Caesars Entertainment Operating Company, Inc. and the other Debtors in the above-captioned Chapter 11 Cases respectfully propose the following joint plan of reorganization pursuant to chapter 11 of the Bankruptcy Code. Capitalized terms used and not otherwise defined shall have the meanings ascribed to such terms in Article I.A of the Plan. The Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered pursuant to an order of the Bankruptcy Court. Reference is made to the Disclosure Statement for a discussion of the Debtors' history, businesses, results of operations, historical financial information, projections, and future operations, as well as a summary and analysis of the Plan and certain related matters. Each Debtor is a proponent of the Plan contained herein within the meaning of section 1129 of the Bankruptcy Code.

ARTICLE I.
DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW

A. Defined Terms

As used in the Plan, capitalized terms have the meanings set forth below.

1. "1145 Securities" mean, collectively, (a) the New Interests issued in respect of Claims as contemplated by the Plan, (b) the guaranty under the OpCo Guaranty Agreement of the OpCo First Lien Notes, (c) the OpCo First Lien Notes, the PropCo First Lien Notes, and the PropCo Second Lien Notes, (d) the New CEC Convertible Notes and the New CEC Common Equity issued upon conversion thereof, and (e) the New CEC Common Equity issued in exchange for OpCo Series A Preferred Stock pursuant to the CEOC Merger.

2. "2016 Fee Notes" means the Senior Unsecured Notes arising under the 6.50% Senior Unsecured Notes Indenture with CUSIP No. 413627AX8, other than those held by CAC and members of the Ad Hoc Group of 5.75% and 6.50% Unsecured Notes in the Chapter 11 Cases as disclosed on March 17, 2016 [Docket No. 3422].

3. "5.75% Senior Unsecured Notes Indenture" means that certain Indenture, dated as of September 28, 2005, by and between CEOC, CEC, and the 5.75% Senior Unsecured Notes Indenture Trustee, providing for the issuance of 5.75% Senior Notes due 2017, as amended, amended and restated, supplemented, or otherwise modified from time to time.

4. "5.75% Senior Unsecured Notes Indenture Trustee" means Law Debenture Trust Company of New York, solely in its capacity as indenture trustee under the 5.75% Senior Unsecured Notes Indenture, and any predecessors and successors in such capacity.

5. "6.50% Senior Unsecured Notes Indenture" means that certain Indenture, dated as of June 9, 2006, by and between CEOC, CEC, and the 6.50% Senior Unsecured Notes Indenture Trustee, providing for the issuance of 6.50% Senior Notes due 2016, as amended, amended and restated, supplemented, or otherwise modified from time to time.

6. "6.50% Senior Unsecured Notes Indenture Trustee" means Law Debenture Trust Company of New York, solely in its capacity as indenture trustee under the 6.50% Senior Unsecured Notes Indenture, and any predecessors and successors in such capacity.

7. "8.50% First Lien Notes Indenture" means that certain Indenture, dated as of February 14, 2012, by and between the Escrow Issuers, CEC, and the First Lien Notes Indenture Trustee, providing for the issuance of 8.50% Senior Secured Notes due 2020, as amended, amended and restated, supplemented, or otherwise modified from time to time.

8. "9.00% First Lien Notes Indentures" means (a) that certain Indenture, dated as of August 22, 2012, by and between the Escrow Issuers, CEC, and the First Lien Notes Indenture Trustee, providing for the issuance of 9.00% Senior Secured Notes due 2020, as amended, amended and restated, supplemented, or otherwise modified from time to time, including pursuant to that certain Additional Notes Supplemental Indenture, dated as of December 13, 2012, by and between the Escrow Issuers, CEC, and the First Lien Notes Indenture

Trustee; and (b) that certain Indenture, dated as of February 15, 2013, by and between the Escrow Issuers, CEC, and the First Lien Notes Indenture Trustee, providing for the issuance of 9.00% Senior Secured Notes due 2020, as amended, amended and restated, supplemented, or otherwise modified from time to time.

9. "10.00% Second Lien Notes Indentures" means, collectively, that (a) certain Indenture, dated as of December 24, 2008, by and between CEOC, CEC, and the applicable 10.00% Second Lien Notes Indenture Trustee, providing for the issuance of 10.00% Second-Priority Senior Secured Notes due 2015 and 10.00% Second-Priority Senior Secured Notes due 2018, as amended, amended and restated, supplemented, or otherwise modified from time to time, and (b) certain Indenture, dated as of April 15, 2009, between CEOC, CEC, and the applicable 10.00% Second Lien Notes Indenture Trustee, providing for the issuance of 10.00% Second-Priority Senior Secured Notes due 2018, as amended, amended and restated, supplemented, or otherwise modified from time to time.

10. "10.00% Second Lien Notes Indenture Trustee" means, as applicable, (a) Delaware Trust Company, solely in its capacity as successor indenture trustee under the 10.00% Second Lien Notes Indenture dated as of December 24, 2008, and any predecessors and successors in such capacity, or (b) Wilmington Savings Fund Society, FSB, solely in its capacity as successor indenture trustee under the 10.00% Second Lien Notes Indenture dated as of April 15, 2009, and any predecessors and successors in such capacity.

11. "11.25% First Lien Notes Indenture" means that certain Indenture, dated as of June 10, 2009, by and between the Escrow Issuers, CEC, and the First Lien Notes Indenture Trustee, providing for the issuance of 11.25% Senior Secured Notes due 2017, as amended, amended and restated, supplemented, or otherwise modified from time to time, including that certain Second Supplemental Indenture, dated as of September 11, 2009, between CEOC, CEC, and the First Lien Notes Indenture Trustee.

12. "12.75% Second Lien Notes Indenture" means that certain Indenture, dated as of April 16, 2010, by and between the Escrow Issuers, CEC, and the 12.75% Second Lien Notes Indenture Trustee, providing for the issuance of 12.75% Second-Priority Senior Secured Notes due 2018, as amended, amended and restated, supplemented, or otherwise modified from time to time.

13. "12.75% Second Lien Notes Indenture Trustee" means BOKF, N.A., solely in its capacity as successor indenture trustee under the 12.75% Second Lien Notes Indenture, and any predecessors and successors in such capacity.

14. "Additional CEC Bank Consideration" means an amount equal to $10,000,000 per month (which shall be fully earned on the first day of each month) earned from January 1, 2017, through the earlier of (a) the Effective Date or (b) June 30, 2017, which amount New CEC shall contribute to the Debtors on the Effective Date and which shall be payable in (x) Cash and/or (y) New CEC Common Equity (at a price per share of New CEC Common Equity using an implied equity value for New CEC of $6.5 billion, post conversion of the New CEC Convertible Notes and before giving effect to the Cash that would have otherwise been used to pay the consideration and the New CEC Common Equity Buyback), which shall be issued in exchange for OpCo Series A Preferred Stock pursuant to the CEOC Merger; provided that the election to pay Cash or New CEC Common Equity shall be made in New CEC's sole discretion, provided, further, that, unless consented to by the Requisite Consenting Bank Creditors, such election must be the same as the similar election made by CEC for the Additional CEC Bond Consideration. Subject to the Bank RSA remaining in effect, if and to the extent that the Additional CEC Bond Consideration is increased, the amount of the Additional CEC Bank Consideration will increase by a percentage amount equal to the amount by which the Additional CEC Bond Consideration has been increased.

15. "Additional CEC Bond Consideration" means to the extent that the Effective Date shall not have occurred on or before May 1, 2017, New CEC shall (a) contribute to the Debtors on the Effective Date Cash in the amount of $20,000,000 per month and/or (b) issue New CEC Common Equity (at a price per share of New CEC Common Equity using an implied equity value for New CEC of $6.5 billion, post conversion of the New CEC Convertible Notes and before giving effect to the Cash that would have otherwise been used to pay the consideration and the New CEC Common Equity Buyback) of a value equal to $20,000,000 per month (which shall be issued in exchange for OpCo Series A Preferred Stock pursuant to the CEOC Merger), in both instances commencing on May 1, 2017, and ending on the Effective Date, which amount shall be (x) prorated for any partial month, and (y) so long as New CEC has made all payments required of it under the Bond RSA, reduced by $4,800,000; provided that the

election to pay Cash or New CEC Common Equity shall be made in New CEC's sole discretion, provided, further, that, unless consented to by the Requisite Consenting Bond Creditors, such election must be the same as the similar election made by CEC for the Additional CEC Bank Consideration.

16. "Administrative Claim" means a Claim for the costs and expenses of administration of the Estates pursuant to section 503(b) and 507(a)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors; (b) all fees and charges assessed against the Estates pursuant to chapter 123 of the Judicial Code, including the U.S. Trustee Fees; (c) Professional Fee Claims; and (d) Restructuring Support Advisors Fees.

17. "Administrative Claims Bar Date" means the deadline for filing requests for payment of Administrative Claims (other than (x) Professional Fee Claims and (y) Administrative Claims arising in the ordinary course of business), which shall be the first Business Day that is 45 days following the Effective Date, except as specifically set forth in the Plan or in a Final Order, or as agreed-to by the Reorganized Debtors.

18. "Administrative Claims Objection Bar Date" means the deadline for filing objections to requests for payment of Administrative Claims (other than requests for payment of Professional Fee Claims), which shall be the first Business Day that is 180 days following the Effective Date; provided that the Administrative Claims Objection Bar Date may be extended by the Bankruptcy Court after notice and a hearing.

19. "Affiliate" shall have the meaning set forth in section 101(2) of the Bankruptcy Code.

20. "Allowed" means with respect to Claims: (a) any Claim other than an Administrative Claim that is evidenced by a Proof of Claim which is or has been timely Filed by the applicable Claims Bar Date or that is not required to be evidenced by a Filed Proof of Claim under the Bankruptcy Code or a Final Order; (b) any Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim has been timely Filed; (c) all Claims classified in Class 1 (Undisputed Unsecured Claims); (d) any Claims agreed to by the Debtors prior to the Distribution Record Date and included on a schedule to be provided to the Unsecured Creditors Committee on such date; or (e) any Claim Allowed pursuant to (i) the Plan, (ii) any contract, instrument, indenture, or other agreement entered into or assumed in connection with the Plan, or (iii) a Final Order of the Bankruptcy Court; provided that with respect to any Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that with respect to such Claim no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim shall have been Allowed by a Final Order. Except as otherwise specified in the Plan or any Final Order, and except for any Claim that is Secured by property of a value in excess of the principal amount of such Claim, the amount of an Allowed Claim shall not include interest on such Claim from and after the Petition Date. For purposes of determining the amount of an Allowed Claim, there shall be deducted therefrom an amount equal to the amount of any Claim that the Debtors may hold against the Holder thereof, to the extent such Claim may be offset, recouped, or otherwise reduced under applicable law. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely Filed by the applicable Claims Bar Date, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. Notwithstanding anything to the contrary herein, no Claim of any entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as the case may be. "Allow" and "Allowing" shall have correlative meanings.

21. "Alpha Released Parties" means Alpha Frontier Limited, as purchaser under the CIE Asset Sale, and each and all of its respective direct and indirect current and former: shareholders, affiliates, subsidiaries, partners (including general partners and limited partners), investors, managing members, members, officers, directors, principals, employees, managers, controlling persons, agents, attorneys, investment bankers, other professionals, advisors, and representatives, and each and all of their respective heirs, successors, assigns, and legal representatives, each in their capacities as such.

22. "Approvals" shall have the meaning set forth in Article IV.R.3 hereof.

23. "Assumed Executory Contracts and Unexpired Leases Schedule" means the schedule of certain Executory Contracts and Unexpired Leases to be assumed, or assumed and assigned, as applicable, by the Debtors pursuant to the Plan in the form filed as part of the Plan Supplement, as the same may be amended, modified, or supplemented from time to time, which schedule shall be reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

24. "Available Cash" means the excess of (a) the pro forma amount of balance sheet Cash of the Debtors available after giving effect to the Effective Date, the consummation of the Plan, all debt reductions and repayments, the payment of all fees, expenses, and related uses of Cash on the Effective Date in accordance with the Plan over (b) the Minimum Cash Requirement. The pro forma amount of such balance sheet Cash shall exclude (i) Cash held by non-Debtor Chester Downs and Marina, LLC and Chester Downs Finance Corp., (ii) Cash held by the international entities owned by the Debtors, each of which is a non-Debtor other than Caesars Entertainment Windsor Limited, and (iii) customer Cash held in custody by the Debtors.

25. "Avoidance Actions" means any and all avoidance, recovery, subordination, or similar remedies that may be brought by or on behalf of the Debtors or the Estates, including causes of action or defenses arising under chapter 5 of the Bankruptcy Code or under similar or related state or federal statutes and common law, including fraudulent transfer laws.

26. "Backstop Commitment" means the PropCo Preferred Backstop Investors' commitment pursuant to the Backstop Commitment Agreement to backstop with Cash the exercise of the PropCo Preferred Equity Put Right in an amount equal to (a) $250,000,000 plus (b) the PropCo Preferred Equity Upsize Amount.

27. "Backstop Commitment Agreement" means that certain Backstop Commitment Agreement, by and between CEOC and the PropCo Preferred Backstop Investors party thereto from time to time, as the same may be amended, amended and restated, supplemented, or otherwise modified from time to time in accordance with its terms, the form of which shall be included in the Plan Supplement.

28. "Ballot" means the form or forms distributed to certain Holders of Claims or Interests that are entitled to vote on the Plan by which such parties may indicate acceptance or rejection of the Plan.

29. "Bank Debt Contract Rate" means (a) with respect to Term B-4 Loans, a per annum rate equal to 10.50%, (b) with respect to Term B-5 Loans, a per annum rate equal to 6.22%, (c) with respect to Term B-6 Loans, a per annum rate equal to 7.22%, and (d) with respect to Term B-7 Loans, a per annum rate equal to 9.75%.

30. "Bank Debt Tranche" means Term B-4 Loans, Term B-5 Loans, Term B-6 Loans, and/or Term B-7 Loans issued pursuant to the Prepetition Credit Agreement.

31. "Bank Guaranty Accrual Period" means the period from (and including) the Petition Date until (but not including) the Effective Date; provided that from the date of the Bank Pay Down, until (but not including) the Effective Date, the aggregate principal amount of Bank Guaranty Purchased Obligations upon which the Bank Guaranty Settlement Percentage shall be applied will be reduced by $300,000,000 on account of the Bank Pay Down.

32. "Bank Guaranty Accrued Amount" means, with respect to each Bank Debt Tranche held by a Holder of a Prepetition Credit Agreement Claim, an aggregate amount equal to (a) the aggregate principal amount of Bank Guaranty Purchased Obligations of such Bank Debt Tranche held by such Holder multiplied by a rate per annum equal to the product of (x) the Bank Guaranty Settlement Percentage and (y) the Bank Debt Contract Rate, minus (ii) the aggregate amount of Monthly Adequate Protection Payments (as defined in the Cash Collateral Order) received by such Holder during the Bank Guaranty Accrual Period (which Monthly Adequate Protection Payments are deemed to have been paid on account of interest (and not recharacterized as principal or otherwise disallowed)) on account of its Prepetition Credit Agreement Claims, minus (iii) the Upfront Payment paid by CEC to such Holder.

33. "Bank Guaranty Purchased Obligations" means the Debtors' obligation, which shall be funded entirely by CEC or New CEC, to purchase 100% of the rights of each Holder of a Prepetition Credit Agreement Claim for the Bank Guaranty Settlement Purchase Price, in full and final cancellation of all rights under the Prepetition Credit Agreement, including on account of any right to postpetition interest.

34. "Bank Guaranty Settlement" means the settlement set forth in Article IV.A.8 of the Plan, which shall be deemed approved by the Holders of Prepetition Credit Agreement Claims if Class D votes to accept the Plan.

35. "Bank Guaranty Settlement Percentage" means a percentage rate equal to (a) for the period from the Petition Date through and including October 1, 2015, 80.3%, (b) for the period from October 2, 2015, through and including January 1, 2016, 83.3%, (c) for the period from January 2, 2016, through and including April 1, 2016, 86.4%, (d) for the period from April 2, 2016, through and including July 1, 2016, 89.5%, (e) for the period from July 2, 2016, through and including October 1, 2016, 92.6%, (f) for the period from October 2, 2016, through and including January 1, 2017, 95.7%, (g) for the period from January 2, 2017, through and including April 1, 2017, 98.8%, and (h) for the period from April 2, 2017, until the end of the Bank Guaranty Accrual Period, 100%, provided that, for the avoidance of doubt, the aggregate principal amount outstanding under the Prepetition Credit Agreement Bank Debt Tranches shall be reduced by $300,000,000 from the date of the Bank Pay Down, forward through the end of the Bank Guaranty Accrual Period, on account of the Bank Pay Down on such date.

36. "Bank Guaranty Settlement Purchase Price" means, with respect to each Bank Debt Tranche held by a Holder of a Prepetition Credit Agreement Claim, an amount equal to the Bank Guaranty Accrued Amount in respect of the aggregate principal amount of Bank Guaranty Purchased Obligations of such Bank Debt Tranche held by such Holder of a Prepetition Credit Agreement Claim for the Bank Guaranty Accrual Period; provided that each such Holder of a Prepetition Credit Agreement Claim shall remain entitled to receive any distributions set forth herein on account of such Holder's Bank Guaranty Purchased Obligations.

37. "Bank RSA" means that certain Second Amended and Restated Restructuring Support and Forbearance Agreement (including all term sheets, schedules, exhibits, and annexes thereto), dated as of October 4, 2016, as amended, amended and restated, supplemented, or otherwise modified from time to time, by and between, among others, CEOC on behalf of itself and each of the Debtors, CEC, and the Consenting Bank Creditors (as defined therein) party thereto from time to time. As provided in the Bank RSA, the Plan, the Confirmation Order, the documents in the Plan Supplement, and any modifications, amendments, or supplements thereto shall be reasonably acceptable to the Requisite Consenting Bank Creditors and to the extent that any such amendment, supplement, modification, or restatement could have, in the good faith opinion of the Requisite Consenting Bank Creditors, after consulting with its professionals, any material impact on the legal or economic rights of the Prepetition Credit Agreement Claims, shall be approved by the Requisite Consenting Bank Creditors.

38. "Bank Pay Down" means the Debtors' partial principal payment of the Prepetition Credit Agreement Claims held by the Holders of the Prepetition Credit Agreement Bank Debt Tranches (for the avoidance of doubt, exclusive of Swap and Hedge Claims or any Claims on account of letters of credit) in Cash in the amount of $300,000,000 paid on October 3, 2016 (or such other date as the Majority Bank Creditors (as defined in the Bank RSA) may agree to in writing, upon written request of the Debtors), pursuant to, and subject to the terms of, the *Order (A) Authorizing the Repayment of Certain Secured Loan Amounts, and (B) Granting Related Relief* [Docket No. 4666].

39. "Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as now in effect or hereinafter amended, and the rules and regulations promulgated thereunder.

