide updated disclosures regarding Mr. Seibel's criminal activities, his investigation  
23 by the IRS, his guilty plea, his felony conviction, or his incarceration.

24           89. In addition, Section 4.1 of the FERG Agreement ("Section 4.1") states: "In the event  
25 a new agreement is executed between CAC and/or its Affiliate and Gordon Ramsay and/or his  
26 Affiliate relative to the Restaurant or Restaurant Premises, this Agreement shall be in effect and  
27 binding on the parties during the term hereof."  
28

1           90.     Caesars contends that this provision, which has been characterized as a restrictive  
2 covenant, is unenforceable as a matter of law because (a) the FERG Agreement was properly  
3 terminated; (b) Caesars is prohibited from entering into a business relationship with FERG or  
4 Mr. Seibel given that FERG and Mr. Seibel are Unsuitable Persons; and (c) Section 4.1 is vague,  
5 ambiguous, indefinite, and overly broad. In contrast, FERG has asserted that this provision is  
6 enforceable and should apply to any future ventures between CAC and Gordon Ramsay.

7           B.     **The Activities of Mr. Seibel and the Seibel-Affiliated Entities Rendered Him**  
8                 **Unsuitable Under the Seibel Agreements.**

9           91.     Approximately five years before completing the MOTI Business Information Form  
10 and entering into the MOTI Agreement, Mr. Seibel was engaged in activities of the type that would  
11 have rendered him unsuitable under the Seibel Agreements. And, despite his obligations to do so,  
12 Mr. Seibel and the Seibel-Affiliated Entities never disclosed Mr. Seibel's illegal activities to  
13 Caesars.

14                 (a)     ***Mr. Seibel set up numbered UBS accounts in Switzerland and concealed***  
15                         ***them from the United States government.***

16           92.     From approximately March 3, 2004 through 2008, Mr. Seibel maintained an account  
17 at Union Bank of Switzerland ("UBS").

18           93.     In 2004, Mr. Seibel and his mother traveled to UBS' offices in Switzerland. While  
19 in Switzerland, Mr. Seibel opened and became the beneficiary and account holder of a UBS bank  
20 account that was not titled in his own name. Instead, the account was identified in internal bank  
21 records with the phrase "CQUE" and a unique account number (the "Numbered UBS Account").

22           94.     At the same time, Mr. Seibel executed a UBS Telefax Agreement that allowed him  
23 to have regular communication with UBS via facsimile. Mr. Seibel also executed forms  
24 acknowledging that he was a United States citizen subject to United States taxation, and that he was  
25 the beneficial owner of the assets and income associated with the Numbered UBS Account.

26           95.     In exchange for the payment of an additional fee to UBS, Mr. Seibel authorized and  
27 directed UBS to retain all account correspondence so that no bank statements or other  
28 correspondence related to the Numbered UBS Account would be mailed to him in the United States.

1           96. Mr. Seibel caused his Numbered UBS Account to be opened in 2004 with a  
2 \$25,000 cash deposit made by his mother. Between 2004 and 2005, Mr. Seibel's mother deposited  
3 cash and checks totaling approximately \$1,000,000 into Mr. Seibel's account, bringing to  
4 \$1,011,279 the total deposits made into Mr. Seibel's Numbered UBS Account.

5           97. UBS bank records demonstrate that Mr. Seibel and not his mother was the individual  
6 who actively monitored and approved the selection and investment of the assets maintained in the  
7 Numbered UBS Account. Mr. Seibel's trading in the account resulted in a substantial amount of  
8 income in the form of capital gains, dividends, and interest. By 2008, the account had a balance of  
9 approximately \$1,300,200.

10                   ***(b) In 2008, Mr. Seibel closed his UBS account and opened a new account.***

11           98. On or about May 30, 2008, Mr. Seibel traveled back to Switzerland and informed  
12 UBS personnel that he wanted to close his Numbered UBS Account. Mr. Seibel explained he was  
13 concerned about the existence of the account given recent press reports. Those press reports had  
14 revealed various investigations commenced by United States law enforcement of UBS's role in  
15 helping United States citizens evade federal income taxes by, among other things, using undeclared  
16 foreign bank accounts at UBS.