40. "Bankruptcy Court" means the United States Bankruptcy Court for the Northern District of Illinois having jurisdiction over the Chapter 11 Cases, and, to the extent of the withdrawal of any reference under section 157 of the Judicial Code, the United States District Court for the Northern District of Illinois.

41. "Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of

the Bankruptcy Court, as now in effect or hereinafter amended, and the rules and regulations promulgated thereunder.

42. "BIT Debtors" means the Debtors at which the Holders of General Unsecured Claims are entitled to higher recoveries than Holders of General Unsecured Claims at other Debtors based on the Liquidation Analysis, which Debtors are, collectively, (a) the Par Recovery Debtors, (b) Caesars Riverboat Casino, LLC, (c) Chester Downs Management Company, LLC, and (d) Winnick Holdings, LLC.

43. "Bond RSA" means that certain Sixth Amended and Restated Restructuring Support and Forbearance Agreement (including all term sheets, schedules, exhibits, and annexes thereto), dated as of October 4, 2016, as amended, amended and restated, supplemented, or otherwise modified from time to time, by and between, among others, CEOC on behalf of itself and each of the Debtors, CEC, and the Consenting Creditors (as defined therein) party thereto from time to time. As provided in the Bond RSA, the Plan, the Confirmation Order, the documents in the Plan Supplement, and any modifications, amendments, or supplements thereto shall be reasonably acceptable to the Requisite Consenting Bond Creditors and to the extent that any such amendment, supplement, modification, or restatement could have, in the good faith opinion of the Requisite Consenting Bond Creditors, after consulting with its professionals, any material impact on the legal or economic rights of the Secured First Lien Notes Claims, shall be approved by the Requisite Consenting Bond Creditors.

44. "Business Day" means any day, other than a Saturday, Sunday, or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

45. "CAC" means Caesars Acquisition Company, a Delaware corporation, which is a non-Debtor.

46. "CAC RSA" means that certain Amended and Restated Restructuring Support Agreement (including all exhibits thereto), dated as of July 9, 2016, as amended, amended and restated, supplemented, or otherwise modified from time to time, by and between, among others, CEOC on behalf of itself and each of the Debtors, and CAC.

47. "Caesars Cases" means, collectively, the cases captioned (a) Wilmington Savings Fund Society, FSB, solely in its capacity as successor Indenture Trustee for the 10% Second-Priority Senior Secured Notes due 2018, on behalf of itself and derivatively on behalf of Caesars Entertainment Operating Company, Inc. v. Caesars Entertainment Corporation, et al., Case No. 10004-VCG (Del. Ch.), (b) Trilogy Portfolio Company, LLC, et al. v. Caesars Entertainment Corporation and Caesars Entertainment Operating Company, Inc., No. 14-cv-07091 (S.D.N.Y.), (c) Frederick Barton Danner v. Caesars Entertainment Corporation and Caesars Entertainment Operating Company, Inc., No. 14-cv-7973 (S.D.N.Y.), (d) UMB Bank v. Caesars Entertainment Corporation, et al., C.A. No. 10393-VCG (Del. Ch.), (e) BOKF, N.A., solely in its capacity as successor Indenture Trustee for the 12.75% Second-Priority Senior Secured Notes due 2018 v. Caesars Entertainment Corporation, No. 15-cv-01561 (S.D.N.Y.), (f) UMB Bank, N.A. solely in its capacity as Indenture Trustee under those certain indentures, dated as of June 10, 2009, governing Caesars Entertainment Operating Company, Inc.'s 11.25% Notes due 2017; dated as of February 14, 2012, governing Caesars Entertainment Operating Company, Inc.'s 8.5% Senior Secured Notes due 2020; dated August 22, 2012, governing Caesars Entertainment Operating Company, Inc.'s 9% Senior Secured Notes due 2020; dated February 15, 2013, governing Caesars Entertainment Operating Company, Inc.'s 9% Senior Secured Notes due 2020 v. Caesars Entertainment Corporation, No. 15-cv-04634 (S.D.N.Y.), (g) Wilmington Trust, National Association v. Caesars Entertainment Corporation, No. 15-cv-08280 (S.D.N.Y.), and (h) all claims in, causes of action relating to, and claims arising out of any facts alleged in the Caesars Cases otherwise described in clauses (a)–(g) above.

48. "Caesars Controlled Group" means all members of the NRF Employers' "controlled group" as that term is defined in the Internal Revenue Code (including 26 U.S.C. § 414) and ERISA (including 29 U.S.C. § 1301(b)).

49. "Caesars Palace-Las Vegas" means the hotel, gaming, retail, and resort property located at 3500-3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109, and related properties, including the portion of such property known as The Forum Shops, but specifically excluding the portion of such property commonly known as Octavius Tower.

50. "Caesars Riverboat Casino Unsecured Claim" means a General Unsecured Claim against Debtor Caesars Riverboat Casino, LLC.

51. "Cash" or "$" means the legal tender of the United States of America or the equivalent thereof, including bank deposits and checks.

52. "Cash Collateral Order" means (a) the *Interim Order (I) Authorizing Use of Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay to Permit Implementation; (IV) Scheduling a Final Hearing and (V) Granting Related Relief* [Docket No. 47], (b) the *Final Order (I) Authorizing Use of Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay to Permit Implementation, and (IV) Granting Related Relief* [Docket No. 988], and (c) any stipulations thereto.

53. "Causes of Action" means any claim, cause of action (including Avoidance Actions or rights arising under section 506(c) of the Bankruptcy Code), controversy, right of setoff, cross claim, counterclaim, or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law. Causes of Action also include: (a) all rights of setoff, counterclaim, cross-claim, or recoupment, and claims on contracts or for breaches of duties imposed by law; (b) the right to object to or otherwise contest Claims; (c) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code; and (d) all claims and defenses set forth in section 558 of the Bankruptcy Code.

54. "CEC" means Caesars Entertainment Corporation, a Delaware corporation formerly known as Harrah's Entertainment, Inc., which is a non-Debtor.

55. "CEC Released Parties" means each and all of: (a) CEC; (b) CAC; (c) the Sponsors; and (d) with respect to each of the foregoing identified in the foregoing clauses (a) through (c), each and all of their respective direct and indirect current and former: shareholders (other than (i) the Debtors and (ii) recipients of New CEC Common Equity Distributed under this Plan who become shareholders solely as a result of such distribution), Affiliates (other than the Debtors), subsidiaries (other than the Debtors and their direct and indirect subsidiaries), partners (including general partners and limited partners), investors, managing members, officers, directors, principals, employees, managers, controlling persons, agents, attorneys, other professionals, advisors, and representatives, and each and all of their respective heirs, successors, and legal representatives, each in their capacities as such.

56. "CEC RSA" means that certain First Amended and Restated Restructuring Support, Settlement, and Contribution Agreement (including all exhibits thereto), dated as of July 9, 2016, as amended, amended and restated, supplemented, or otherwise modified from time to time, by and between, among others, CEOC on behalf of itself and each of the Debtors and CEC.

57. "CEOC" means Caesars Entertainment Operating Company, Inc., a Delaware corporation, formerly known as Harrah's Operating Company, Inc., which is a Debtor.

58. "CEOC Interests" means an Interest in CEOC.

59. "CEOC Merger" means the merger of OpCo into a wholly-owned subsidiary of New CEC that will be disregarded from New CEC for U.S. federal income tax purposes on the Effective Date, pursuant to which OpCo Series A Preferred Stock will be exchanged for New CEC Common Equity, which is intended to be treated as a reorganization under section 368(a)(1)(A) or (G) of the Internal Revenue Code or as a tax-free liquidation (from the perspective of New CEC) under section 332 of the Internal Revenue Code, as applicable.

60. "CEOC Merger Agreement" means the agreement pursuant to which OpCo will consummate the CEOC Merger, the form of which shall be included in the Plan Supplement.

61. "CERP" means Caesars Entertainment Resort Properties, LLC, a Delaware limited liability company, and all of its direct and indirect subsidiaries, each of which are non-Debtors.

62. "CES" means Caesars Enterprise Services, LLC, which is a non-Debtor.

63. "CES LLC Agreement" means that certain Amended Limited Liability Company Agreement of Caesars Enterprise Services, LLC, dated as of May 20, 2014, as amended, amended and restated, supplemented, or otherwise modified from time to time.

64. "CES Shared Services Agreement" means certain Omnibus License and Enterprise Services Agreement, dated as of May 20, 2014, by and between CEOC, CERP, Caesars Growth Properties Holdings, LLC, Caesars World, Inc., and CES, as amended, amended and restated, supplemented, or otherwise modified from time to time.

65. "CGP" means Caesars Growth Partners, LLC, a Delaware limited liability company, and all of its direct and indirect subsidiaries, each of which are non-Debtors.

66. "Challenged Transactions" means all of the transactions that were reviewed by the examiner appointed in the Chapter 11 Cases by the Bankruptcy Court pursuant to section 1106 of the Bankruptcy Code, or that such examiner was empowered or authorized to review pursuant to the *Order Granting in Part and Denying in Part Motions to Appoint Examiner* [Docket No. 675] and the *Order (I) Granting Debtors' Motion for an Order Expanding the Scope of the Examiner's Investigation and (II) Amending the Examiner Order and Discovery Protocol Orders* [Docket No. 2131].

67. "Chapter 11 Cases" means the jointly administered chapter 11 cases commenced by the Debtors in the Bankruptcy Court and styled In re Caesars Entertainment Operating Company, Inc., et al., No. 15-01145 (ABG).

68. "Chester Downs Management Unsecured Claim" means a General Unsecured Claim against Debtor Chester Downs Management Company, LLC.

69. "CIE" means Caesars Interactive Entertainment LLC, a Delaware limited liability company formerly known as Caesars Interactive Entertainment, Inc., which is a non-Debtor.

70. "CIE Asset Sale" means the consummated sale contemplated by that certain Stock Purchase Agreement, dated as of July 30, 2016, between Alpha Frontier Limited and CIE.

71. "CIE Equity Buyback Proceeds" means Cash in the amount of $1,200,000,000 from the CIE Asset Sale proceeds in the CIE Escrow Account, which amount will be used on the Effective Date to make distributions to Holders of Claims in accordance with the distributions set forth in Article III hereof and pursuant to the New CEC Common Equity Cash Election Procedures.

72. "CIE Escrow Account" shall have the meaning set forth in the CIE Proceeds and Reservation of Rights Agreement.

73. "CIE OpCo Deleveraging Proceeds" means Cash in the amount of $500,000,000 from the CIE Asset Sale proceeds in the CIE Escrow Account, which amount will be used to fund distributions to the Holders of Prepetition Credit Agreement Claims and Holders of Secured First Lien Notes Claims.

74. "CIE Proceeds and Reservation of Rights Agreement" means that certain proceeds agreement, dated as of September 9, 2016, by and among CEC, CAC, CIE, and CEOC, as amended, amended and restated, supplemented, or otherwise modified from time to time in accordance with its terms and the *Stipulation Regarding CIE Sale Proceeds* [Docket No. 5078], dated September 22, 2016, by and among CEOC, CAC, CIE, and the Second Priority Noteholders Committee.

75. "Claim" means any claim against the Debtors or the Estates, as defined in section 101(5) of the Bankruptcy Code, including: (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

76. "Claims Bar Date" means the date established by the Bankruptcy Court by which Proofs of Claim must have been Filed with respect to such Claims, pursuant to: (a) the *Agreed Order (I) Setting Bar Dates for Filing Proofs of Claim, Including Requests for Payment Under Section 503(b)(9) of the Bankruptcy Code, (II) Establishing the Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Manner for Filing of Claims, Including Section 503(b)(9) Requests, (IV) Approving Notice of Bar Dates, and (V) Granting Related Relief* [Docket No. 1005], entered by the Bankruptcy Court on March 4, 2015; (b) a Final Order of the Bankruptcy Court; or (c) the Plan.

77. "Claims Objection Bar Date" shall mean the later of: (a) the first Business Day following 365 days after the Effective Date; and (b) such later date as may be fixed by the Bankruptcy Court, after notice and a hearing, upon a motion Filed on or before the day that is before 365 days after the Effective Date.

78. "Claims Register" means the official register of Claims maintained by the Notice and Claims Agent.

79. "Class" means a category of Holders of Claims or Interests as set forth in Article III of the Plan in accordance with section 1122(a) of the Bankruptcy Code.

80. "Coletta Claim" means that certain Proof of Claim Number 4053, filed by Alfred Coletta and Rosemary Coletta, Co-Guardians of the Person of Anthony Coletta, Incapacitated, and Alfred Coletta, in his own right, against Debtor Chester Downs Management Company, LLC, as such Proof of Claim may be amended or superseded.

81. "Confirmation" means the entry of the Confirmation Order on the docket of the Bankruptcy Court in the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

82. "Confirmation Date" means the date upon which the Bankruptcy Court enters the Confirmation Order on its docket in the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

83. "Confirmation Hearing" means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code.

84. "Confirmation Objection Deadline" means November 21, 2016.

85. "Confirmation Order" means the order of the Bankruptcy Court, materially consistent with the Restructuring Support Agreements and the Plan, and reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, the Requisite Consenting SGN Creditors (only with respect to their treatment and recovery), the Second Priority Noteholders Committee, the NRF (only with respect to the treatment of the NRF Claim, the NRF Bankruptcy Disputes, the NRF Non-Bankruptcy Disputes, and Article IV.O hereof) and the Unsecured Creditors Committee (in each case, as evidenced by their written approval, which approval may be conveyed in writing by their respective counsel including by electronic mail), confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

86. "Consenting First Lien Bank Lenders" means Holders of Prepetition Credit Agreement Claims who are Consenting Bank Creditors (as defined in the Bank RSA).

87. "Consenting First Lien Noteholders" means Holders of First Lien Notes who are Consenting Creditors (as defined in the Bond RSA).

88. "Consenting Second Lien Creditors" shall have the meaning set forth in the Second Lien RSA.

89. "Consenting SGN Creditors" shall have the meaning set forth in the SGN RSA.

90. "Consummation" shall mean "substantial consummation" as defined in section 1101(2) of the Bankruptcy Code.

91. "Convenience Cash Pool" means $17,570,000, which shall be available (a) first to satisfy Allowed Convenience Unsecured Claims on a Pro Rata basis up to a recovery equal to 65.5% of each Allowed Convenience Unsecured Claim, and (b) second to fund the Unsecured Creditors Cash Pool.

92. "Convenience Unsecured Claim" means any bona fide Claim arising prior to the Petition Date in an amount equal to or less than $280,000 as of the Voting Record Date, as evidenced by a Proof of Claim or the Debtors' Schedules (in accordance with the Bar Date Order), but only to the extent agreed to by the Debtors or allowed by a Final Order or has been asserted in an amount equal to or less than $280,000 that directly relates to and arises solely from either (a) the receipt of goods or services by the Debtors (other than a BIT Debtor or a Non-Obligor Debtor) or (b) employment services provided to the Debtors (other than a BIT Debtor or a Non-Obligor Debtor), provided that, for the avoidance of doubt, Claims held by a single entity at different Debtors shall not be aggregated for purposes of determining eligibility to be treated as a Holder of a Convenience Unsecured Claim, provided, further, that a Holder of a Claim in an amount greater than $280,000 shall not be permitted to reduce its Claim to an amount equal to or less than $280,000 to qualify its Claim for treatment as a Convenience Unsecured Claim.

93. "CPLV Loan Agreement" means the mortgage loan agreement and, if applicable, mezzanine loan agreement(s) by and among CPLV Sub and the CPLV Loan Lender, to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) which shall be based on the material terms set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (d) which shall be reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

94. "CPLV Loan Lender" means the lender or the trustee for the certificate holders for the CPLV Market Debt.

95. "CPLV Loan Documents" means, collectively, the CPLV Loan Agreement and all other agreements, documents, and instruments evidencing or securing the CPLV Market Debt to be delivered or entered into in connection therewith (including any mortgage, pledges, promissory notes, intercreditor agreements, and other security documents), which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

96. "CPLV Market Debt" means the first lien mortgage loan and, if applicable, mezzanine loan(s) to be provided on or prior to the Effective Date by the CPLV Loan Lender to CPLV Sub in an amount no less than $1,800,000,000 but no more than $2,600,000,000, at least $1,800,000,000 of which will be provided by third party lenders in Cash, the Cash proceeds of which shall be distributed to the Holders of Prepetition Credit Agreement Claims and the Holders of Secured First Lien Notes Claims as set forth in Article III.B hereof.

97. "CPLV Mezz" means the one or more newly formed wholly owned unrestricted direct or indirect subsidiaries of PropCo, which on and after the Effective Date will be the sole member of CPLV Sub or, if there are multiple such subsidiaries, each tranche will be the sole member of the below subsidiary and with one such tranche being the sole member of CPLV Sub.

98. "CPLV Mezz Organizational Documents" means the form of the operating agreement, certificate of incorporation, articles of incorporation, charter, bylaws, limited liability company agreement, and/or other similar organizational and constituent documents for CPLV Mezz, which shall be included in the Plan Supplement and

which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

99. "CPLV Mezzanine Debt" means one or more tranches of mezzanine debt under the CPLV Mezzanine Loan Agreement, which debt shall be issued only if the Debtors, after using commercially reasonable efforts, are unable to finance $2,600,000,000 of CPLV Market Debt, and which CPLV Mezzanine Debt shall be issued pursuant to Article IV.A.3 hereof in an initial aggregate principal amount equal to the excess, if any, of $2,600,000,000 over the sum of (a) the original aggregate principal amount of the CPLV Market Debt, (b) the aggregate amount of the CPLV Mezzanine Equitized Debt in respect of PropCo Preferred Equity distributed to the Holders of Allowed Secured First Lien Notes Claims, and (c) unless Holders of Prepetition Credit Agreement Claims make the CPLV Mezzanine Election, the PropCo Second Lien Upsize Amount.

100. "CPLV Mezzanine Election" means an affirmative election (by marking the appropriate box) on the Class D Ballots by a majority of the Class of Holders of Prepetition Credit Agreement Claims (calculated based solely on the principal amount of Allowed Prepetition Credit Agreement Claims held by the Holders who submit Class D Ballots voting to accept the Plan) to convert up to $333,000,000 in principal amount of PropCo Second Lien Notes otherwise to be received as a result of the PropCo Second Lien Upsize Amount (if any), into an equal principal amount of CPLV Mezzanine Debt in lieu thereof.

101. "CPLV Mezzanine Equitized Debt" means all CPLV Mezzanine Debt that is reduced (or not issued) as a result of the issuance of PropCo Preferred Equity, including the PropCo Preferred Equity Upsize Shares.

102. "CPLV Mezzanine Lenders" means the lenders under the CPLV Mezzanine Loan Agreement.

103. "CPLV Mezzanine Loan Agreement" means the loan agreement(s) by and among CPLV Mezz and the CPLV Mezzanine Lenders, to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) the material terms of which are set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (d) which shall be reasonably acceptable to the Requisite Consenting Bond Creditors and, solely if the Holders of Prepetition Credit Agreement Claims in Class D make the affirmative CPLV Mezzanine Election, the Requisite Consenting Bank Creditors.

104. "CPLV Mezzanine Loan Documents" means, collectively, the CPLV Mezzanine Loan Agreement and all other agreements, documents, and instruments evidencing or securing the CPLV Mezzanine Debt to be delivered or entered into in connection therewith (including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents), which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors and, solely if the Holders of Prepetition Credit Agreement Claims in Class D make the affirmative CPLV Mezzanine Election, the Requisite Consenting Bank Creditors.

105. "CPLV Sub" means the newly formed wholly owned unrestricted direct or indirect subsidiaries of PropCo, which on and after the Effective Date will own Caesars Palace-Las Vegas, and which shall lease Caesars Palace-Las Vegas to OpCo or, if there are multiple such subsidiaries, each one will be the sole member of the below subsidiary, with one such subsidiary owning Caesars Palace-Las Vegas and leasing Caesars Palace-Las Vegas to OpCo.

106. "CPLV Sub Organizational Documents" means the form of limited liability company agreement, articles of incorporation, bylaw, and/or other similar organizational and constituent documents for CPLV Sub, which shall be included in the Plan Supplement and which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

107. "Danner Agreement" means that certain Settlement and Forbearance Agreement, dated as of August 15, 2016, by and among CEOC, CEC, and Frederick Barton Danner.

108. "Debtors" means, collectively, each of the entities identified on **Exhibit A** attached hereto.

109. "Debtor Release" means the release given on behalf of the Debtors and their Estates to the Released Parties as set forth in Article VIII.B of the Plan.

110. "Deferred Compensation Plans" means, collectively, the (a) Harrah's Entertainment, Inc. Executive Supplemental Savings Plan, (b) Harrah's Entertainment, Inc. Executive Supplemental Savings Plan II, (c) Harrah's Entertainment, Inc. Executive Deferred Compensation Plan, (d) Harrah's Entertainment, Inc. Deferred Compensation Plan, and (e) Park Place Entertainment Corporation Executive Deferred Compensation Plan.

111. "Deferred Compensation Settlement" means that settlement encompassed in the Deferred Compensation Settlement Agreement, which settlement shall be effective on the Effective Date.

112. "Deferred Compensation Settlement Agreement" means that certain settlement agreement, dated as of September 14, 2016, by and between CEOC and CEC, pursuant to which CEOC and CEC have settled each of their asserted property interests in the assets held in various trust accounts in respect of the Deferred Compensation Plans, which settlement agreement was filed as Exhibit 1 to Exhibit A to the *Debtors' Motion for Entry of an Order Approving Settlement By and Among Debtor Caesars Entertainment Operating Company, Inc. and Caesars Entertainment Corporation Concerning the Treatment of Nonqualified Deferred Compensation Plans* [Docket No. 4982].

113. "Des Plaines Interests" means an Interest in Des Plaines Development Limited Partnership, a Debtor.

114. "Disbursing Agent" means, on the Effective Date, the Debtors, their agent, or any Entity or Entities designated by the Debtors to make or facilitate distributions that are to be made on or after the Initial Distribution Date pursuant to the Plan, which designee may be the Reorganized Debtors, provided that all distributions on account of Notes Claims shall be made to or at the direction of each of the applicable Indenture Trustees for distribution in accordance with the Plan following the procedures specified in each of the applicable Indentures.

115. "Disclosure Statement" means the *Disclosure Statement for the Debtors' Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 4220], dated June 28, 2016, and as may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, that is prepared and distributed in accordance with the Bankruptcy Code, the Bankruptcy Rules, and any other applicable law and approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code.

116. "Disputed" means, with respect to any Claim or Interest, any Claim or Interest that is not yet Allowed.

117. "Disputed Unsecured Claim" means any General Unsecured Claim other than an Insurance Covered Unsecured Claim that has not been agreed to by the Debtors as of the Effective Date, provided that for voting purposes, any such General Unsecured Claim that has not been agreed to by the Debtors by the Voting Deadline shall be in Class J. For the avoidance of doubt, to the extent the Holder of a Disputed Unsecured Claim resolves their Claim before the Voting Deadline such that it is an Undisputed Unsecured Claim, such Holder shall be permitted to vote the Allowed amount of such Undisputed Unsecured Claim to accept or reject the Plan in Class I against the applicable Debtor.

118. "Distribution Record Date" means the date for determining which Holders of Allowed Claims or Interests are eligible to receive distributions hereunder, which shall be the Effective Date or such other date as is designated in a Bankruptcy Court order.

119. "D&O Liability Insurance Policies" means, collectively, (a) all insurance policies for directors', members', trustees', officers', and managers' liability maintained by CEC (or its subsidiaries) for the benefit of the

Debtors' directors, members, trustees, officers, and managers as of the Petition Date (including any "tail policy") and (b) all insurance policies for directors', members', trustees', officers', and managers' liability maintained by the Debtors, the Estates, the Reorganized Debtors, or the New Property Entities as of the Effective Date (including any "tail policy").

120. "DTC" means The Depository Trust Company.

121. "Effective Date" means the first Business Day after the Confirmation Date on which (a) no stay of the Confirmation Order is in effect and (b) all conditions precedent specified in Article IX.A of the Plan have been satisfied or waived in accordance with Article IX.B of the Plan, which shall be the day Consummation occurs.

122. "Entity" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

123. "ERISA" means the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 1461, as now in effect or hereinafter amended, and the rules and regulations promulgated thereunder.

124. "Escrow Issuers" means Caesars Operating Escrow LLC, a Delaware limited liability company formerly known as Harrah's Operating Escrow LLC, and Caesars Escrow Corporation, a Delaware corporation formerly known as Harrah's Escrow Corporation.

125. "Estate" means, as to each Debtor, the estate created for the Debtor on the Petition Date pursuant to section 541 of the Bankruptcy Code and all property (as defined in section 541 of the Bankruptcy Code) acquired after the Petition Date through the Effective Date.

126. "Estimated REIT E&P" means the Debtors' reasonable estimate of the earnings and profits of the REIT, which will be calculated and delivered to the Consenting First Lien Noteholders and the Consenting First Lien Bank Lenders in accordance with the Bank RSA and the Bond RSA.

127. "Exculpated Party" means, collectively, in each case solely in their capacity as such, each and all of: (a) each Debtor; (b) CES; (c) the Unsecured Creditors Committee; (d) the Unsecured Creditors Committee Members; (e) the Second Priority Noteholders Committee; (f) the Second Priority Noteholders Committee Members; (g) CEC; (h) CAC; and (i) with respect to each of the foregoing identified in subsections (a) through (h) herein, each and all of their respective direct and indirect current and former: affiliates, subsidiaries, partners (including general partners and limited partners), managing members, members, officers, directors, principals, employees, managers, controlling persons, agents, attorneys, investment bankers, other professionals, advisors, and representatives, each in their capacities as such.

128. "Exculpation" means the exculpation set forth in Article VIII.D of the Plan.

129. "Executory Contract" means a contract to which one or more of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

130. "Federal Judgment Rate" means the federal judgment interest rate in effect as of the Petition Date calculated as set forth in section 1961 of the Judicial Code, which amount is 0.18% per annum.

131. "File," "Filed," or "Filing" means file, filed, or filing with the Bankruptcy Court (including the clerk thereof) in the Chapter 11 Cases or, with respect to the filing of a Proof of Claim or Proof of Interest, the Notice and Claims Agent.

132. "Final Cash Collateral Order" means the *Final Order (I) Authorizing Use of Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay to Permit Implementation, and (IV) Granting Related Relief* [Docket No. 988] entered by the Bankruptcy Court on March 25, 2015, including all stipulations related thereto.

133. "Final Order" means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter which has not been reversed, stayed, modified, or amended, as to which the time to appeal, petition for certiorari or move for reargument, reconsideration, or rehearing has expired and no appeal, petition for certiorari or motion for reargument, reconsideration, or rehearing has been timely filed, or as to which any appeal, petition for certiorari or motion for reargument, reconsideration, or rehearing that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari, reargument, reconsideration, or rehearing was sought; provided that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or the Local Bankruptcy Rules, may be filed relating to such order shall not prevent such order from being a Final Order.

134. "First Lien Intercreditor Agreement" that certain First Lien Intercreditor Agreement, dated as of June 10, 2009, by and between the Prepetition Credit Agreement Agent and the First Lien Notes Indenture Trustee.

135. "First Lien Notes" means, collectively, the: (a) 11.25% Senior Secured Notes due 2017, issued in the aggregate principal amount of $2,095,000,000 pursuant to the 11.25% First Lien Notes Indenture; (b) 8.50% Senior Secured Notes due 2020, issued in the original principal amount of $1,250,000,000 pursuant to the 8.50% First Lien Notes Indenture; and (c) 9.00% Senior Secured Notes due 2020, issued in the aggregate principal amount of $3,000,000,000 pursuant to the 9.00% First Lien Notes Indentures.

136. "First Lien Notes Claims" means, collectively, Secured First Lien Notes Claims and First Lien Notes Deficiency Claims.

137. "First Lien Notes Deficiency Claims" means any unsecured Claim arising under the First Lien Notes Indentures.

138. "First Lien Notes Indentures" means, collectively, the: (a) 11.25% First Lien Notes Indenture; (b) 8.50% First Lien Notes Indenture; and (c) 9.00% First Lien Notes Indentures.

139. "First Lien Notes Indenture Trustee(s)" means UMB Bank, National Association, solely in its capacity as indenture trustee under the First Lien Notes Indentures, and any predecessors and successors in such capacity.

140. "Gaming Approvals" means all state and local authorizations, consents, and regulatory approvals required to consummate the transactions contemplated by the Plan and maintain the Debtors' casino gaming licenses for their casino properties in the ordinary course.

141. "General Unsecured Claim" means any Claim that is not Secured and is not: (a) an Administrative Claim (including, for the avoidance of doubt, a Professional Fee Claim); (b) a Non-Obligor Unsecured Claim; (c) a Convenience Unsecured Claim; (d) a Priority Tax Claim; (e) an Other Priority Claim; (f) an Intercompany Claim; (g) a Section 510(b) Claim; (h) a First Lien Notes Deficiency Claim; (i) a Second Lien Notes Claim; (j) a Senior Unsecured Notes Claim; or (k) a Subsidiary-Guaranteed Notes Claim.

142. "Goldman Sachs Swap Claim" means any Claim arising from or related to that certain ISDA Master Agreement, dated as of January 28, 2008, by and between Goldman Sachs Capital Markets, L.P., as succeeded by Goldman Sachs Bank USA and CEOC, as supplemented by those five certain Confirmations thereunder, dated as of September 29, 2010, October 4, 2010, October 4, 2010, January 18, 2012, and January 18, 2012, respectively.

143. "Governmental Unit" shall have the meaning set forth in section 101(27) of the Bankruptcy Code.

144. "Guaranty and Pledge Agreement" means that certain Guaranty and Pledge Agreement, dated as of July 25, 2014, made by CEC in favor of the Prepetition Credit Agreement Agent, as amended, amended and restated, supplemented, or otherwise modified from time to time.

145. "Harrah's Atlantic City" means the hotel, gaming, retail, and resort property located at 777 Harrah's Boulevard, Atlantic City, New Jersey 08401, and related properties, including the Harrah's Resort Atlantic City's Waterfront Shops, which property is currently owned by CERP.

146. "Harrah's Laughlin" means the hotel, gaming, retail, and resort property located at 2900 South Casino Drive, Laughlin, Nevada 89029, and related properties, which property is currently owned by CERP.

147. "Harrah's New Orleans" means the gaming, retail, and resort property located at 228 Poydras Street, New Orleans, Louisiana 70130, and related properties, which property is currently owned by CGP.

148. "Holder" means any Entity holding a Claim or an Interest.

149. "Impaired" means, with respect to a Claim, a Class of Claims, or a Class of Interests, "impaired" within the meaning of section 1124 of the Bankruptcy Code.

150. "Improved Bank Recovery Event" means, subject to the Bank RSA remaining in effect, if and to the extent the consideration being received by the Holders of Secured First Lien Notes Claims (from any source) is increased as compared to the treatment provided to such Holders in this Plan, then there shall be an increase of the consideration (to be funded by CEC or New CEC) to the Holders of Prepetition Credit Agreement Claims by the same amount of consideration and subject to the same legal terms of any such increase to the Holders of Secured First Lien Notes Claims, provided, however, that the foregoing Improved Bank Recovery Event shall not apply with respect to an increase resulting from an Improved Bond Recovery Event.

151. "Improved Bond Recovery Event" means, subject to the Bond RSA remaining in effect, if and to the extent the consideration being received by the Holders of Prepetition Credit Agreement Claims (from any source) is increased as compared to the treatment provided to such Holders in this Plan, then there shall be an increase in the consideration (to be funded by CEC or New CEC) to the Holders of Secured First Lien Notes Claims by the same amount of consideration (as a percentage of claim) of any such increase to the Holders of Prepetition Credit Agreement Claims, provided, however, that the foregoing Improved Bond Recovery Event shall not apply with respect to an increase resulting from an Improved Bank Recovery Event.

152. "Improved Recovery Agreement" means an agreement among the Unsecured Creditors Committee, CEC, and CEOC (which shall only be effective if the Unsecured Creditors Committee has agreed to a restructuring support agreement with the Debtors and CEC that remains in effect) that to the extent the Holders of Second Lien Notes Claims, in their capacity as such and as a Class or sub-Class, receive a recovery percentage under the Plan or through some other agreement with the Debtors and/or CEC, however funded from any source, greater than the recovery percentage received by the Holders of Claims in Class H (Senior Unsecured Notes Claims), Claims I (Undisputed Unsecured Claims), Class J (Disputed Unsecured Claims), Class K (Convenience Unsecured Claims), and Class L (Insurance Covered Unsecured Claims) under the Plan, in their capacities as such, additional consideration shall be made available (on the same terms as to the Holders of Second Lien Notes Claims in their capacity as such and as a Class or sub-Class) to the Holders of Claims in Class H, Class I, Class J, Class K, and Class L such that their recovery percentage will be equal to the recovery percentage received by such Holders of Second Lien Notes Claims in their capacity as such and as a Class or sub-Class, commensurate with the respective vote of each of Class H, Class I, Class J, Class K, and Class L to accept or reject the Plan, as applicable, provided, however, for the avoidance of doubt, in the event the Holders of Second Lien Notes Claims in their capacity as such and as a Class or sub-Class receive any recovery percentage greater than the recovery percentage received by the Holders of Claims in Class H, Class I, Class J, Class K, and Class L and not contingent upon Plan treatment tied to voting outcomes, then any Plan treatment tied to voting outcomes for Class H, Class I, Class J, Class K, and Class L also shall be eliminated, and the Holders of Claims in such Classes shall receive the greater recovery percentage received by such Holders of Second Lien Notes Claims.

153. "Indemnification Provisions" means each of the Debtors' indemnification or contribution provisions in place before or as of the Effective Date whether in the bylaws, certificates of incorporation, other formation documents, board resolutions, or employment contracts for the Debtors' current and former directors, members, trustees, officers, managers, employees, attorneys, other professionals, and agents of the Debtors and such current and former directors, members, trustees, officers, and managers' respective Affiliates. For the avoidance of

doubt, Indemnification Provisions shall not include any provisions providing for indemnification or contribution relating to any purported, alleged or actual guarantee by CEC of any of the Debtors' respective debts.

154. "Indemnifiable Losses" means losses, liabilities, judgments, claims, causes of action, costs, and expenses (including reasonable and documented attorney's fees and expenses) incurred or suffered by an Indemnified Person in accordance with Article VI.M hereof.

155. "Indemnified Person" means, collectively, in each case solely in their capacity as such, (a) the Prepetition Credit Agreement Agent (solely in its capacity as administrative agent under the Prepetition Credit Agreement, including making distributions in accordance with the Plan), (b) each Indenture Trustee, and, (c) with respect to each of the forgoing identified in subsection (a) and (b), each and all of their respective: directors, officers, employees, agents, professionals, and attorneys, each in their capacities as such.

156. "Indentures" means, collectively, the: (a) 5.75% Senior Unsecured Notes Indenture; (b) 6.50% Senior Unsecured Notes Indenture; (c) 8.50% First Lien Notes Indenture; (d) 9.00% First Lien Notes Indenture; (e) 10.00% Second Lien Notes Indentures; (f) 11.25% First Lien Notes Indenture; (g) 12.75% Second Lien Notes Indenture; and (h) Subsidiary-Guaranteed Notes Indenture.

157. "Indenture Trustees" means, collectively, the: (a) 5.75% Senior Unsecured Notes Indenture Trustee; (b) 6.50% Senior Unsecured Notes Indenture Trustee; (c) each 10.00% Second Lien Notes Indenture Trustee; (d) 12.75% Second Lien Notes Indenture Trustee; (e) First Lien Notes Indenture Trustee, and (f) Subsidiary-Guaranteed Notes Indenture Trustee, or each of their predecessors, if applicable.

158. "Indenture Trustee Charging Lien" means any Lien or other priority in payment to which any of the Indenture Trustees is entitled, pursuant to each of the applicable Indentures or any ancillary documents, instruments or agreements.

159. "Initial Board" shall have the meaning set forth in Article IV.R.3 hereof.

160. "Initial Directors" shall have the meaning set forth in Article IV.R.3 hereof.

161. "Initial Distribution Date" means the date on which the Disbursing Agent shall make initial distributions to Holders of Claims and Interests pursuant to the Plan, which shall be as soon as reasonably practicable after the Effective Date.

162. "Institutional Accredited Investor" means an institution that is an "accredited investor" pursuant to Rule 501(a)(1), (2), (3) or (7) under the Securities Act that is not also a Qualified Institutional Buyer.

163. "Insurance Covered Unsecured Claim" means any General Unsecured Claim on account of an asserted personal injury tort or workers compensation against any Debtor (other than a BIT Debtor or a Non-Obligor Debtor). The Holders of Insurance Covered Unsecured Claims must exhaust all remedies with respect to the Debtors' insurance policies as set forth in Article VI.K hereof before such Holders shall receive the distributions set forth in Article III.B.12 hereof.

164. "Intercompany Claim" means any Claim held by a Debtor against any Debtor arising before the Petition Date.

165. "Intercompany Interests" means any Interest held by a Debtor in a Debtor.

166. "Interests" means any common stock, limited liability company interest, equity security (as defined in section 101(16) of the Bankruptcy Code), equity, ownership, profit interests, unit, or share in the Debtors (including all options, warrants, rights, or other securities or agreements to obtain such an interest or share in such Debtor), whether or not arising under or in connection with any employment agreement and whether or not certificated, transferable, preferred, common, voting, or denominated "stock" or a similar security, including any

claims against any Debtor subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.