17           99. In late May 2008, Mr. Seibel traveled to Switzerland to close out his Numbered UBS  
18 Account. Prior to doing so, he created a Panamanian shell company called Mirza International  
19 ("Mirza"). Mr. Seibel was the beneficial owner of the shell company. In addition, Mr. Seibel  
20 opened another offshore account at a different Swiss bank, Banque J. Safra. This time, however,  
21 he opened the account in the name of the newly created Mirza International instead of his own  
22 name.

23                   ***(c) Mr. Seibel filed incomplete and inaccurate tax returns.***

24           100. On or about October 10, 2008, Mr. Seibel filed with the IRS a Form 1040 for  
25 calendar year 2007. United States citizens and residents are obligated, on their Form 1040, to report  
26 their income from any source, regardless of whether the source is inside or outside the United States.  
27 Taxpayers who have a financial interest in, or signature authority over, a financial account in a  
28

1 foreign country over a threshold amount also are required to file with the IRS a Report of Foreign  
2 Bank and Financial Accounts, Form TD F 90-22.1 ("FBAR").

3 101. On his return, which Mr. Seibel signed under penalty of perjury, he omitted reporting  
4 any dividend, interest, and other income received by him in one or more bank, securities, and other  
5 financial accounts at UBS. Mr. Seibel also failed to report on Schedule B of his 2007 Form 1040  
6 that he had an interest in or a signature authority over a financial account in a foreign country.  
7 Moreover, because of his authority over the Numbered UBS Account, Mr. Seibel was required to  
8 file a FBAR for calendar year 2007. He failed to do so.

9 102. On or about April 15, 2009, Mr. Seibel submitted his IRS Form 1040 for calendar  
10 year 2008. On that return, Mr. Seibel omitted the dividend, interest, and other income received by  
11 him in one or more bank, securities, and other financial accounts at UBS. Moreover, Mr. Seibel  
12 falsely claimed that he did not have an interest in or signature authority or control over a financial  
13 account in a foreign country. In addition, because of his authority over the Numbered UBS  
14 Account, Mr. Seibel was required to file a FBAR for calendar year 2008. He failed to do so.

15 *(d) Mr. Seibel provided false application to voluntary disclosure program.*

16 103. In March 2009, the IRS began the Voluntary Disclosure Program to provide an  
17 opportunity for U.S. taxpayers, not already under investigation by the IRS, to avoid criminal  
18 prosecution by disclosing their previously undeclared offshore accounts and paying tax and  
19 penalties on the income earned in those accounts.

20 104. On or about October 15, 2009, Mr. Seibel signed and caused to be submitted to the  
21 IRS an application to the Voluntary Disclosure Program (the "Application"). The Application,  
22 drafted by Mr. Seibel's mother's attorney, stated that Mr. Seibel had been unaware, during the years  
23 2004 and 2005, that his mother had made deposits into the Numbered UBS Account for Mr. Seibel's  
24 benefit. It also stated Mr. Seibel had been unaware, until he made inquiries of UBS in 2009, of the  
25 status of his account at UBS and had in fact over time reached "the conclusion that deposits [into  
26 his Numbered UBS Account] had been stolen or otherwise disappeared."

27 105. These statements were false. As set forth above, Mr. Seibel was (i) at all times  
28 knowledgeable about the Numbered UBS Account and had taken a role in the oversight of, and

1 transactions in, that account, and (ii) was aware as to the disposition of the funds from that account,  
2 as Mr. Seibel traveled to Switzerland the year before to effect the closing of the Numbered UBS  
3 Account and transfer of its funds into another foreign bank account at a different Swiss bank. Thus,  
4 when Mr. Seibel signed and submitted the Application, he was lying to the United States  
5 government.

6 106. At some point, the United States government began to investigate Mr. Seibel for his  
7 criminal activities. On April 18, 2016, the United States Attorney filed an information charging  
8 Mr. Seibel with corrupt endeavor to obstruct and impede the due administration of the Internal  
9 Revenue Laws, 26 U.S.C. § 7212(a). That same day, Mr. Seibel pleaded guilty to one count of a  
10 corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws,  
11 26 U.S.C. § 7212, a Class E Felony. Mr. Seibel stated that he was "pleading guilty because [he  
12 was] in fact guilty," and admitted that on his IRS Form 1040 for the year 2008, he "corruptly  
13 answer[ed] the question 'no' when [he] knew that answer was incorrect." Mr. Seibel's guilty plea  
14 was the result of criminal conduct that began prior to Caesars entering into the Seibel Agreements.