167. "Interim Compensation Order" means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [Docket No. 587], entered by the Bankruptcy Court on March 4, 2015, as the same may be modified by a Bankruptcy Court order approving the retention of a specific Professional or otherwise.

168. "Interim Directors" shall have the meaning set forth in Article IV.R.3 hereof.

169. "Internal Revenue Code" means title 26 of the United States Code, 26 U.S.C. §§ 1–9834, as now in effect or hereinafter amended, and the rules and regulations promulgated thereunder.

170. "IRS" means the Internal Revenue Service.

171. "Involuntary Petition" means the involuntary chapter 11 petition filed against CEOC on January 12, 2015, in the United States Bankruptcy Court for the District of Delaware (Case No. 15-10047 (KG)) by the Petitioning Creditors and later transferred to the Bankruptcy Court (Case No. 15-03193 (ABG)).

172. "Judicial Code" means title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as now in effect or hereinafter amended, and the rules and regulations promulgated thereunder.

173. "Legacy Plan of the NRF" means the Legacy Plan of the National Retirement Fund (formerly known as the Pension Plan of the National Retirement Fund).

174. "Lien" shall have the meaning set forth in section 101(37) of the Bankruptcy Code.

175. "Liquidation Analysis" shall have the meaning set forth in the Disclosure Statement.

176. "Liquidation Value" means, with respect to any Class of Claims, the value of recoveries for such Class of Claims at each Debtor as shown in the Liquidation Analysis.

177. "Local Bankruptcy Rules" means the local rules, the general orders, and the chambers rules for the United States Bankruptcy Court for the Northern District of Illinois, as now in effect or hereinafter amended, and the rules and regulations promulgated thereunder.

178. "Management and Lease Support Agreements" means those certain Management and Lease Support Agreements, by and among New CEC, OpCo, PropCo, Manager, and their respective, applicable subsidiaries to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) which shall be based on the material terms set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (d) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

179. "Management Equity Incentive Plan" means the management equity incentive plan to be adopted by the New Board(s) on the Effective Date, the form of which shall be included in the Plan Supplement and, solely for the New Board of the REIT, shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, including as to the amount of New Interests to be set aside for the Management Equity Incentive Plan, which shall be determined by the Debtors prior to the Confirmation Hearing.

180. "Manager" means a wholly-owned subsidiary of New CEC that will provide management services pursuant to the Management and Lease Support Agreements with respect to the assets subject to the Master Lease Agreements.

181. "Master Lease Agreements" means those certain Leases, by and among OpCo and/or its subsidiaries and PropCo and/or its subsidiaries, to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) which shall be in form and substance consistent in all material respects with the terms attached hereto as **Exhibit B**, and (c) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bank Creditors, Requisite Consenting Bond Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

182. "Merger Agreement" means that certain Amended and Restated Agreement and Plan of Merger, dated as of July 9, 2016, between CAC and CEC, which can be found at Caesars Entertainment Corporation, Report on Form 8-K, Ex. 2.1 (July 11, 2016), as amended, amended and restated, supplemented, or otherwise modified from time to time.

183. "Minimum Cash Requirement" means $447,000,000 of Cash reduced by $0.50 for every dollar raised in revolving credit (provided that such reduction shall in no instance be greater than $100,000,000), $44,525,000 of which Cash shall be contributed to the REIT on the Effective Date to fund the REIT's initial balance sheet.

184. "New Boards" means, collectively, the boards of directors of OpCo and PropCo and any other Reorganized Debtor, if applicable, on and after the Effective Date to be appointed in accordance with the Plan, the initial board members of which shall be identified in the Plan Supplement.

185. "New CEC" means the combined CEC and CAC after consummation of the transactions contemplated by the Merger Agreement.

186. "New CEC Cash Contribution" means the excess of (a) $925,220,000 in Cash New CEC shall contribute to the Reorganized Debtors on the Effective Date to fund general corporate purposes, the Restructuring Transactions, and the distributions under the Plan (which amount includes the CIE OpCo Deleveraging Proceeds, the Unsecured Creditor Cash Pool, and the Unsecured Insurance Creditor Cash Pool), plus (b) the Bank Guaranty Settlement Purchase Price, plus (c) the Additional CEC Bank Consideration and/or the Additional CEC Bond Consideration, plus (d) any proceeds or settlement received on behalf of CEOC's, CEC's, or the Sponsor's applicable insurance policies prior to the Effective Date, less (e) any portion of the RSA Forbearance Fee under the Bond RSA and the Bank RSA paid by CEC and/or New CEC.

187. "New CEC Common Equity" means the new shares of common stock in New CEC, par value $0.01 per share, of which an amount up to an aggregate of 70.216% on a fully diluted basis (after accounting for any dilution from the New CEC Convertible Notes) may be issued and exchanged pursuant to the CEOC Merger for distribution to the Debtors' creditors pursuant to the Plan.

188. "New CEC Common Equity Buyback" means the purchase of shares of New CEC Common Equity at the New CEC Common Equity Buyback Purchase Price by New CEC from the New CEC Common Equity Buyback Participants in an aggregate amount equal to or greater than $1,000,000,000 but in no event to exceed the amount of the CIE Equity Buyback Proceeds as set forth in Article IV.A.1(g) hereof.

189. "New CEC Common Equity Additional Buyback Amount" shall equal $200,000,000 of the CIE Equity Buyback Proceeds as may be subject to modification solely in accordance with Article IV.A.1(g) hereof.

190. "New CEC Common Equity Buyback Participants" means those Holders that participate in the New CEC Common Equity Buyback pursuant to Article IV.A.1(g) hereof.

191. "New CEC Common Equity Buyback Purchase Price" means the price per share of New CEC Common Equity implied by a valuation of $5,880,940,000, before giving effect to the conversion of New CEC Convertible Notes.

192. "New CEC Common Equity Cash Election Form" means the election form to be provided to Holders of Claims in Class D, Class E, Class F, Class G, Class H, Class I, Class J, and Class L on a date after the

Confirmation Date to be determined by the Debtors, CEC, and the Second Priority Noteholders Committee, which form shall be part of the New CEC Cash Election Procedures, pursuant to which the Holders of Claims in such Classes may elect to receive Cash in lieu of the New CEC Common Equity as and to the extent provided herein and therein.

193. "New CEC Common Equity Cash Election Procedures" means the procedures governing the New CEC Common Equity Buyback, which procedures will be included in the Plan Supplement and approved by the Confirmation Order, and which must be reasonably acceptable to the Debtors, CEC, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, and the Requisite Consenting SGN Creditors.

194. "New CEC Common Equity Initial Buyback Amount" shall equal $1,000,000,000 of the CIE Equity Buyback Proceeds as may be subject to modification solely in accordance with Article IV.A.1(g) hereof.

195. "New CEC Convertible Notes" means the $1,119,060,000 in principal amount of 5.00% convertible notes to be issued by New CEC pursuant to the New CEC Convertible Notes Indenture.

196. "New CEC Convertible Notes Documents" means, collectively, the New CEC Convertible Notes Indenture and all other agreements, documents, and instruments evidencing the New CEC Convertible Notes to be delivered or entered into in connection therewith (including any intercreditor agreements), which shall be consistent with the terms of the Plan.

197. "New CEC Convertible Notes Indenture" means the indenture to be entered into by and among New CEC, as issuer, and the New CEC Convertible Notes Trustee, to be effective on the Effective Date, pursuant to which New CEC will issue the New CEC Convertible Notes, in the form attached to the Second Lien RSA and included in the Plan Supplement, as may be further modified by written agreement of the Second Priority Noteholders Committee, CEC, and the Debtors, and shall be in form and substance reasonably acceptable to the Requisite Consenting SGN Creditors, the Unsecured Creditors Committee, the Requisite Consenting Bank Creditors, and the Requisite Consenting Bond Creditors.

198. "New CEC Convertible Notes Trustee" means the indenture trustee to be appointed for the New CEC Convertible Notes Indenture.

199. "New CEC OpCo Stock Purchase" means New CEC's obligation to purchase 100% of the OpCo Common Stock from the Debtors for $700,000,000 of Cash.

200. "New CEC PropCo Common Stock Purchase" means, solely if the Partnership Contribution Structure is used, New CEC's obligation to purchase 5% of PropCo Common Equity on a fully diluted basis (including dilution in connection with the exercise of all PropCo Equity Elections, but excluding dilution from PropCo Preferred Equity, if any) from the Holders of Secured First Lien Notes Claims for $91,000,000 of Cash. If the PropCo Equity Election would materially affect the amount and/or value of PropCo Common Equity New CEC must purchase for the Partnership Contribution Structure, the Debtors will negotiate with CEC and the representatives of the Consenting Bond Creditors regarding appropriate adjustments to the amount of Cash necessary to purchase 5% of PropCo Common Equity pursuant to the New CEC PropCo Common Stock Purchase.

201. "New Corporate Governance Documents" means such certificates or articles of incorporation, bylaws, or such other applicable formation documents of some or all of the Reorganized Debtors, which form shall be consistent with the terms of the Plan and shall be included in the Plan Supplement.

202. "New Debt" means, collectively, the: (a) CPLV Market Debt; (b) CPLV Mezzanine Debt, if any; (c) OpCo Market Debt; (d) OpCo First Lien Term Loan, if any; (e) OpCo First Lien Notes, if any; (f) PropCo First Lien Term Loan; (g) PropCo First Lien Notes; and (h) PropCo Second Lien Notes.

203. "New Debt Documents" means, collectively, the: (a) CPLV Loan Documents; (b) CPLV Mezzanine Loan Documents, if necessary; (c) OpCo Market Debt Documents; (d) OpCo First Lien Loan

Documents, if necessary; (e) OpCo First Lien Notes Documents, if necessary; (f) PropCo First Lien Credit Agreement Documents; (g) PropCo First Lien Notes Documents; and (h) PropCo Second Lien Notes Documents.

204. "New Employment Contracts" means those certain new employment contracts between, as applicable, OpCo or PropCo and certain of their officers, which for PropCo shall be reasonably acceptable to the Requisite Consenting Bond Creditors, and which for OpCo shall be reasonably acceptable to CEC and the Debtors, the forms of which shall be included in the Plan Supplement.

205. "New Interests" means, collectively, the: (a) OpCo Common Stock; (b) OpCo Series A Preferred Stock; (c) PropCo LP Interests; (d) PropCo LP GP Interests; (e) PropCo GP Interests; (f) PropCo Preferred Equity; (g) REIT Common Stock; (h) REIT Preferred Stock; (i) membership interests, stock, partnership interests, or other equity interests in CPLV Sub; (j) membership interests, stock, partnership interests, or other equity interests in CPLV Mezz; and (k) membership interests, stock, partnership interests, or other equity interests in the TRS(s).

206. "New Property Entities" mean, collectively: (a) the REIT; (b) PropCo GP; (c) PropCo; (d) CPLV Sub; (e) CPLV Mezz, if necessary; and (f) the TRS(s).

207. "New Property Entity Organizational Documents" mean, collectively, the: (a) PropCo Organizational Documents; (b) REIT Organizational Documents; (c) CPLV Sub Organizational Documents; (d) CPLV Mezz Organizational Documents, if necessary; (e) PropCo GP Organizational Documents; and (f) TRS Organizational Documents.

208. "Non-Debtor Subsidiaries" means all direct and indirect subsidiaries of any Debtor that are not Debtors in the Chapter 11 Cases.

209. "Non-First Lien Claims" means, collectively, the: (a) Second Lien Notes Claims; (b) Subsidiary-Guaranteed Notes Claims; (c) Senior Unsecured Notes Claims; and (d) General Unsecured Claims (including, for the avoidance of doubt, Disputed Unsecured Claims, Undisputed Unsecured Claims, Par Recovery Claims, Caesars Riverboat Casino Unsecured Claims, Chester Downs Management Unsecured Claims, Winnick Unsecured Claims, and Insurance Covered Unsecured Claims).

210. "Non-Obligor Cash Pool" means the up to $6,000,000 necessary to pay the Non-Obligor Unsecured Claims in full.

211. "Non-Obligor Debtors" means, collectively: (a) 3535 LV Parent, LLC; (b) Bally's Las Vegas Manager, LLC; (c) BPP Providence Acquisition Company, LLC; (d) Caesars Air, LLC; (e) Caesars Baltimore Acquisition Company, LLC; (f) Caesars Baltimore Development Company, LLC; (g) Caesars Baltimore Management Company, LLC; (h) Caesars Entertainment Windsor Limited (f/k/a Caesars Entertainment Windsor Holding, Inc.); (i) Caesars Escrow Corporation (f/k/a Harrah's Escrow Corporation); (j) Caesars Massachusetts Acquisition Company, LLC; (k) Caesars Massachusetts Development Company, LLC; (l) Caesars Massachusetts Investment Company, LLC; (m) Caesars Massachusetts Management Company, LLC; (n) Caesars Operating Escrow LLC (f/k/a Harrah's Operating Escrow LLC); (o) CG Services, LLC; (p) Christian County Land Acquisition Company, LLC; (q) Cromwell Manager, LLC; (r) Corner Investment Company Newco, LLC; (s) CZL Management Company, LLC; (t) Des Plaines Development Limited Partnership; (u) Flamingo-Laughlin Parent, LLC; (v) FHR Parent, LLC; (w) HIE Holdings Topco, Inc.; (x) JCC Holding Company II Newco, LLC; (y) Laundry Parent, LLC; (z) LVH Parent, LLC; (aa) Octavius Linq Holding Co., LLC; (bb) Parball Parent, LLC; (cc) PH Employees Parent LLC; (dd) PHW Investments, LLC; and (ee) The Quad Manager, LLC.

212. "Non-Obligor Unsecured Claim" means any Claim against a Non-Obligor Debtor other than: (a) an Administrative Claim (including, for the avoidance of doubt, a Professional Fee Claim); (b) an Other Secured Claim; (c) a Priority Tax Claim; (d) an Other Priority Claim; (e) an Intercompany Claim; or (f) a Section 510(b) Claim.

213. "Non-Released Parties" means those parties identified on the Non-Released Parties Schedule from time to time, which shall include the NRF and the Board of Trustees of the NRF.

214. "Non-Released Parties Schedule" means that certain schedule of Non-Released Parties, which shall be included in the Plan Supplement.

215. "Notes Claims" means collectively, the: (a) Secured First Lien Notes Claims; (b) First Lien Notes Deficiency Claims; (c) Second Lien Notes Claims; (d) Senior Unsecured Notes Claims; and (e) Subsidiary-Guaranteed Notes Claims.

216. "Notice and Claims Agent" means Prime Clerk LLC, in its capacity as notice, claims, and solicitation agent for the Debtors and any successor.

217. "NRF" means the National Retirement Fund.

218. "NRF Adversary Proceeding" means the adversary proceeding captioned Caesars Entertainment Operating Co., Inc., et al. v. The Board of Trustees of the National Retirement Fund, et al., Adv. Pr. No. 15-00131 (ABG) (Bankr. N.D. Ill.).

219. "NRF Bankruptcy Disputes" means, collectively, (a) the NRF Adversary Proceeding; and (b) any motions, objections, actions, claims, or proceedings in the Chapter 11 Cases or related to the Involuntary Petition that are related to the NRF, including, for the avoidance of doubt, (i) the *Debtors' Motion for Entry of an Order (I) Enforcing the Automatic Stay, (II) Voiding Actions Taken in Violation of the Automatic Stay, (III) for Contempt and Sanctions Against the NRF and the NRF Trustees, and (IV) Granting Related Relief* [Docket No. 644], (ii) *Debtors' Motion for Entry of an Order (I) Enforcing the Automatic Stay with Respect to the Demand for Interim Withdrawal Liability Payments by the NRF, (II) Voiding Such Payment Demands Taken in Violation of the Automatic Stay, and (III) Granting Related* Relief [Docket No. 1018], and (iii) any and all appeals taken in connection with any of the foregoing (a) and (b).

220. "NRF Claim" means Proof of Claim number 3484, filed by the NRF, as such Proof of Claim may be amended or superseded.

221. "NRF Employers" means, collectively, (i) Debtor Bally's Park Place, Inc. d/b/a Bally's Hotel and Casino, (ii) Debtor Boardwalk Regency Corporation d/b/a Caesars Atlantic City, (iii) Debtor Parball Corporation, (iv) non-Debtor Chester Downs Marina LLC d/b/a Harrah's Philadelphia, and (v) non-Debtor Harrah's Operating Company, Inc. d/b/a Harrah's Atlantic City Casino and Hotel.

222. "NRF Non-Bankruptcy Disputes" means any rights, interests, dispute, claim, proceeding, arbitration, action, or suit relating to the NRF other than the NRF Bankruptcy Disputes, including (a) Caesars Entertainment Corporation v. Pension Plan of the National Retirement Fund and Board of Trustees of the National Retirement Fund, Case No. 15-cv-00138 (S.D.N.Y.); (b) The National Retirement Fund, et al. v. Caesars Entertainment Corporation, et al., Civil Action No. 15-CV-02048 (S.D.N.Y.); (c) Caesars Entertainment Corporation v. Pension Plan of the National Retirement Fund, et al., Case No. 16-232 (2d Cir.); (d) any actions, proceedings, suits, appeals, or arbitrations related to the NRF's January 12, 2015, expulsion of the NRF Employers; and (e) rights, whether arising under law, contract, or judgment, against any Debtor or non-Debtor, including any right to recover cash, property, or other value related to the NRF Non-Bankruptcy Disputes.

223. "NRF Payment Demand" means the letter dated February 13, 2015, from counsel to the NRF and the Board of Trustees of the NRF to CEC and CERP assessing withdrawal liability in the amount of $363,622,615, payable in 80 quarterly installments of $5,981,493.64.

224. "NRF Standstill Agreement" means the Standstill Agreement, dated as of March 20, 2015, as may be amended from time to time, among the NRF Employers, CEC, CEOC, CERP, the NRF, and the Board of Trustees of the NRF [Case No. 15-00131; Docket No. 27].

225. "NRF Withdrawal Notice" means the letter dated January 12, 2015, by the Board of Trustees of the NRF to the NRF Employers notifying the NRF Employers that the NRF would no longer accept contributions by

the NRF Employers to the Legacy Plan of the NRF, as amended by the letter dated January 13, 2015, from the Board of Trustees of the NRF to the NRF Employers.

226. "OpCo" means Reorganized CEOC and any successors thereto pursuant to the CEOC Merger, a corporation or limited liability company organized under the laws of Delaware, which on and after the Effective Date will hold, directly or indirectly, all of the Debtors' assets other than the assets to be owned by the REIT and its subsidiaries (including PropCo and the TRS(s)) or to be distributed to Holders of Claims under the Plan.

227. "OpCo Common Stock" means the common equity interests in OpCo, to be issued to CEC on the Effective Date pursuant to the terms of the Plan and the OpCo Organizational Documents.

228. "OpCo First Lien Loan Agreement" means, if and to the extent the OpCo Market Debt is not fully syndicated as required in the Plan and solely to the extent that the Requisite Consenting Bank Creditors waive such requirement in their sole discretion as set forth in Article IX.B hereof, the loan agreement by and among OpCo, as borrower, certain of its subsidiaries, as guarantors, the lenders from time to time party thereto, and the OpCo Loan Agreement Agent, pursuant to which the OpCo First Lien Term Loan shall be issued, to be effective on the Effective Date, (a) the form of which, if applicable, shall be included in the Plan Supplement, (b) the material terms of which are set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (d) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bank Creditors, the Requisite Bond Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

229. "OpCo First Lien Loan Agreement Agent" means the administrative and collateral agent to be appointed for the OpCo First Lien Term Loan, if any.

230. "OpCo First Lien Loan Documents" means, collectively, if and only to the extent the OpCo Market Debt is not fully syndicated as required in the Plan and solely to the extent that the Requisite Consenting Bank Creditors waive such requirement in their sole discretion as set forth in Article IX.B hereof, the OpCo First Lien Loan Agreement and all other agreements, documents, and instruments evidencing or securing the OpCo First Lien Term Loan, if any, to be delivered or entered into in connection therewith (including any pledge and collateral agreements, intercreditor agreements, and other security documents), which in each case, shall be (a) in form and substance consistent in all material respects with the Bank RSA and the Bond RSA and (b) reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

231. "OpCo First Lien Notes" means up to $318,100,000 of first lien notes to be issued under the OpCo First Lien Notes Indenture, which shall only be issued to the extent that the OpCo Market Debt is not fully syndicated and the Requisite Consenting Bond Creditors in their sole discretion waive the requirement that the OpCo Market Debt be fully syndicated as set forth in Article IX.B hereof, and which shall be guaranteed pursuant to the OpCo Guaranty Agreement.

232. "OpCo First Lien Notes Documents" means, collectively, if and only to the extent the OpCo Market Debt is not fully syndicated as required in the Plan and solely to the extent that the Requisite Consenting Bond Creditors waive such requirement in their sole discretion as set forth in Article IX.B hereof, the OpCo First Lien Notes Indenture and all other agreements, documents, and instruments evidencing or securing the OpCo First Lien Notes, if any, to be delivered or entered into in connection therewith (including any pledge and collateral agreements, intercreditor agreements, and other security documents), which, in each case, shall be (a) in form and substance consistent in all material respects with the Bond RSA and (b) reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

233. "OpCo First Lien Notes Indenture" means, if and only to the extent the OpCo Market Debt is not fully syndicated as required in the Plan and solely to the extent that the Requisite Consenting Bond Creditors waive such requirement in their sole discretion as set forth in Article IX.B hereof, the indenture to be entered into by and among OpCo, as issuer, certain of its subsidiaries, as guarantors, and the OpCo First Lien Notes Indenture Trustee, pursuant to which the OpCo First Lien Notes shall be issued, to be effective on the Effective Date, (a) the form of

which shall be included in the Plan Supplement, (b) the material terms of which are set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bond RSA, and (d) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

234. "OpCo First Lien Notes Indenture Trustee" means the indenture trustee to be appointed for the OpCo First Lien Notes Indenture, if any.

235. "OpCo First Lien Term Loan" means up to $916,900,000 of first lien debt to be issued pursuant to the Plan and outstanding under the OpCo First Lien Loan Agreement, which shall only be issued to the extent that the OpCo Market Debt is not fully syndicated and the Requisite Consenting Bank Creditors waive, in their sole discretion, the requirement that the OpCo Market Debt be fully syndicated as set forth in Article IX.B hereof, and which shall be guaranteed pursuant to the OpCo Guaranty Agreement, provided that the OpCo First Lien Term Loan shall include and be increased by the OpCo First Lien Incremental Term Loan, if any.

236. "OpCo First Lien Incremental Term Loan" means the OpCo First Lien Term Loan debt in an aggregate principal amount equal to the amount of the unsubscribed portion of the OpCo Market Debt to be issued in lieu of OpCo First Lien Notes solely if (a) the OpCo Market Debt is not fully syndicated in the amount of $1,235,000,000 of debt and the amount of OpCo First Lien Notes that would otherwise be issued on account of the unsubscribed portion of such OpCo Market Debt is less than $159,050,000 and (b) the Requisite Consenting Bond Creditors elect in their sole discretion to waive the syndication requirement of the OpCo Market Debt as set forth in Article IX.B hereof.

237. "OpCo Guaranty Agreement" means the guarantees to be entered into by New CEC pursuant to which New CEC shall guaranty the amounts due under, as applicable, the OpCo Market Debt Documents (if necessary), the OpCo First Lien Loan Agreement (if any), and/or OpCo First Lien Notes Indenture (if any), (a) the form of which shall be included in the Plan Supplement, (b) the material terms of which are set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (d) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

238. "OpCo Market Debt" means the $1,235,000,000 of debt to be issued by OpCo to third parties for Cash on or before the Effective Date (in whatever tranche(s) reasonably necessary or appropriate for syndication of such debt on the terms most favorable to OpCo), which Cash shall be distributed to the Holders of Prepetition Credit Agreement Claims and the Holders of Secured First Lien Notes Claims as set forth in Article III.B hereof, and which debt shall be guaranteed pursuant to the OpCo Guaranty Agreement.

239. "OpCo Market Debt Documents" means the loan agreement and/or indentures and all other supplements, agreements, documents, and instruments evidencing or securing the OpCo Market Debt to be delivered or entered into in connection therewith (including any pledge and collateral agreements, intercreditor agreements, and other security documents), the form of the material documents of which shall be included in the Plan Supplement.

240. "OpCo Organizational Documents" means, as applicable, the form of the limited liability company agreement or the amended and restated articles of incorporation, charter, bylaws, and other similar organizational and constituent documents for OpCo, which shall be consistent with the Plan and included in the Plan Supplement.

241. "OpCo Series A Preferred Stock" means the preferred stock issued by OpCo to the Holders of certain Claims against the Debtors, which shall be exchanged for the New CEC Common Equity distributed pursuant to the CEOC Merger.

242. "Other Priority Claim" means any Claim against any of the Debtors described in section 507(a) of the Bankruptcy Code to the extent such Claim has not already been paid during the Chapter 11 Cases, other than: (a) an Administrative Claim; (b) a Professional Fee Claim; or (c) a Priority Tax Claim.

243. "Other Secured Claim" means a Secured Claim that is not: (a) a Prepetition Credit Agreement Claim; (b) a Secured First Lien Notes Claim; or (c) a Secured Tax Claim. For the avoidance of doubt, Second Lien Notes Claims are Non-First Lien Claims and are not Other Secured Claims.

244. "Ownership Limit Waiver Agreement" means an agreement between the Board of the REIT and a holder of REIT Stock waiving certain equity ownership limits in the REIT charter, which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors.

245. "Par Recovery Debtors" means the Debtors at which the Holders of General Unsecured Claims are entitled to recovery in full based on the Liquidation Analysis, which Debtors are, collectively, (a) 190 Flamingo, LLC, (b) 3535 LV Corp., (c) Caesars Entertainment Golf, Inc., (d) Caesars License Company, LLC, (e) Desert Palace, Inc., (f) FHR Corporation, (g) Harrah's Illinois Corporation, (h) Harrah's North Kansas City LLC, (i) Harveys BR Management Company, Inc., (j) Harveys Iowa Management Company, Inc., (k) Harveys Tahoe Management Company, Inc., (l) HBR Realty Company, Inc., (m) Hole in the Wall, LLC, (n) Horseshoe Hammond, LLC, (o) Parball Corporation, (p) Players Bluegrass Downs, Inc., (q) PHW Las Vegas, LLC, (r) Reno Projects, Inc., (s) Southern Illinois Riverboat/Casino Cruises, Inc., and (t) Trigger Real Estate Corporation.

246. "Par Recovery Unsecured Claims" means a General Unsecured Claim against the Par Recovery Debtors.

247. "Partnership Contribution Structure" means the contribution of real property assets to PropCo in a transaction intended to qualify under section 721 of the Internal Revenue Code.

248. "Person" shall have the meaning set forth in section 101(41) of the Bankruptcy Code.

249. "Petition Date" means for all Debtors, January 15, 2015.

250. "Petitioning Creditors" means Appaloosa Investment Limited Partnership, OCM Opportunities Fund VI, L.P., and Special Value Expansion Fund, LLC.

251. "Plan" means this chapter 11 plan, as it may be altered, amended, modified, or supplemented from time to time in accordance with the terms of Article X hereof, including all exhibits hereto and the Plan Supplement, which is incorporated herein by reference and made part of this Plan as if set forth herein.

252. "Plan Supplement" means the compilation of documents and forms of documents, schedules, and exhibits to the Plan, which the Debtors initially filed on July 18, 2016, and additional documents filed with the Bankruptcy Court prior to the Effective Date as amendments to the Plan Supplement, as may be amended, supplemented, or modified from time to time in accordance with the terms hereof, the Bankruptcy Code, and the Bankruptcy Rules, and which includes the: (a) form of the New Corporate Governance Documents; (b) form of the OpCo Organizational Documents; (c) form of the PropCo Organizational Documents; (d) form of the REIT Organizational Documents; (e) form of PropCo GP Organizational Documents; (f) form of CPLV Sub Organizational Documents; (g) form of CPLV Mezz Organizational Documents; (h) form of TRS Organizational Documents; (i) form of Backstop Commitment Agreement; (j) form of REIT Series A Preferred Stock Articles; (k) form of the OpCo Market Debt Documents; (l) form of OpCo First Lien Loan Agreement, if any; (m) form of the OpCo First Lien Notes Indenture, if any; (n) form of the OpCo Guaranty Agreement, if necessary; (o) form of the PropCo First Lien Loan Agreement; (p) form of the PropCo First Lien Notes Indenture; (q) form of the PropCo Second Lien Notes Indenture; (r) form of the CPLV Loan Agreement; (s) form of the CPLV Mezzanine Loan Agreement, if any; (t) form of the New CEC Convertible Notes Indenture; (u) form of Management and Lease Support Agreements; (u) form of Master Lease Agreements; (v) form of Right of First Refusal Agreement; (w) form of PropCo Call Right Agreements; (x) form of the CEOC Merger Agreement; (y) form of Tax Indemnity Agreement; (z) form of Transition Services Agreement; (aa) the PropCo Equity Election Procedures; (bb) the

PropCo Preferred Subscription Procedures; (cc) form of Deferred Compensation Settlement Agreement; (dd) Rejected Executory Contract and Unexpired Lease Schedule; (ee) Assumed Executory Contracts and Unexpired Lease Schedule; (ff) schedule of retained Causes of Action; (gg) Non-Released Parties Schedule; (hh) identity of members of the OpCo New Board and the PropCo New Board; (ii) identity of observer of OpCo New Board; (jj) Restructuring Transactions Memorandum; (kk) schedule of PropCo assets; (ll) Management Equity Incentive Plan; (mm) form of New Employment Contracts; and (nn) the New CEC Common Equity Cash Election Procedures.

253. "Post-Petition Interest" means, with respect to Non-Obligor Unsecured Claims and the Par Recovery Debtors, interest accruing through and including the Effective Date at the Federal Judgment Rate.

254. "Prepetition CEC Guarantees" means any guarantee, whether currently in existence or not, that CEC may have entered into in respect of any funded indebtedness of the Debtors, for the avoidance of doubt including any guarantees (whether in existence or not) in respect of the Prepetition Credit Agreement, the First Lien Notes, the Second Lien Notes, the Senior Unsecured Notes, and the Subsidiary-Guaranteed Notes.

255. "Prepetition Credit Agreement" means that certain Third Amended and Restated Credit Agreement, dated as of July 25, 2014, by and between CEC, CEOC, the lenders party thereto, and the Prepetition Credit Agreement Agent, as amended, amended and restated, supplemented, or otherwise modified from time to time, and including all security, collateral, and guaranty and pledge agreements related thereto (including the Guaranty and Pledge Agreement).

256. "Prepetition Credit Agreement Agent" means Credit Suisse AG, Cayman Islands Branch, in its capacity as successor agent under the Prepetition Credit Agreement.

257. "Prepetition Credit Agreement Claim" means any Claim against any Debtor arising under or related to the Prepetition Credit Agreement or otherwise secured pursuant to the Prepetition Credit Agreement Documents, including Swap and Hedge Claims, provided that there are no Prepetition Credit Agreement Claims against the Non-Obligor Debtors.

258. "Prepetition Credit Agreement Documents" means, collectively, the Prepetition Credit Agreement and all other agreements, documents, and instruments related thereto (including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents).

259. "Priority Tax Claim" means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

260. "Pro Rata" means the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in that Class, or the proportion that Allowed Claims in a particular Class bear to the aggregate amount of Allowed Claims in such Class and other Classes (or sub-Classes, as the case may be) entitled to share in the same recovery as such Allowed Claim under the Plan.

261. "Professional" means an Entity retained in the Chapter 11 Cases pursuant to and in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered and expenses incurred pursuant to sections 327, 328, 329, 330, 331, or 363 of the Bankruptcy Code.

262. "Professional Fee Claims" means all Claims for accrued fees and expenses (including transaction or sale fees) for services rendered by a Professional through and including the Confirmation Date regardless of whether a monthly fee statement or interim fee application has been Filed for such fees and expenses. To the extent the Bankruptcy Court or any higher court of competent jurisdiction denies or reduces by a Final Order any amount of a Professional's fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.

263. "Professional Fee Escrow" means an interest bearing escrow account to be funded by the Debtors on the Effective Date with Cash from Cash on hand in an amount equal to all unpaid Professional Fee Claims; provided that the Professional Fee Escrow shall be increased from Cash on hand at OpCo to the extent fee

applications are filed after the Confirmation Date in excess of the amount of Cash funded into the escrow as of the Effective Date.

264. "Proof of Claim" means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

265. "Proof of Interest" means a proof of Interest Filed against any of the Debtors in the Chapter 11 Cases.

266. "PropCo" means the newly formed limited partnership organized under the laws of Delaware, which on and after the Effective Date will hold, directly or indirectly, certain assets of the Debtors, a schedule of which assets shall be included in the Plan Supplement, which schedule shall be consistent in all material respects with the Bond RSA and otherwise reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

267. "PropCo Call Right Agreement" means that certain Call Right Agreement, by and among CEC, CERP, CGP, PropCo, and their respective applicable subsidiaries (if applicable), to be effective on the Effective Date, regarding PropCo's right for up to 5 years after the Effective Date to enter into a binding agreement to purchase, as applicable, CERP's, CGP's, or their respective applicable subsidiaries' real property interest (and lease such real property interest back to, as applicable, CERP, CGP, or their respective applicable subsidiaries) and all improvements associated with Harrah's Atlantic City, Harrah's Laughlin, and/or Harrah's New Orleans for a Cash purchase price equal to ten times the agreed annual rent for such properties, (a) the form of which shall be included in the Plan Supplement and (b) which shall be in form and substance reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

268. "PropCo Common Equity" means PropCo LP Interests and/or REIT Common Stock.

269. "PropCo Equity Election" means the right of Holders of Prepetition Credit Agreement Claims and Holders of Secured First Lien Notes Claims to elect to receive PropCo Common Equity in lieu of CPLV Mezzanine Debt (if any), PropCo First Lien Notes, PropCo First Lien Term Loan, and PropCo Second Lien Notes, which election may reduce the aggregate principal amount of CPLV Mezzanine Debt (if any), PropCo First Lien Notes, PropCo First Lien Term Loan, and PropCo Second Lien Notes by no more than $1,250,000,000, and which election shall reduce such debt as set forth in Article IV.A.2 hereof, provided that such PropCo Equity Election may be subject to modification solely in accordance with Article IV.A.2 hereof.

270. "PropCo Equity Election Procedures" means those certain procedures governing the exercise of the PropCo Equity Election, which procedures shall be included in the Plan Supplement and approved by the Confirmation Order, and which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

271. "PropCo First Lien Credit Agreement" means the credit agreement to be entered into by and among PropCo, as borrower, certain of its subsidiaries (but not, for the avoidance of doubt, CPLV Sub or CPLV Mezz), as guarantors, the lenders from time to time party thereto, and the PropCo First Lien Credit Agreement Agent, to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) the material terms of which are set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (d) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

272. "PropCo First Lien Credit Agreement Agent" means the administrative and collateral agent to be appointed for the PropCo First Lien Term Loan.

273. "PropCo First Lien Credit Agreement Documents" means, collectively, the PropCo First Lien Credit Agreement and all other agreements, documents, and instruments evidencing or securing the PropCo First Lien Term Loan to be delivered or entered into in connection therewith (including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents), each of which shall be (a) in form and substance consistent in all material respects with the Bank RSA and the Bond RSA and (b) reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

274. "PropCo First Lien Term Loan" means the $1,961,000,000 of first lien debt to be issued pursuant to the Plan and outstanding under the PropCo First Lien Credit Agreement.

275. "PropCo First Lien Notes" means the $431,000,000 of first lien notes to be issued pursuant to the Plan and outstanding under the PropCo First Lien Notes Indenture.

276. "PropCo First Lien Notes Documents" means, collectively, the PropCo First Lien Notes Indenture and all other agreements, documents, and instruments evidencing or securing the PropCo First Lien Notes to be delivered or entered into in connection therewith (including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents), which shall be (a) in form and substance consistent in all material respects with the Bond RSA and (b) reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

277. "PropCo First Lien Notes Indenture" means the indenture to be entered into by and among, among others, PropCo, as a co-issuer, certain of PropCo's subsidiaries (but not, for the avoidance of doubt, CPLV Sub or CPLV Mezz), as guarantors, and the PropCo First Lien Notes Indenture Trustee, to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) the material terms of which are set forth in the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bond RSA, and (d) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

278. "PropCo First Lien Notes Indenture Trustee" means the indenture trustee for the PropCo First Lien Notes Indenture.

279. "PropCo GP" means the newly formed limited liability company organized under the laws of Delaware, which on and after the Effective Date will be the general partner in PropCo and whose sole shareholder on the Effective Date shall be the REIT.

280. "PropCo GP Interests" mean the ownership interests in PropCo GP.

281. "PropCo GP Organizational Documents" means the form of limited liability company agreement and other similar organizational and constituent documents for PropCo GP, (a) which shall be included in the Plan Supplement and (b) which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

282. "PropCo Limited Partnership Agreement" means the limited partnership agreement for PropCo, (a) the form of which shall be included in the Plan Supplement and (b) which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

283. "PropCo LP GP Interests" mean the general partnership interests in PropCo, to be issued on the Effective Date pursuant to the terms of the Plan and the PropCo Limited Partnership Agreement to PropCo GP.

284. "PropCo LP Interests" mean the limited partnership interests in PropCo, to be issued on the Effective Date pursuant to the terms of the Plan and the PropCo Limited Partnership Agreement to the REIT, CEC (solely if the Partnership Contribution Structure is used), and certain Holders of Secured First Lien Notes Claims.