15 107. On August 19, 2016, Mr. Seibel appeared at his sentencing hearing where he was  
16 sentenced to 30 days in prison, six months of home confinement, and 300 hours of community  
17 service.

18 108. Mr. Seibel, however, did not notify Caesars of his guilty plea. But he certainly  
19 understood that it would result in the termination of his relationship with Caesars. In an attempt to  
20 avoid these consequences of his impending felony conviction, Mr. Seibel informed Caesars on  
21 April 8, 2016—ten days before entering his guilty plea—that he was (i) transferring all of the  
22 membership interests of the Seibel-Affiliated Entities that he previously owned to two individuals  
23 that would be trustees of a trust he had created; (ii) naming other individuals as the managers of the  
24 Seibel-Affiliated Entities; (iii) assigning the agreements to new entities that had been created  
25 (*i.e.*, LLTQ 16, FERG Enterprises 16, TPOV 16, and MOTI Partners 16, LLC); and (iv) delegating  
26 all of his duties under the LLTQ, FERG, TPOV, and MOTI Agreements to Mr. Frederick.  
27 Mr. Seibel did not disclose that he decided to perform these purported assignments, transfers, and  
28 delegations because of his impending felony conviction. Mr. Seibel also transferred the interests

1 and duties relating to the Seibel-Affiliated Entities to his family and close friends—like  
2 Mr. Frederick—and thus remained associated with the Seibel-Affiliated Entities.

3 C. Caesars Exercises Its Sole Discretion to Terminate the Agreements with the  
4 Seibel-Affiliated Entities.

5 109. Despite the obligations of Mr. Seibel and the Seibel-Affiliated Entities to inform  
6 Caesars of Mr. Seibel's felony conviction and update the relevant disclosures, they never did so.  
7 Instead, Caesars only learned of Mr. Seibel's felony conviction from press reports in August 2016.  
8 When Caesars became aware of Mr. Seibel's felony conviction, it promptly terminated all of its  
9 agreements with the Seibel-Affiliated Entities.

10 (a) *Termination of the MOTI Agreement.*

11 110. On September 2, 2016, counsel for Caesars Palace sent MOTI a letter terminating  
12 the MOTI Agreement. Caesars explained the grounds for termination in its letter:

13 Pursuant to Section 9.2 of the Agreement, MOTI has acknowledged and agrees that  
14 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
15 because of privileged licenses issued by governmental authorities. Additionally,  
16 Section 9.2 provides that if Caesars determines, in its sole and absolute judgment,  
17 that (a) any MOTI Associate is an Unsuitable Person and (b) such relationship is not  
18 subject to cure, Caesars shall have the right to terminate the Agreement.

19 Caesars is aware that Rowen Seibel, who is a MOTI Associate under the Agreement,  
20 has recently pleaded guilty to a one-count criminal information charging him with  
21 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
22 (corrupt endeavor to obstruct and impede the due administration of the Internal  
23 Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
24 Unsuitable Person.

25 Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his  
26 relationship to MOTI are not capable of being cured. Accordingly, Caesars is  
27 exercising its rights under Section 9.2 of the Agreement and is terminating the  
28 Agreement effective immediately.

23 (b) *Termination of the DNT Agreement.*

24 111. On September 2, 2016, counsel for Caesars Palace sent DNT a letter terminating the  
25 DNT agreement. Caesars explained the grounds for termination in its letter:

26 Pursuant to Section 11.2 of the Agreement, the DNT Parties have acknowledged and  
27 agree that Caesars and/or its affiliates conduct business that are or may be subject to  
28 and exist because of privileged licenses issued by governmental authorities. Additionally, Section 11.2 provides that Caesars determines, in its sole and absolute



1 judgment, that any DNT Associate is an Unsuitable Person, the DNT Parties shall  
2 cease activity or relationship creating the issue.

3 Caesars is aware that Rowen Seibel, who is a DNT Associate under the Agreement,  
4 has recently pleaded guilty to a one-count criminal information charging him with  
5 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
(corrupt endeavor to obstruct and impede the due administration of the Internal  
6 Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
7 Unsuitable Person.