285. "PropCo Organizational Documents" means the PropCo Limited Partnership Agreement and other similar organizational and constituent documents for PropCo and which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

286. "PropCo Preferred Backstop Investors" shall have the meaning set forth in the Backstop Commitment Agreement.

287. "PropCo Preferred Subscription Procedures" means those certain procedures governing the exercise of the PropCo Preferred Equity Call Right and PropCo Preferred Equity Put Right, which procedures shall be included in the Plan Supplement and approved by the Confirmation Order, and which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors.

288. "PropCo Preferred Equity" means REIT Series A Preferred Stock and any PropCo Preferred LP Interests to be issued on the Effective Date pursuant to the terms of the Plan, the REIT Organizational Documents, and the PropCo Limited Partnership Agreement, (a) the material terms of which are set forth in the Bank RSA and the Bond RSA, (b) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (c) which shall be reasonably acceptable to the Requisite Consenting Bond Creditors.

289. "PropCo Preferred Equity Call Right" means the right of the PropCo Preferred Backstop Investors to purchase for Cash up to 50% of the PropCo Preferred Equity Distribution distributed to each Holder of Allowed Secured First Lien Notes Claims at a price per share equal to 83.3% of the liquidation value thereof.

290. "PropCo Preferred Equity Distribution" means (a) PropCo Preferred Equity with an aggregate liquidation preference on the Effective Date of $300,000,000, and (b) the PropCo Preferred Equity Upsize Shares, which shall have a price per share implying an aggregate value equal to the PropCo Preferred Equity Upsize Amount, and a liquidation preference equal to 1.2 times such aggregate value.

291. "PropCo Preferred Equity Put Right" means the non-transferrable option of the Holders of Secured First Lien Notes Claims to put all, but not less than all, of such Holder's Pro Rata share of the PropCo Preferred Equity Distribution to the PropCo Preferred Backstop Investors at a price per share equal to 83.3% of the liquidation value thereof.

292. "PropCo Preferred Equity Upsize Amount" means the lesser of (a) the product of (i) 58.3% and (ii) the excess, if any, of (A) $2,000,000,000 over (B) the amount of CPLV Market Debt, and (b) $116,600,000, which amount shall reduce on a dollar-for-dollar basis the CPLV Mezzanine Debt to be distributed to the Holders of Secured First Lien Notes Claims in the event that the CPLV Market Debt is issued to third parties in an amount equal to or greater than $1,800,000,000 but less than $2,000,000,000.

293. "PropCo Preferred Equity Upsize Shares" means the additional PropCo Preferred Equity, if any, which shall be issued to the Holders of Allowed Secured First Lien Notes Claims (subject to the PropCo Preferred Equity Call Right and the PropCo Preferred Equity Put Right) in the event that the CPLV Market Debt is issued to third parties in an amount equal to or greater than $1,800,000,000 but less than $2,000,000,000.

294. "PropCo Preferred LP Interests" mean the preferred Securities in PropCo, if any, which shall only be issued to the extent that a beneficial owner for United States federal income tax purposes of PropCo Common Equity and/or REIT Series A Preferred Stock (a) would end up owning more than 9.8% of either the REIT Common Stock or the REIT Series A Preferred Stock (after taking into account all of the PropCo Preferred Equity Put Rights and all of the PropCo Preferred Equity Call Rights) and (b) is not willing and/or permitted to sign an Ownership Limit Waiver Agreement (as defined in the REIT Series A Preferred Stock Articles.

295. "PropCo Second Lien Notes" means the second lien notes issued under the PropCo Second Lien Notes Indenture in an original aggregate principal amount equal to (i) the sum of (a) $1,425,000,000 and (b) the PropCo Second Lien Upsize Amount (if any) minus (ii) the sum of (a) two-thirds (2/3) of the amount by which the total CPLV Market Debt exceeds $2,350,000,000 and (b) the product of (x) the ratio of the amount of Secured First Lien Notes Claims to the sum of the amount of the Secured First Lien Notes Claims and the Prepetition Credit Agreement Claims and (y) if the CPLV Market Debt is in an amount equal to or less than $2,350,000,000, the excess of the CPLV Market Debt over $2,000,000,000; provided that the total amount of clause (ii) shall not exceed $250,000,000.

296. "PropCo Second Lien Notes Documents" means, collectively, the PropCo Second Lien Notes Indenture and all other agreements, documents, and instruments evidencing or securing the PropCo Second Lien Notes to be delivered or entered into in connection therewith (including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents), each of which shall be (a) in form and substance consistent in all material respects with the Bank RSA and the Bond RSA and (b) reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

297. "PropCo Second Lien Notes Indenture" means the indenture by and among, among others, PropCo, as a co-issuer, certain of PropCo's subsidiaries (but not, for the avoidance of doubt, CPLV Sub or CPLV Mezz), as guarantors, and the PropCo Second Lien Notes Indenture Trustee, to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) the material terms of which are set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (d) which shall be reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

298. "PropCo Second Lien Notes Indenture Trustee" means the indenture trustee for the PropCo Second Lien Notes Indenture.

299. "PropCo Second Lien Upsize Amount" means up to $333,000,000 in aggregate principal amount of PropCo Second Lien Notes, which debt shall only be issued if the Debtors, after using commercially reasonable efforts, are unable to finance $2,600,000,000 of CPLV Market Debt to third parties, and which PropCo Second Lien Notes shall be issued in an initial aggregate principal amount equal to $2,600,000,000 minus the sum of (a) the aggregate principal amount of the CPLV Market Debt issued to third parties (which in no event shall be less than $1,800,000,000), plus (b) the sum of (i) the amount of CPLV Mezzanine Debt to be issued to the Holders of Allowed Secured First Lien Notes Claims as set forth in Article IV.A.3 hereof, (ii) $250,000,000 (the purchase price for purposes of the PropCo Preferred Equity Call Right and PropCo Preferred Equity Put Right of $300,000,000 in liquidation value of the PropCo Preferred Equity distributed as part of the PropCo Preferred Equity Distribution), and (iii) the PropCo Preferred Equity Upsize Amount, if any; provided that the Holders of Allowed Prepetition Credit Agreement Claims shall have the right to elect to replace the PropCo Second Lien Notes otherwise to be received as a result of the PropCo Second Lien Upsize Amount with an equal principal amount of CPLV Mezzanine Debt in lieu thereof by making (pursuant to the terms and conditions of) the CPLV Mezzanine Election.

300. "PropCo Tax Letter" means either an opinion letter from the Debtors' legal counsel to CEOC, or a private letter ruling received by CEOC from the IRS, concluding, based on facts, customary representations, and assumptions set forth or described in such opinion and/or private letter ruling, that the transfer of assets to PropCo and to the REIT, and the transfer of consideration to CEOC's creditors, should not result in a material amount of U.S. federal income tax to CEOC, determined as if CEOC and its subsidiaries were a stand-alone consolidated group, provided, however, that for the purposes of the treatment of any direct or indirect consideration being contributed by CEC and/or New CEC or any non-Debtor affiliates thereof, such opinion letter or private letter ruling may be determined as if CEOC and its subsidiaries were part of a consolidated group with CEC, New CEC, and any other members of the consolidated group of which CEC and/or New CEC is a member.

301. "Qualified Institutional Buyer" shall have the meaning set forth in Rule 144A of the Securities Act.

302. "Quarterly Distribution Date" means the first Business Day after the end of each quarterly calendar period (i.e., March 31, June 30, September 30, and December 31 of each calendar year) occurring after the Effective Date.

303. "Recoverable Amount" means the $35,000,000 owed by CEC to CEOC pursuant to that certain Recovery Agreement, dated as of August 12, 2014, by and among CEOC and CEC, related to that certain Note Purchase Agreement entered into in August 2014, by and between CEC, CEOC, and the holders of a majority in aggregate principal amount of each of CEOC's Senior Unsecured Notes.

304. "Reinstated" means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest so as to leave such Claim or Interest not Impaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) expressly does not require to be cured; (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of such Claim or Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim or Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A), compensating the Holder of such Claim or Interest (other than the Debtor or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim or Interest entitles the Holder.

305. "REIT" means the newly formed real estate investment trust, a corporation organized under the laws of Maryland, which on and after the Effective Date will own and control PropCo GP and one or more TRS(s) and hold PropCo LP Interests.

306. "REIT Common Stock" means the common equity interest in the REIT, to be issued on the Effective Date pursuant to the terms of the Plan and the REIT Organizational Documents.

307. "REIT Opinion Letter" means an opinion letter from the Debtors' legal counsel on which the Holders of Secured First Lien Notes Claims and Holders of Prepetition Credit Agreement Claims may rely, concluding, based on facts, customary representations, and assumptions set forth or described in such opinion, that the REIT's method of operation since its formation has enabled as of such date up to and including the end of the date of the opinion, and its proposed method of operation as of such date will enable, the REIT to meet the requirements for qualification and taxation as a real estate investment trust under the Internal Revenue Code.

308. "REIT Organizational Documents" means the form of articles of incorporation, bylaws, charter, and other similar organizational and constituent documents for the REIT, (a) which shall be included in the Plan Supplement and (b) which shall be in form and substance reasonably acceptable to the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, the Unsecured Creditors Committee, CEC, and the Debtors.

309. "REIT Preferred Stock" means, collectively, the REIT Series A Preferred Stock and the REIT Series B Preferred Stock.

310. "REIT Series A Preferred Stock Articles" means the articles supplementary for the REIT Series A Preferred Stock, the form of which shall be included in the Plan Supplement and which is attached to the Bond RSA.

311. "REIT Series A Preferred Stock" means Series A Preferred Stock of the REIT, with terms set forth in the REIT Series A Preferred Stock Articles, issued to Holders of Secured First Lien Notes Claims.

312. "REIT Series B Preferred Stock" means the 125 shares of Series B Preferred Stock of the REIT, which shall have an aggregate value of $125,000, a liquidation preference of $1,000 per share, and an annual

dividend of approximately 12.0%, which may be issued by the REIT on the Effective Date pursuant to the terms of the Plan and the REIT Organizational Documents.

313. "Rejected Executory Contracts and Unexpired Leases Schedule" means the schedule of certain Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan in the form filed as part of the Plan Supplement, as the same may be amended, modified, or supplemented from time to time.

314. "Released Caesars Party" means, collectively, in each case solely in their capacity as such, each and all of: (a) each Debtor; (b) each non-Debtor direct and indirect subsidiary of the Debtors; (c) with respect to each of the foregoing identified in subsections (a) and (b) herein, each and all of their respective direct and indirect current and former: (i) shareholders, (ii) affiliates, (iii) partners (including general partners and limited partners), (iv) managing members, (v) members, (vi) officers, (vii) directors, (viii) principals, employees, and managers, each only to the extent named as a defendant in the Caesars Cases or the adversary proceeding captioned *Caesars Entertainment Operating Company, Inc., et al v. Caesars Entertainment Corporation, et al.*, Adv. Pro. No. 16-00522 (ABG) (Bankr. N.D. Ill.), or referenced in the *Final Report of Examiner, Richard J. Davis* [Docket No. 3720], (ix) attorneys, (x) investment bankers, (xi) other professionals, and (xii) representatives, each of the foregoing (i) through (xii) in their capacities as such; (d) the CEC Released Parties; and (e) the Alpha Released Parties.

315. "Released Creditor Party" means, collectively, in each case solely in their capacity as such, each and all of: (a) the Consenting First Lien Noteholders; (b) the Consenting First Lien Bank Lenders; (c) the Consenting SGN Creditors; (d) the Prepetition Credit Agreement Agent; (e) the First Lien Notes Indenture Trustee; (f) the Second Lien Collateral Agent; (g) Subsidiary-Guaranteed Notes Indenture Trustee; (h) the Unsecured Creditors Committee; (i) the Unsecured Creditors Committee Members; (j) the Second Priority Noteholders Committee; (k) the Second Priority Noteholders Committee Members; (l) the Consenting Second Lien Creditors; (m) DTC; (n) Frederick Barton Danner; (o) the Second Lien Notes Indenture Trustees; (p) the Senior Unsecured Notes Indenture Trustee; and (q) with respect to each of the foregoing identified in subsections (a) through (p) herein, each and all of their respective direct and indirect current and former: shareholders, affiliates, subsidiaries, partners (including general partners and limited partners), investors, managing members, members, officers, directors, principals, employees, managers, controlling persons, agents, attorneys, investment bankers, other professionals, advisors, and representatives, each in their capacities as such.

316. "Released Party" means, collectively, each Released Caesars Party, each Released Creditor Party, and each Released Petitioning Creditor Party.

317. "Released Petitioning Creditor Party" means each Petitioning Creditor, solely in its capacity as such, and each and all of their respective direct and indirect current and former: shareholders, affiliates, subsidiaries, partners (including general partners and limited partners), investors, managing members, members, officers, directors, principals, employees, managers, controlling persons, agents, attorneys, investment bankers, other professionals, advisors, and representatives, each in their capacities as such.

318. "Releasing Parties" means, collectively, as applicable: (a) the Debtors; (b) CEC; (c) CAC; (d) the Sponsors; (e) the Consenting First Lien Bank Lenders; (f) the Consenting First Lien Noteholders; (g) the Consenting SGN Creditors; (h) the Consenting Second Lien Creditors; (i) the Prepetition Credit Agreement Agent; (j) the First Lien Notes Indenture Trustee; (k) the Second Lien Collateral Agent; (l) the Second Lien Notes Indenture Trustees; (m) the Subsidiary-Guaranteed Notes Indenture Trustee; (n) the Senior Unsecured Notes Indenture Trustee; (o) the Second Priority Noteholders Committee Members; (p) the Unsecured Creditors Committee Members; (q) the Petitioning Creditors; (r) Frederick Barton Danner; (s) all other Persons or Entities who have held or are currently holding Claims against, or Interests in, (asserted or otherwise) the Debtors (except for the NRF); and (t) any Entity asserting a claim or cause of action on behalf of or through the Debtors or the Estates.

319. "Reorganized Debtors" means each of the Debtors, as reorganized pursuant to and under the Plan or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date, including, as of and after the Effective Date, OpCo. For the avoidance of doubt, Reorganized Debtors do not include: (a) PropCo; (b) PropCo GP; (c) CPLV Sub; (d) CPLV Mezz; (e) the TRS(s); or (f) the REIT.

320. "Required Preferred Backstop Investors" shall have the meaning set forth in the Backstop Commitment Agreement.

321. "Requisite Consenting Bank Creditors" shall have the meaning set forth in the Bank RSA.

322. "Requisite Consenting Bond Creditors" means the Requisite Consenting Creditors as defined in the Bond RSA.

323. "Requisite Consenting SGN Creditors" shall have the meaning set forth in the SGN RSA.

324. "Restructuring Documents" means the Plan, the documents Filed as part of the Plan Supplement, the Disclosure Statement, the New Corporate Governance Documents, the New Debt Documents, the Restructuring Transactions Memorandum, and any other agreements or documentation effectuating the Plan.

325. "Restructuring Support Agreements" means, collectively, the Bank RSA, the Bond RSA, the Second Lien RSA, the SGN RSA, the UCC RSA, the CEC RSA, and the CAC RSA.

326. "Restructuring Support Advisors Fees" means, collectively, to the extent not previously paid in connection with the Debtors or the Chapter 11 Cases, including pursuant to the Final Cash Collateral Order, all outstanding prepetition and postpetition reasonable and documented fees (including any transaction, completion, or letter of credit fees) and expenses (provided that documentation shall be summary in nature and shall not include billing detail that may be subject to the attorney-client privilege or other similar protective doctrines) of (I) those parties set forth in paragraph 4(e) of the Final Cash Collateral Order, including (a) Rothschild Inc.; (b) Stroock & Stroock & Lavan LLP; (c) Shaw Fishman Glantz & Towbin LLC; (d) Cahill Gordon & Reindel LLP; (e) Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP; (f) the Prepetition Credit Agreement Agent and any related issuer of letters of credit (including any predecessor thereto in all capacities); (g) Miller Buckfire & Co.; (h) Kramer Levin Naftalis & Frankel LLP; (i) Neal, Gerber & Eisenberg LLP; (j) Berkeley Research Group, LLC; (k) the First Lien Notes Indenture Trustees; (l) Katten Muchin Rosenman LLP; and (m) Dykema Gossett PLLC, and (II) those additional parties retained by the First Lien Indenture Trustee, including in connection with the Caesars Cases.

327. "Restructuring Transactions" means one or more transactions pursuant to section 1123(a)(5)(D) of the Bankruptcy Code to occur on or before the Effective Date or as soon as reasonably practicable thereafter, that may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including: (a) the execution and delivery of appropriate agreements or other documents of merger, sale, consolidation, equity issuance, certificates of incorporation, operating agreements, bylaws, or other documents containing terms that are consistent with or reasonably necessary to implement the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of sale, equity issuance, transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; (c) the execution and delivery of the New Debt Documents; (d) the CEOC Merger; and (e) all other actions that the Debtors or Reorganized Debtors, as applicable, determine are necessary or appropriate to implement the Plan.

328. "Restructuring Transactions Memorandum" means that certain memorandum describing the Restructuring Transactions, (a) the form of which shall be included in the Plan Supplement and (b) which shall be in form and substance reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

329. "Right of First Refusal Agreement" means that certain Right of First Refusal Agreement, by and among New CEC (by and on behalf of itself and all of its majority owned subsidiaries) and PropCo (by and on behalf of itself and all of its majority owned subsidiaries), to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) the material terms of which are set forth in the Bank RSA and the Bond RSA, (c) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (d) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond

Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

330. "RSA Forbearance Fees" shall have, collectively, the meaning for (a) "RSA Forbearance Fees" set forth in the Bond RSA, and (b) "1L RSA Forbearance Fees" set forth in the Second Lien RSA.

331. "SEC" means the Securities and Exchange Commission.

332. "Schedules" means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code and in substantial accordance with the Official Bankruptcy Forms, as they may be or may have been amended, modified, or supplemented from time to time.

333. "Second Lien Bond Fees and Expenses" shall have the meaning set forth in the Second Lien RSA.

334. "Second Lien Collateral Agent" means Delaware Trust Company as successor collateral agent under that certain Collateral Agreement dated as of December 24, 2008 between CEOC, subsidiaries identified therein, and the collateral agent, as it may be or may have been amended, modified, or supplemented from time to time.

335. "Second Lien Intercreditor Agreement" means that certain Intercreditor Agreement, dated as of December 24, 2008, by and between the Prepetition Credit Agreement Agent and the Second Lien Notes Indenture Trustees.

336. "Second Lien Noteholder Professionals" means the Second Lien Bond Professionals as defined in the Second Lien RSA.

337. "Second Lien Notes" means, collectively, the: (a) 12.75% Second-Priority Senior Secured Notes due 2018, issued in the original principal amount of $750,000,000 pursuant to the 12.75% Second Lien Notes Indenture; (b) 10.00% Second-Priority Senior Secured Notes due 2015, issued in the original principal amount of $214,800,000 pursuant to the 10.00% Second Lien Notes Indenture dated December 24, 2008; (c) 10.00% Second-Priority Senior Secured Notes due 2018, issued in the original principal amount of $847,621,000 pursuant to the 10.00% Second Lien Notes Indenture dated December 24, 2008; and (d) 10.00% Second-Priority Senior Secured Notes due 2018, issued in the original principal amount of $3,705,498,000 pursuant to the 10.00% Second Lien Notes Indenture dated April 15, 2009.

338. "Second Lien Notes Claim" means any Claim against a Debtor, the Estates, or property of a Debtor, including any Secured or unsecured Claim, arising under, related to, or in connection with the Second Lien Notes.

339. "Second Lien Notes Indentures" means, collectively, the: (a) 10.00% Second Lien Notes Indentures; and (b) 12.75% Second Lien Notes Indenture.

340. "Second Lien Notes Indenture Trustees" mean, collectively, the 12.75% Second Lien Notes Indenture Trustee and each 10.00% Second Lien Notes Indenture Trustee.

341. "Second Lien RSA" means that certain Restructuring Support, Forbearance, and Settlement Agreement (including all term sheets, schedules, exhibits, and annexes thereto), dated as of October 4, 2016, as amended, amended and restated, supplemented, or otherwise modified from time to time, by and between, among others, CEOC on behalf of itself and each of the Debtors, CEC, the Second Priority Noteholders Committee, and the Second Lien Consenting Creditors (as defined therein) party thereto from time to time.

342. "Second Priority Noteholders Committee" means the Official Committee of Second Priority Noteholders appointed in the Chapter 11 Cases pursuant to section 1102(a) of the Bankruptcy Code on February 5, 2015.

343. "Second Priority Noteholders Committee Members" means each of the following, in each case solely in its capacity as a member of the Second Priority Noteholders Committee: (a) Wilmington Savings Fund Society, FSB, solely in its capacity as 10.00% Second Lien Notes Indenture Trustee; (b) BOKF, N.A., solely in its capacity as 12.75% Second Lien Notes Indenture Trustee; (c) Delaware Trust Company, solely in its capacity as 10.00% Second Lien Notes Indenture Trustee; (d) Tennenbaum Opportunities Partner V, LP; (e) Centerbridge Credit Partners Master LP; (f) Palomino Fund Ltd.; and (g) Oaktree FF Investment Fund LP.

344. "Section 510(b) Claim" means any Claim subject to subordination under section 510(b) of the Bankruptcy Code; provided that a Section 510(b) Claim shall not include any Claim subject to subordination under section 510(b) of the Bankruptcy Code arising from or related to an Interest.

345. "Secured" means when referring to a Claim: (a) secured by a Lien on property in which the applicable Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor's interest in such Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code; or (b) Allowed pursuant to the Plan as a Secured Claim.

346. "Secured First Lien Notes Claim" means any Claim against a Debtor arising under or related to the First Lien Notes that is a Secured Claim, provided that there are no Secured First Lien Notes Claims against the Non-Obligor Debtors.

347. "Secured First Lien Notes Claim PropCo Equity Recovery" means the Pro Rata share of REIT Common Stock to be issued to Holders of Allowed Secured First Lien Notes Claims except to the extent that any such Holder would end up with more an 9.8% of the REIT Common Stock and does not enter into an Ownership Limit Waiver Agreement, in which case they will receive any such excess amount as PropCo LP Interests.

348. "Secured Tax Claim" means any Secured Claim that, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code (determined irrespective of time limitations), including any related Secured Claim for penalties.

349. "Securities Act" means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, as now in effect or hereinafter amended, and the rules and regulations promulgated thereunder.

350. "Security" means a security as defined in section 2(a)(1) of the Securities Act.

351. "Senior Unsecured Notes" means, collectively, the: (a) 6.50% Senior Notes due 2016, issued in the original principal amount of $214,800,000 pursuant to the 6.50% Senior Unsecured Notes Indenture; and (b) 5.75% Senior Notes due 2017, issued in the original principal amount of $750,000,000 pursuant to the 5.75% Senior Unsecured Notes Indenture.

352. "Senior Unsecured Notes Claim" means any Claim against a Debtor or the Estates arising under, related to, or in connection with the Senior Unsecured Notes.

353. "Senior Unsecured Notes Indentures" means collectively, the: (a) 5.75% Senior Unsecured Notes Indenture; and (c) 6.50% Senior Unsecured Notes Indenture.

354. "Senior Unsecured Notes Indenture Trustee" means, collectively, the 5.75% Senior Unsecured Notes Indenture Trustee and the 6.50% Senior Unsecured Notes Indenture Trustee.

355. "Separation Structure" means the separation of the Debtors into OpCo, PropCo, and the REIT in accordance with the Plan.

356. "SGN RSA" means that certain First Amended and Restated Restructuring Support and Forbearance Agreement (including all term sheets, schedules, exhibits, and annexes thereto), dated as of June 21, 2016, and as amended as of October 4, 2016, and as amended, amended and restated, supplemented, or otherwise modified from time to time thereafter, by and between, CEOC on behalf of itself and each of the Debtors, CEC, and the Consenting SGN Creditors (as defined therein) party thereto from time to time.

357. "Solicitation Procedures Order" means the *Order (A) Approving the Solicitation Procedures and (B) Granting Related Relief* [Docket No. 4219], entered by the Bankruptcy Court on June 28, 2016, which was amended on July 6, 2016, to make technical corrections to certain of the dates therein [Docket No. 4272].

358. "Spin Structure" means the contribution of assets to the REIT in a reorganization intended to qualify under section 368(a)(1)(G) of the Internal Revenue Code.

359. "Spin Opinion" shall have the meaning set forth in Article IV.N hereof.

360. "Spin Ruling" shall have the meaning set forth in Article IV.N hereof.

361. "Sponsors" means each and all of: (a) Apollo Global Management, LLC, Apollo Management VI, L.P., Apollo Alternative Assets, L.P., Apollo Hamlet Holdings, LLC, Apollo Hamlet Holdings B, LLC; and Apollo Investment Fund VI, L.P.; (b) TPG Capital, L.P., TPG Global, LLC, TPG Capital Management, L.P., TPG Hamlet Holdings, LLC, TPG Hamlet Holdings B, LLC; and (c) Hamlet Holdings LLC, Con-Invest Hamlet Holdings, Series LLC, Co-Invest Hamlet Holdings B, LLC.

362. "Subsidiary-Guaranteed Notes" means the 10.75% Senior Notes due 2016, issued in the original principal amount of $4,932,417,000 pursuant to the Subsidiary-Guaranteed Notes Indenture.

363. "Subsidiary-Guaranteed Notes Claim" means any Claim against a Debtor or the Estates arising under, related to, or in connection with the Subsidiary-Guaranteed Notes.

364. "Subsidiary-Guaranteed Notes Indenture" means that certain Indenture, dated as of February 1, 2008, by and between CEOC, the Subsidiary Guarantors, and the Subsidiary-Guaranteed Notes Indenture Trustee, providing for the issuance of 10.75% Senior Notes due 2016 and 10.75%/11.50% Senior Toggle Notes due 2018, as amended, amended and restated, supplemented, or otherwise modified from time to time.

365. "Subsidiary-Guaranteed Notes Indenture Trustee" means Wilmington Trust, National Association, solely in its capacity as successor indenture trustee under the Subsidiary-Guaranteed Notes Indenture, and any predecessors and successors in such capacity.

366. "Subsidiary-Guaranteed Notes Intercreditor Agreement" means that certain Intercreditor Agreement, dated as of January 28, 2008, by and between the Prepetition Credit Agreement Agent and the Subsidiary-Guaranteed Notes Indenture Trustee.

367. "Subsidiary-Guaranteed Notes Settlement" means the settlement set forth in Article IV.H of the Plan and encompassed in the SGN RSA.

368. "Subsidiary Guarantors" means, collectively: (a) 190 Flamingo, LLC; (b) 3535 LV Corp. (f/k/a Harrah's Imperial Palace); (c) AJP Holdings, LLC; (d) AJP Parent, LLC; (e) B I Gaming Corporation; (f) Bally's Midwest Casino, Inc.; (g) Bally's Park Place, Inc.; (h) Benco, Inc.; (i) Biloxi Hammond, LLC; (j) Biloxi Village Walk Development, LLC; (k) BL Development Corp.; (l) Boardwalk Regency Corporation; (m) Caesars Entertainment Canada Holding, Inc.; (n) Caesars Entertainment Finance Corp.; (o) Caesars Entertainment Golf, Inc.; (p) Caesars Entertainment Retail, Inc.; (q) Caesars India Sponsor Company, LLC; (r) Caesars License Company, LLC (f/k/a Harrah's License Company, LLC); (s) Caesars Marketing Services Corporation (f/k/a Harrah's Marketing Services Corporation); (t) Caesars New Jersey, Inc.; (u) Caesars Palace Corporation; (v) Caesars Palace Realty Corporation; (w) Caesars Palace Sports Promotions, Inc.; (x) Caesars Riverboat Casino, LLC; (y) Caesars Trex, Inc.; (z) Caesars United Kingdom, Inc.; (aa) Caesars World Marketing Corporation; (bb) Caesars World

Merchandising, Inc. (cc) Caesars World, Inc.; (dd) California Clearing Corporation; (ee) Casino Computer Programming, Inc.; (ff) Chester Facility Holding Company, LLC; (gg) Consolidated Supplies, Services and Systems; (hh) DCH Exchange, LLC; (ii) DCH Lender, LLC; (jj) Desert Palace, Inc.; (kk) Durante Holdings, LLC; (ll) East Beach Development Corporation; (mm) FHR Corporation; (nn) Flamingo-Laughlin, Inc. (f/k/a Flamingo Hilton-Laughlin, Inc.); (oo) GCA Acquisition Subsidiary, Inc.; (pp) GNOC, Corp.; (qq) Grand Casinos of Biloxi, LLC; (rr) Grand Casinos of Mississippi, LLC—Gulfport; (ss) Grand Casinos, Inc.; (tt) Grand Media Buying, Inc.; (uu) Harrah South Shore Corporation; (vv) Harrah's Arizona Corporation; (ww) Harrah's Bossier City Investment Company, L.L.C.; (xx) Harrah's Bossier City Management Company, LLC; (yy) Harrah's Chester Downs Investment Company, LLC; (zz) Harrah's Chester Downs Management Company, LLC; (aaa) Harrah's Illinois Corporation; (bbb) Harrah's Interactive Investment Company; (ccc) Harrah's International Holding Company, Inc.; (ddd) Harrah's Investments, Inc. (f/k/a Harrah's Wheeling Corporation); (eee) Harrah's Management Company; (fff) Harrah's Maryland Heights Operating Company; (hhh) Harrah's MH Project, LLC; (iii) Harrah's NC Casino Company, LLC; (jjj) Harrah's New Orleans Management Company; (kkk) Harrah's North Kansas City LLC (f/k/a Harrah's North Kansas City Corporation); (lll) Harrah's Operating Company Memphis, LLC; (mmm) Harrah's Pittsburgh Management Company; (nnn) Harrah's Reno Holding Company, Inc.; (ooo) Harrah's Shreveport Investment Company, LLC; (ppp) Harrah's Shreveport Management Company, LLC; (qqq) Harrah's Shreveport/Bossier City Holding Company, LLC; (rrr) Harrah's Shreveport/Bossier City Investment Company, LLC; (sss) Harrah's Southwest Michigan Casino Corporation; (ttt) Harrah's Travel, Inc.; (uuu) Harrah's West Warwick Gaming Company, LLC; (vvv) Harveys BR Management Company, Inc.; (www) Harveys C.C. Management Company, Inc.; (xxx) Harveys Iowa Management Company, Inc.; (yyy) Harveys Tahoe Management Company, Inc.; (zzz) H-BAY, LLC; (aaaa) HBR Realty Company, Inc.; (bbbb) HCAL, LLC; (cccc) HCR Services Company, Inc.; (dddd) HEI Holding Company One, Inc.; (eeee) HEI Holding Company Two, Inc.; (ffff) HHLV Management Company, LLC; (gggg) Hole in the Wall, LLC; (hhhh) Horseshoe Entertainment; (iiii) Horseshoe Gaming Holding, LLC; (jjjj) Horseshoe GP, LLC; (kkkk) Horseshoe Hammond, LLC; (llll) Horseshoe Shreveport, L.L.C.; (mmmm) HTM Holding, Inc.; (nnnn) Koval Holdings Company, LLC; (oooo) Koval Investment Company, LLC; (pppp) Las Vegas Golf Management, LLC; (qqqq) Las Vegas Resort Development, Inc.; (rrrr) LVH Corporation; (ssss) Martial Development Corp.; (tttt) Nevada Marketing, LLC; (uuuu) New Gaming Capital Partnership; (vvvv) Ocean Showboat, Inc.; (wwww) Parball Corporation; (xxxx) Players Bluegrass Downs, Inc.; (yyyy) Players Development, Inc.; (zzzz) Players Holding, LLC; (aaaaa) Players International, LLC; (bbbbb) Players LC, LLC; (ccccc) Players Maryland Heights Nevada, LLC; (ddddd) Players Resources, Inc.; (eeeee) Players Riverboat II, LLC; (fffff) Players Riverboat Management, LLC; (ggggg) Players Riverboat, LLC; (hhhhh) Players Services, Inc.; (iiiii) Reno Crossroads LLC; (jjjjj) Reno Projects, Inc.; (kkkkk) Rio Development Company, Inc.; (lllll) Robinson Property Group Corp.; (mmmmm) Roman Empire Development, LLC; (nnnnn) Roman Entertainment Corporation of Indiana; (ooooo) Roman Holding Corporation of Indiana; (ppppp) Showboat Atlantic City Mezz 1, LLC; (qqqqq) Showboat Atlantic City Mezz 2, LLC; (rrrrr) Showboat Atlantic City Mezz 3, LLC; (sssss) Showboat Atlantic City Mezz 4, LLC; (ttttt) Showboat Atlantic City Mezz 5, LLC; (uuuuu) Showboat Atlantic City Mezz 6, LLC; (vvvvv) Showboat Atlantic City Mezz 7, LLC; (wwwww) Showboat Atlantic City Mezz 8, LLC; (xxxxx) Showboat Atlantic City Mezz 9, LLC; (yyyyy) Showboat Atlantic City Operating Company, LLC; (zzzzz) Showboat Atlantic City Propco, LLC; (aaaaaa) Showboat Holding, Inc.; (bbbbbb) Southern Illinois Riverboat/Casino Cruises, Inc.; (cccccc) Tahoe Garage Propco, LLC; (dddddd) TRB Flamingo, LLC; (eeeeee) Trigger Real Estate Corporation; (ffffff) Tunica Roadhouse Corporation (f/k/a Sheraton Tunica Corporation); (gggggg) Village Walk Construction, LLC; (hhhhhh) Winnick Holdings, LLC; and (iiiiii) Winnick Parent, LLC.

369. "Swap and Hedge Claims" mean, collectively, the Goldman Sachs Swap Claim and any other Claim arising under any swap or hedge agreements that arise under the Prepetition Credit Agreement.

370. "Tax Indemnity Agreement" means the agreement(s), by and among OpCo, PropCo, and New CEC, to be effective on the Effective Date, (a) the form of which shall be included in the Plan Supplement, (b) which shall be in form and substance consistent in all material respects with the Bank RSA and the Bond RSA, and (c) which shall be reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

371. "Third-Party Preserved Claims" means any claims against a Released Creditor Party for actual fraud asserted by a person who both (a) is not a Released Party and (b) did not vote to accept the Plan, in each case

solely to the extent that such claim is a claim for actual fraud committed by such Released Creditor Party, and solely to the extent that an action with respect to such claim is commenced in the Bankruptcy Court within 45 days after the entry of the Confirmation Order and solely to the extent as determined by a Final Order of a court of competent jurisdiction, it being acknowledged and understood that Third-Party Preserved Claims (a) do not include any claims against any Released Caesars Party or any Released Petitioning Creditor Party, and (b) only include claims that would be released under the Third-Party Release but for the operation of proviso 7 of Article VIII.C of the Plan.

372. "Third-Party Release" means the release given by each of the Releasing Parties to the Released Parties as set forth in Article VIII.C of the Plan.

373. "Transition Services Agreement" means that certain Transition Services Agreement, by and among OpCo (and/or its applicable subsidiaries) and PropCo (and/or its applicable subsidiaries), to be effective on the Effective Date, governing the provision of shared services, (a) the form of which shall be included in the Plan Supplement and (b) which shall be in form and substance reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

374. "TRS" means one or more entities to be owned by PropCo or the REIT intended to qualify as taxable REIT subsidiaries as defined under the Internal Revenue Code.

375. "TRS Organizational Documents" means the form of articles of incorporation, bylaws, charter, and other similar organizational and constituent documents for the TRS(s), (a) the form of which shall be included in the Plan Supplement and (b) which shall be in form and substance reasonably acceptable to the Debtors, CEC, the Requisite Consenting Bond Creditors, the Requisite Consenting Bank Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee.

376. "UCC RSA" means that certain Restructuring Support and Settlement Agreement (including all term sheets, schedules, exhibits, and annexes thereto), dated as of June 22, 2016, as amended, amended and restated, supplemented, or otherwise modified from time to time, by and between, CEOC on behalf of itself and each of the Debtors, CEC, and the Unsecured Creditors Committee.

377. "Unexpired Lease" means an unexpired lease to which one or more of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

378. "Unimpaired" means, with respect to a Claim or Interest, or a Class of Claims or Interests, a Claim or an Interest that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

379. "Unsecured Creditors Committee" means the Statutory Unsecured Claimholders' Committee appointed in the Chapter 11 Cases pursuant to section 1102(a) of the Bankruptcy Code on February 5, 2015, as modified on February 6, 2015, and September 25, 2015.

380. "Unsecured Creditors Committee Members" means each of the following, in each case solely in its capacity as a member of the Unsecured Creditors Committee: (a) National Retirement Fund; (b) International Game Technology; (c) US Foods, Inc.; (d) Law Debenture Trust Company of New York, solely in its capacity as Senior Unsecured Notes Indenture Trustee; (e) Relative Value-Long/Short Debt, a Series of Underlying Funds Trust; (f) Wilmington Trust, N.A., solely in its capacity as Subsidiary-Guaranteed Notes Indenture Trustee; (g) Park Hotels & Resorts Inc. f/k/a Hilton Worldwide, Inc.; (h) Earl of Sandwich (Atlantic City) LLC; and (i) PepsiCo, Inc.