8 Therefore, the DNT Parties shall, within 10 business days of receipt of this letter,  
9 terminate any relationship with Mr. Seibel and provide Caesars with written evidence  
10 of such terminated relationship. If the DNT Parties fails to terminate the relationship  
11 with Mr. Seibel, Caesars will be required to terminate the agreement pursuant to  
12 section 4.2.3 of the Agreement.

13 112. In response to this letter, DNT failed to provide Caesars with sufficient evidence  
14 demonstrating that it had terminated its relationship with Mr. Seibel. Though Mr. Seibel had  
15 purportedly assigned his rights and interests in DNT and the DNT Agreement, Caesars determined,  
16 in its sole discretion—as it was entitled to do under the DNT Agreement—that DNT's relationship  
17 was not subject to cure given Mr. Seibel's continued relationship with the principals and  
18 representatives of DNT. As a result, the DNT Agreement was terminated.

19 *(c) Termination of the TPOV Agreement.*

20 113. On September 2, 2016, counsel for Caesars Palace sent TPOV a letter terminating  
21 the TPOV agreement. Caesars explained the grounds for termination in its letter:

22 Pursuant to Section 10.2 of the Agreement, TPOV has acknowledged and agrees that  
23 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
24 because of privileged licenses issued by governmental authorities. Additionally,  
25 Section 10.2 provides that if Caesars determines, in its sole and absolute judgment,  
26 that (a) any TPOV Associate is an Unsuitable Person and (b) such relationship is not  
27 subject to cure, Caesars shall have the right to terminate the Agreement.

28 Caesars is aware that Rowen Seibel, who is a TPOV Associate under the Agreement,  
has recently pleaded guilty to a one-count criminal information charging him with  
impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
(corrupt endeavor to obstruct and impede the due administration of the Internal  
Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
Unsuitable Person.

Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his  
relationship to TPOV are not capable of being cured. Accordingly, Caesars is  
exercising its rights under Section 4.2.5 of the Agreement and is terminating the  
Agreement effective immediately.

1                   (d)     *Termination of the LLTQ Agreement.*

2           114.   On September 2, 2016, counsel for Caesars Palace sent LLTQ a letter terminating  
3 the LLTQ agreement. Caesars explained the grounds for termination in its letter:

4           Pursuant to Section 10.2 of the Agreement, LLTQ has acknowledged and agrees that  
5 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
6 because of privileged licenses issued by governmental authorities. Additionally,  
7 Section 10.2 provides that if Caesars determines, in its sole and absolute judgment,  
8 that (a) any LLTQ Associate is an Unsuitable Person and (b) such relationship is not  
9 subject to cure, Caesars shall have the right to terminate the Agreement.

10          Caesars is aware that Rowen Seibel, who is a LLTQ Associate under the Agreement,  
11 has recently pleaded guilty to a one-count criminal information charging him with  
12 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
13 (corrupt endeavor to obstruct and impede the due administration of the Internal  
14 Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
15 Unsuitable Person.

16          Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his  
17 relationship to LLTQ are not capable of being cured. Accordingly, Caesars is  
18 exercising its rights under Section 4.2.5 of the Agreement and is terminating the  
19 Agreement effective immediately.

20                   (e)     *Termination of the GRB Agreement.*

21           115.   On September 2, 2016, counsel for Caesars Palace sent GRB a letter terminating the  
22 GRB Agreement. Caesars explained the grounds for termination in its letter:

23           Pursuant to Section 11.2 of the Agreement, GRB has acknowledged and agrees that  
24 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
25 because of privileged licenses issued by governmental authorities. Additionally,  
26 Section 11.2 provides that if Caesars determines, in its sole and absolute judgment,  
27 that any GRB Associate is an Unsuitable Person, GRB shall cease the activity or  
28 relationship creating the issue.

          Caesars is aware that Rowen Seibel, who is a GR Associate under the Agreement,  
has recently pleaded guilty to a one-count criminal information charging him with  
impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
(corrupt endeavor to obstruct and impede the due administration of the Internal  
Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
Unsuitable Person.

          Therefore, GRB shall, within 10 business days of the receipt of this letter, terminate  
any relationship with Mr. Seibel and provide Caesars with written evidence of such  
terminated relationship. If GRB fails to terminate the relationship with Mr. Seibel,  
Caesars will be required to terminate the Agreement pursuant to Section 4.2.5 of the  
Agreement.

116.   In response to this letter, GRB failed to provide Caesars with sufficient evidence  
demonstrating that it had terminated its relationship with Mr. Seibel. Though Mr. Seibel had

1 purportedly assigned his rights and interests in GRB and the GRB Agreement, Caesars determined,  
2 in its sole discretion—as it was entitled to do under the GRB Agreement—that GRB's relationship  
3 was not subject to cure given Mr. Seibel's continued relationship with the principals and  
4 representatives of GRB. Mr. Seibel's partner in GRB similarly informed Caesars that GRB could  
5 not adequately disassociate itself with Mr. Seibel. As a result, the GRB Agreement was terminated.

6 *(f) Termination of the FERG Agreement.*

7 117. On September 2, 2016, counsel for Caesars Palace sent FERG a letter terminating  
8 the FERG agreement. Caesars explained the grounds for termination in its letter:

9 Pursuant to Section 11.2 of the Agreement, FERG has acknowledged and agrees that  
10 Caesars and/or its affiliates conduct business that are or may be subject to and exist  
11 because of privileged licenses issued by governmental authorities. Additionally,  
12 Section 11.2 provides that if Caesars determines, in its sole and absolute judgment,  
13 that (a) any FERG Associate is an Unsuitable Person and (b) such relationship is not  
14 subject to cure, Caesars shall have the right to terminate the Agreement.

15 Caesars is aware that Rowen Seibel, who is a FERG Associate under the Agreement,  
16 has recently pleaded guilty to a one-count criminal information charging him with  
17 impeding the administration of the Internal Revenue Code (26 U.S.C. § 7212)  
18 (corrupt endeavor to obstruct and impede the due administration of the Internal  
19 Revenue Laws), a Class E Felony. Such felony conviction renders Rowen Seibel an  
20 Unsuitable Person.

21 Therefore, Caesars has determined that the nature of Rowen Seibel's actions and his  
22 relationship to FERG are not capable of being cured. Accordingly, Caesars is  
23 exercising its rights under Section 4.2(e) of the Agreement and is terminating the  
24 Agreement effective immediately.

25 *(g) The Seibel-Affiliated Entities dispute the propriety of the termination of  
26 their agreements with Caesars,*

27 118. After receiving the termination notices on September 2, 2016, counsel for the  
28 Defendants sent Caesars several letters disputing the propriety of the terminations. According to  
the Seibel-Affiliated Entities, Mr. Seibel no longer had any relationship with the Seibel-Affiliated  
Entities and thus Caesars' termination of the agreements was improper.

119. In response, counsel for Caesars explained that the Seibel-Affiliated Entities'  
relationship with Mr. Seibel was still unacceptable given the relationships of the assignees (like  
Mr. Frederick) to Mr. Seibel:

We note that the proposed assignee [of the agreements] and its Associates have direct  
or indirect relationships with Rowen Seibel. Based on the Company's experiences  
with the Nevada Gaming Control Board and other gaming regulatory authorities

1 which regulate the Company and its affiliates (collectively, "Gaming Regulatory  
2 Authorities"), the Company believes that such relationships with Mr. Seibel would  
3 be unacceptable to the Gaming Regulatory Authorities. Further the Company  
4 believes that a commercial relationship with the proposed assignee and its Associates,  
5 because of their relationships with Mr. Seibel, would also be unacceptable to the  
6 Gaming Regulatory Authorities. Lastly, we note that Mr. Seibel failed, through the  
7 applicable entity, to affirmatively update prior disclosures to the Company, which  
8 updated disclosure is required and bears directly on his suitability.

9 Based on the foregoing, the Company reasonably believes the commercial  
10 relationship with the proposed assignee and its Associates would result in a  
11 disciplinary action by one or more of the Gaming Regulatory Authorities, which  
12 could jeopardize the Company's privileged licenses. Therefore, the Company has  
13 determined that the proposed assignee and its Affiliates are Unsuitable Persons.

14 Pursuant to the Letter Agreement, dated May 16, 2014, (i) the Company is not  
15 satisfied, in its sole reasonable discretion, that the proposed assignee and its  
16 Associates are not Unsuitable Persons and (ii) the Compliance Committee has not  
17 approved the proposed assignee and its Associates.

18 **D. Legal Proceedings Involving Caesars and the Defendants.**

19 **(a) *Contested matters involving Caesars Palace, CAC, LLTQ, FERG, and***  
20 ***MOTI.***

21 120. In January 2015, Caesars Entertainment Operating Company, Inc. and a number of  
22 its subsidiaries and affiliates (including Caesars Palace and CAC) filed for bankruptcy protection  
23 under Chapter 11 in the United States Bankruptcy Court, Northern District of Illinois, Eastern  
24 Division. As part of that bankruptcy, Caesars Palace, CAC, FERG, LLTQ, and MOTI are involved  
25 in several contested matters.

26 121. First, Caesars Palace filed a motion to reject the LLTQ and FERG Agreements.  
27 Caesars Palace concluded that the costs of these two agreements outweighed any potential benefits  
28 that Caesars Palace could realize by continuing to perform under the agreements. LLTQ and FERG  
objected to Caesars Palace's motion to reject the LLTQ and FERG Agreements on the grounds that,  
inter alia, (i) the LLTQ and FERG Agreements are integrated with the separate agreements that  
Caesars Palace entered into with Gordon Ramsay, and (ii) Sections 13.22 and 4.1 are enforceable  
restrictive covenants that prevent the rejection of the LLTQ and FERG agreements.

122. Second, LLTQ and FERG filed a motion for the payment of administrative expenses  
relating to payments purportedly owed to LLTQ and FERG for operation of the relevant restaurants  
after Caesars Palace filed for bankruptcy. Caesars Palace objected to this motion on the grounds

1 that LLTQ and FERG have not provided any post-petition benefit to Caesars Palace. Indeed, LLTQ  
2 and FERG did not provide Caesars Palace with any services after Caesars Palace filed for  
3 bankruptcy.

4 123. Third, MOTI filed a motion for the payment of administrative expenses relating to  
5 Caesars Palace's use of MOTI's intellectual property during the wind-down period following the  
6 termination of the MOTI Agreement. Caesars Palace objected to this motion on the grounds that  
7 MOTI is not entitled to an administrative expense where, as here, the MOTI Agreement was  
8 terminated because MOTI was, and is, an "Unsuitable Person."

9 124. In connection with these three motions, the parties have conducted discovery on a  
10 number of issues, including the suitability of LLTQ, FERG, and Mr. Seibel. And, as a defense to  
11 LLTQ and FERG's motion for the payment of administrative defenses, Caesars Palace and CAC  
12 have raised LLTQ and FERG's failure to disclose Mr. Seibel's criminal activities. Caesars Palace  
13 and CAC contend that LLTQ and FERG's failure to do so constitutes fraudulent inducement and  
14 breaches the LLTQ and FERG Agreements.

15 125. The contested matters in the bankruptcy court do not, however, directly implicate  
16 Caesars' decision to terminate its agreements with the Seibel-Affiliated Entities. Instead, counsel  
17 for LLTQ and FERG have stated in filings in the bankruptcy court that they intend to challenge the  
18 propriety of the termination of the relevant agreements but do not believe that issue should be heard  
19 by the bankruptcy court:

- 20 • "[T]he [Debtors'] fraudulent inducement claim, like the issue of whether the  
21 Termination [of the LLTQ and FERG Agreements] was proper in the first instance,  
22 is not presently before [the bankruptcy court] and should be resolved in separate  
23 proceedings (likely in state court or federal district court)."
- 24 • "[LLTQ and FERG] will challenge the propriety of the purported termination  
25 of the [LLTQ and FERG Agreements] in the appropriate venue, likely outside of the  
26 Chapter 11 cases."

27 (b) *Litigation Involving GRB and Planet Hollywood.*

28 126. On January 11, 2017, Mr. Seibel, purportedly derivatively on behalf of GRB, filed  
a complaint in the United States District Court for the District of Nevada naming Planet Hollywood  
as a defendant. Mr. Seibel also filed a motion for a preliminary injunction enjoining

Planet Hollywood from (i) terminating the GRB Agreement or, alternatively, (ii) utilizing GRB's intellectual property and operating a restaurant in the premises for the GR Burgr restaurant. This action was dismissed from the federal court on jurisdictional grounds and Mr. Seibel re-filed a similar complaint and motion for preliminary injunction in the Eighth Judicial District Court in Clark County, Nevada, Case No. A-17-751759 (Hon. Joe Hardy). The state court complaint included counts for (i) breach of contract arising out of the termination of the GRB Agreement; (ii) breach of the implied covenant of good faith and fair dealing relating to the termination of the GRB Agreement on suitability grounds; (iii) unjust enrichment relating to Planet Hollywood's use of GRB's intellectual property; (iv) civil conspiracy relating to the circumstances surrounding the termination of the GRB Agreement; (v) specific performance requiring Planet Hollywood to pay GRB; and (vi) declaratory relief establishing, inter alia, that Planet Hollywood must stop using the GR intellectual property and compensate GR for the period of time it utilized GRB's intellectual property.

127. The Court denied Mr. Seibel's motion for a preliminary injunction on the grounds that Mr. Seibel did not demonstrate irreparable harm, likelihood of success on the merits, balance of hardships, or that public policy weighed in his favor.

128. Planet Hollywood moved to dismiss Mr. Seibel's claims for breach of contract, breach of the implied covenant of good faith and fair dealing, unjust enrichment, civil conspiracy, and declaratory relief. The Court granted in part and denied in part Planet Hollywood's motion. Specifically, the Court granted Planet Hollywood's motion to dismiss Mr. Seibel's breach of contract claim to the extent it was based on Caesars allegedly receiving money that should have been paid to GRB under the GRB Agreement, Caesars' failure to provide GRB with an opportunity to cure its association with any unsuitable persons, and Caesars' efforts to open a rebranded restaurant with Gordon Ramsay. Mr. Seibel subsequently filed an amended complaint, reasserting some of the same causes of action and adding further allegations. On July 21, 2017, Planet Hollywood answered the amended complaint and asserted a counterclaim for fraudulent concealment against Mr. Seibel individually.

(c) *Nevada Federal District Court litigation involving TPOV and Paris.*

129. On February 3, 2017, TPOV Enterprises 16, LLC filed a complaint in the United States District Court for the District of Nevada against Paris, Case No. 2:17-cv-00346-JCM-VCF. TPOV Enterprises 16, LLC alleges, inter alia, that (i) Paris breached the TPOV Agreement by, inter alia, refusing to continue to pay TPOV 16 and terminating the TPOV Agreement; (ii) Paris breached the implied covenant of good faith and fair dealing by, inter alia, disputing the validity of the assignment of the TPOV Agreement and claiming that TPOV is an Unsuitable Person; (iii) Paris has been unjustly enriched by its failure to pay TPOV 16 in accordance with the TPOV Agreement; and (iv) it is entitled to a declaration that the assignment of the TPOV Agreement from TPOV to TPOV 16 was valid and TPOV 16 is not associated with an Unsuitable Person.

130. Paris moved to dismiss TPOV 16's claims based on subject matter jurisdiction and failure to state a claim upon which relief could be granted. The District Court (Judge Mahan) granted the motion in part, and denied it in part, dismissing TPOV 16's claim for unjust enrichment. On July 21, 2017, Paris answered the complaint, and asserted counterclaims for breach of contract, breach of the implied covenant, fraudulent concealment, civil conspiracy, and declaratory relief against TPOV, TPOV 16, and Mr. Seibel personally.

**COUNT I**

**(Declaratory Judgment Against All Defendants Declaring That  
Caesars Properly Terminated All of the Seibel Agreements)**

131. Caesars hereby repeats and re-alleges each of the above paragraphs as though fully set forth herein.

132. NRS 30.040(1) provides that "[a]ny person interested under [a written contract] or whose rights, status or other legal relations are affected by a [contract] may have determined any question of construction or validity arising under the [contract] and obtain a declaration of rights, status or other legal relations thereunder."

133. The parties dispute whether Caesars properly terminated the Seibel Agreements. Thus, there is a justiciable controversy ripe for adjudication among the parties.