381. "Undisputed Unsecured Claim" means any General Unsecured Claim that has been agreed to by the Debtors as of the Effective Date, provided that for voting purposes, any General Unsecured Claim that has been agreed to by the Debtors by the Voting Deadline shall be in Class 1. For the avoidance of doubt, a Disputed Unsecured Claim that is Allowed by a Final Order of the Bankruptcy Court before the Effective Date shall be treated as an Undisputed Unsecured Claim.

382. "Unsecured Creditor Cash Pool" means the Cash pool for the benefit of Class I and Class J funded by (a) any Cash remaining in the Convenience Cash Pool after satisfying all Allowed Convenience Unsecured Claims in accordance with the Plan treatment of Claims in Class K, and (b) New CEC, in each case for the benefit of Undisputed Unsecured Claims and Disputed Unsecured Claims. The amount of Cash in the Unsecured Creditor Cash Pool funded by New CEC shall be $19,220,000. The Unsecured Creditor Cash Pool shall be used (x) first to provide the Holders of Allowed Undisputed Unsecured Claims a Cash recovery equal to 6.24% of such Holder's Allowed Undisputed Unsecured Claim, and (y) second to provide Pro Rata recoveries to Holders of Allowed Disputed Unsecured Claims in Class J from the remaining Cash pool (after the payment of Allowed Undisputed Unsecured Claims) up to a Cash recovery equal to 6.24% of such Holder's Allowed Disputed Unsecured Claims. Any remaining Cash in the Unsecured Creditor Cash Pool after the satisfaction of all Undisputed Unsecured Claims and Disputed Unsecured Claims shall be reallocated to the Unsecured Insurance Creditor Cash Pool.

383. "Unsecured Creditor Securities Pool" means (a) $46,367,000 of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes Indenture in the aggregate for up to 0.568% of New CEC Common Equity on a fully diluted basis and (b) OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 1.854% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes). If the aggregate amount of Claims in Class I and Class J is less than $308,172,000, the Unsecured Creditor Securities Pool shall be reduced by an amount of OpCo Series A Preferred Stock exchangeable pursuant to the CEOC Merger for an amount of fully diluted New CEC Common Equity equal to the amount by which $308,172,000 exceeds the aggregate amount of Allowed Claims in Class I and Class J multiplied by 59.260% divided by 5,880,940,000 multiplied by 86.286%. Any OpCo Series A Preferred Stock removed from the Unsecured Creditor Securities Pool pursuant to the foregoing sentence shall be transferred first, to the extent that the Allowed Claims in Class L exceeds $15,000,000, to the Unsecured Insurance Creditor Securities Pool in an amount exchangeable pursuant to the CEOC Merger for an amount of fully diluted New CEC Common Equity equal to the amount by which the Allowed Claims in Class L exceeds $15,000,000 multiplied by 59.260% divided by 5,880,940,000 multiplied by 86.286%, and second to New CEC. Solely for purposes of distributing the assets of the Unsecured Creditor Securities Pool, the Unsecured Creditor Securities Pool shall have a value of (A) $182,596,000 less (B) if $308,172,000 exceeds the aggregate amount of Allowed Claims in Class I and Class J 59.260%% multiplied by the amount by which $308,172,000 exceeds the aggregate amount of Allowed Claims in Class I and Class J. Holders of Class I Claims shall receive from the Unsecured Creditor Securities Pool (X) a face amount of New CEC Convertible Notes equal to the face amount of New CEC Convertible Notes in the Unsecured Creditor Securities Pool multiplied by 59.260% multiplied by the aggregate amount of Allowed Claims in Class I divided by the value of the Unsecured Creditor Securities Pool and (Y) an amount of OpCo Series A Preferred Stock (exchangeable pursuant to the CEOC Merger for New CEC Common Equity) equal to the amount of OpCo Series A Preferred Stock available to the Unsecured Creditor Securities Pool multiplied by 59.260% multiplied by the amount Allowed Claims in Class I divided by the value of the Unsecured Creditor Securities Pool. ***After the above distributions to Holders of Class I Claims***, the remaining assets of the Unsecured Creditor Securities Pool shall be distributed to Holders of Disputed Unsecured Claims in Class J.

384. "Unsecured Insurance Creditor Cash Pool" means the Cash pool funded by New CEC for the benefit of Insurance Covered Unsecured Claims, which shall be (a) $940,000 plus (b) any Cash remaining in the Unsecured Creditor Cash Pool after satisfying all Undisputed Unsecured Claims and Disputed Unsecured Claims in accordance with the Plan. The Unsecured Insurance Creditor Cash Pool shall be used to provide Pro Rata recoveries to Holders of Allowed Insurance Covered Unsecured Claims up to a Cash recovery equal to 6.24% of such Holder's Allowed Insurance Covered Unsecured Claims. Any remaining Cash in the Unsecured Insurance Creditor Cash Pool after the satisfaction of all Insurance Covered Unsecured Claims shall be either (i) if all Disputed Unsecured Claims have been satisfied, returned to New CEC or (ii) if any Disputed Unsecured Claim in Class J remains Disputed, reallocated to the Unsecured Creditor Cash Pool.

385. "Unsecured Insurance Creditor Securities Pool" means (a) $2,253,000 of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes Indenture in the aggregate for up to 0.028% of New CEC Common Equity on a fully diluted basis and (b) OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 0.090% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), plus (c) to the extent that the Allowed Claims in Class L exceed $15,000,000, any Securities transferred from the Unsecured Creditor Securities Pool pursuant to the definition of the Unsecured Creditor Securities Pool, less, (d) to the extent that $15,000,000

exceeds the Allowed Claims in Class L, an amount of OpCo Series A Preferred Equity exchangeable pursuant to the CEOC Merger for an amount of fully diluted New CEC Common Equity equal to the amount by which $15,000,000 exceeds the Allowed Claims in Class L multiplied by 59.260% divided by 5,880,940,000 multiplied by 86.286%. Such OpCo Series A Preferred Stock removed from the Unsecured Insurance Creditor Securities Pool pursuant to (d) above shall be distributed (i) first, to the extent that the aggregate amount of Allowed Claims in Class I and Class J exceeds $308,172,000, to Holders of Allowed Claims in Class J in an amount exchangeable pursuant to the CEOC Merger for an amount of fully diluted New CEC Common Equity equal to the amount by which the aggregate amount of Allowed Claims in Class I and Class J exceeds $308,172,000 multiplied by 59.260% divided by 5,880,940,000 multiplied by 86.286% and (ii) second, to New CEC for the benefit of CEC's pre-Effective Date non-Sponsor shareholders.

386. "Upfront Payment" shall have the meaning set forth in the Bank RSA.

387. "U.S. Trustee" means the United States Trustee for the Northern District of Illinois.

388. "U.S. Trustee Fees" means fees arising under section 1930(a)(6) of the Judicial Code and, to the extent applicable, accrued interest thereon arising under 31 U.S.C. § 3717.

389. "Voting Deadline" means November 21, 2016.

390. "Voting Record Date" means June 22, 2016.

391. "Winnick Unsecured Claim" means a General Unsecured Claim against Debtor Winnick Holdings, LLC.

B. Rules of Interpretation.

For purposes herein: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (b) except as otherwise provided, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be in that form or on those terms and conditions; (c) except as otherwise provided, any reference herein to an existing document or exhibit having been Filed or to be Filed shall mean that document or exhibit, as it may thereafter be amended, restated, supplemented, or otherwise modified in accordance with the terms of the Plan; (d) unless otherwise specified, all references herein to "Articles" are references to Articles of the Plan or hereto; (e) unless otherwise stated, the words "herein," "hereof," and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (g) the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation;" (h) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (i) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (j) any docket number references in the Plan shall refer to the docket number of any document Filed with the Bankruptcy Court in the Chapter 11 Cases; (k) any effectuating provisions may be interpreted by the Reorganized Debtors in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, and such interpretation shall control; (l) except as otherwise provided, any references to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter; and (m) all references herein to consent, acceptance, or approval shall be deemed to include the requirement that such consent, acceptance, or approval be evidenced by a writing, which may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail.

C. Computation of Time.

The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein.

D. Governing Law.

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated herein, the laws of the State of Illinois, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan and any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); provided that corporate or limited liability company governance matters shall be governed by the laws of the state of incorporation or formation, of the applicable Entity. To the extent a rule of law or procedure is supplied by the Bankruptcy Code, the Bankruptcy Rules, and the decisions and standards of the United States Supreme Court, the United States Court of Appeals for the Seventh Circuit, the United States District Court for the Northern District of Illinois, and the Bankruptcy Court, as applicable, shall govern and control.

E. Reference to Monetary Figures.

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided herein.

F. Nonconsolidated Plan.

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan for each of the Debtors and presents together Classes of Claims against, and Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors.

ARTICLE II.
ADMINISTRATIVE CLAIMS AND OTHER UNCLASSIFIED CLAIMS

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Professional Fee Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III of the Plan.

A. Administrative Claims.

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the Reorganized Debtors, as applicable, to the extent an Allowed Administrative Claim has not already been paid in full or otherwise satisfied during the Chapter 11 Cases, each Holder of an Allowed Administrative Claim will receive, in full and final satisfaction of its Allowed Administrative Claim, Cash equal to the amount of the unpaid portion of such Allowed Administrative Claim either: (1) if such Administrative Claim is Allowed as of the Effective Date, no later than 30 days after the Effective Date or as soon as reasonably practicable thereafter; (2) if the Administrative Claim is not Allowed as of the Effective Date, no later than 30 days after the date on which an order of the Bankruptcy Court Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; or (3) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors' Estates in the ordinary course of their business after the Petition Date, pursuant to the terms and conditions of the particular transaction or course of business giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim.

Except as otherwise provided by a Final Order previously entered by the Bankruptcy Court or as provided by Article II.B and Article XII.D hereof, unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Debtors no later than the Administrative Claims Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order. Holders of

Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not file and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests must be Filed and served on the requesting party by the Administrative Claims Objection Bar Date.

B. Professional Fee Claims.

1. Professional Fee Escrow.

As soon as reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow. Funds held in the Professional Fee Escrow shall not be considered property of the Debtors' Estates or property of the Reorganized Debtors, but the funds held in the Professional Fee Escrow after all Professional Fee Claims Allowed by the Bankruptcy Court have been irrevocably paid in full pursuant to one or more Final Orders of the Bankruptcy Court shall be deemed to constitute Available Cash and shall be distributed pursuant to Article IV.L hereof as if such amounts had constituted Available Cash on the Effective Date. The Professional Fee Escrow shall be held in trust for the Professionals and for no other parties until all Professional Fee Claims Allowed by the Bankruptcy Court have been paid in full pursuant to one or more Final Orders of the Bankruptcy Court. No Liens, claims, or interests shall encumber the Professional Fee Escrow or Cash held in the Professional Fee Escrow in any way. Professional Fees owing to the Professionals shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow when such Claims are Allowed by an order of the Bankruptcy Court; provided that the Debtors' obligations to pay Professional Fee Claims shall not be limited nor be deemed limited to funds held in the Professional Fee Escrow.

2. Estimation of Fees and Expenses.

The applicable Professionals shall provide a good faith estimate of their Professional Fee Claims projected to be outstanding as of the Effective Date and shall deliver such estimate to the Debtors no later than five (5) calendar days before the anticipated Effective Date; provided, however, that such estimate shall not be considered an admission or limitation with respect to the fees and expenses of such Professional and such Professionals are not bound to any extent by the estimates. If a Professional does not provide an estimate, the Debtors may estimate the unbilled fees and expenses of such Professional. The total amount so estimated shall be utilized by the Debtors to determine the amount to be funded to the Professional Fee Escrow, provided that the Reorganized Debtors shall use Cash on hand to increase the amount of the Professional Fee Escrow to the extent fee applications are Filed after the Effective Date in excess of the amount held in the Professional Fee Escrow based on such estimates.

3. Final Fee Applications and Payment of Allowed Professional Fee Claims.

All final requests for payment of Professional Fee Claims must be Filed with the Bankruptcy Court and served on the Debtors or the Reorganized Debtors, as applicable, no later than the first Business Day that is sixty (60) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code, Bankruptcy Rules, and prior Bankruptcy Court orders, the Allowed amounts of such Professional Fee Claims shall be determined by the Bankruptcy Court. The amount of Allowed Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow when such Claims are Allowed by order of the Bankruptcy Court.

4. Post-Confirmation Fees and Expenses.

Except as otherwise specifically provided in the Plan, on and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable legal, Professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by the Estates. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code or the Interim Compensation Order in seeking retention for services rendered after such date shall terminate, and the

Debtors may employ any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

C. Priority Tax Claims.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code. Solely to the extent required by the Bankruptcy Code, Allowed Priority Tax Claims will be paid with interest at the applicable non-default rate under non-bankruptcy law.

ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. Summary of Classification.

All Claims and Interests, other than Administrative Claims, Professional Fee Claims, and Priority Tax Claims are classified in the Classes set forth in this Article III for all purposes, including voting, Confirmation, and distributions pursuant to the Plan and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Interest is classified in a particular Class only to the extent that such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or Interest also is classified in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The classification of Claims and Interests against each Debtor (as applicable) pursuant to the Plan is as set forth below. The Plan shall apply as a separate Plan for each of the Debtors, and the classification of Claims and Interests set forth herein shall apply separately to each of the Debtors. All of the potential Classes for the Debtors are set forth herein. Certain of the Debtors may not have Holders of Claims or Interests in a particular Class or Classes, and such Claims shall be treated as set forth in Article III.D hereof. For all purposes under the Plan, each Class will contain sub-Classes for each of the Debtors, except that: (1) Class D, Class E, and Class F shall be vacant for each Non-Obligor Debtor; (2) Class G shall be vacant for each Debtor other than CEOC and the Subsidiary Guarantors; (3) Class H shall be vacant for each Debtor other than CEOC; (4) Class I, Class J, Class K, and Class L shall be vacant for each Non-Obligor Debtor and each BIT Debtor; (5) Class M shall be vacant for each Debtor other than the Par Recovery Debtors; (6) Class N shall be vacant for each Debtor other than Debtor Winnick Holdings, LLC; (7) Class O shall be vacant for each Debtor other than Debtor Caesars Riverboat Casino, LLC; (8) Class P shall be vacant for each Debtor other than Debtor Chester Downs Management Company, LLC; (9) Class Q shall be vacant for each Debtor other than the Non-Obligor Debtors; (10) Class U shall be vacant for each Debtor other than CEOC; and (11) Class V shall be vacant for each Debtor other than Des Plaines Development Limited Partnership.[1] Voting tabulations for recording acceptances or rejections of the Plan shall be conducted on a Debtor-by-Debtor basis as set forth above.

Class	Applicable Entities	Claims and Interests	Status	Voting Rights
Class A	Each Debtor	Secured Tax Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class B	Each Debtor	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)

[1] The Debtors reserve the right to separately classify Claims to the extent necessary to comply with any requirements under the Bankruptcy Code or applicable law.

Class	Applicable Entities	Claims and Interests	Status	Voting Rights
Class C	Each Debtor	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class D	Each Debtor other than Non-Obligor Debtors	Prepetition Credit Agreement Claims	Impaired	Entitled to Vote
Class E	Each Debtor other than Non-Obligor Debtors	Secured First Lien Notes Claims	Impaired	Entitled to Vote
Class F	Each Debtor other than Non-Obligor Debtors	Second Lien Notes Claims	Impaired	Entitled to Vote
Class G	CEOC and Each Subsidiary Guarantor	Subsidiary-Guaranteed Notes Claims	Impaired	Entitled to Vote
Class H	CEOC	Senior Unsecured Notes Claims	Impaired	Entitled to Vote
Class I	Each Debtor other than Non-Obligor Debtors and BIT Debtors	Undisputed Unsecured Claims	Impaired	Entitled to Vote
Class J	Each Debtor other than Non-Obligor Debtors and BIT Debtors	Disputed Unsecured Claims	Impaired	Entitled to Vote
Class K	Each Debtor other than Non-Obligor Debtors and BIT Debtors	Convenience Unsecured Claims	Impaired	Entitled to Vote
Class L	Each Debtor other than Non-Obligor Debtors and BIT Debtors	Insurance Covered Unsecured Claims	Impaired	Entitled to Vote
Class M	Each Par Recovery Debtor	Par Recovery Unsecured Claims	Impaired	Entitled to Vote
Class N	Debtor Winnick Holdings, LLC	Winnick Unsecured Claims	Impaired	Entitled to Vote
Class O	Debtor Caesars Riverboat Casino, LLC	Caesars Riverboat Casino Unsecured Claims	Impaired	Entitled to Vote
Class P	Debtor Chester Downs Management Company, LLC	Chester Downs Management Unsecured Claims	Impaired	Entitled to Vote
Class Q	Each Non-Obligor Debtor	Non-Obligor Unsecured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class R	Each Debtor	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class S	Each Debtor	Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

Class	Applicable Entities	Claims and Interests	Status	Voting Rights
Class T	Each Debtor	Intercompany Interests	Impaired	Not Entitled to Vote (Deemed to Reject)
Class U	CEOC	CEOC Interests	Impaired	Not Entitled to Vote (Deemed to Reject)
Class V	Des Plaines Development Limited Partnership	Des Plaines Interests	Unimpaired	Not Entitled to Vote (Deemed to Accept)

B. *Treatment of Claims and Interests.*

1. Class A—Secured Tax Claims.

(a) *Classification*: Class A consists of all Secured Tax Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Secured Tax Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Secured Tax Claim, each such Holder shall receive, at the option of the Reorganized Debtors:

(i) payment in full in Cash of such Holder's Allowed Secured Tax Claim as of the Effective Date or as soon as reasonably practicable thereafter; or

(ii) equal semi-annual Cash payments commencing as of the Effective Date or as soon as reasonably practicable thereafter and continuing for five (5) years, in an aggregate amount equal to such Allowed Secured Tax Claim, together with interest at the applicable non-default rate under non-bankruptcy law, subject to the option of the Reorganized Debtors to prepay the entire amount of such Allowed Secured Tax Claim during such time period.

(c) *Voting*: Class A is Unimpaired. Holders of Secured Tax Claims in Class A are deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, therefore, are not entitled to vote to accept or reject the Plan.

2. Class B—Other Secured Claims.

(a) *Classification*: Class B consists of all Other Secured Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Other Secured Claim, each such Holder shall receive, at the option of the Reorganized Debtors:

(i) payment in full in Cash of such Holder's Allowed Other Secured Claim;

(ii) Reinstatement of such Holder's Allowed Other Secured Claim;

(iii) the collateral securing such Holder's Allowed Other Secured Claim; or

(iv) such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.

(c) *Voting*: Class B is Unimpaired. Holders of Other Secured Claims in Class B are deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, therefore, are not entitled to vote to accept or reject the Plan.

3. Class C—Other Priority Claims.

(a) *Classification*: Class C consists of all Other Priority Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Other Priority Claim, each such Holder shall receive, at the option of the Reorganized Debtors:

(i) payment in full in Cash on the later of the Effective Date and the date such Other Priority Claim becomes an Allowed Other Priority Claim or as soon as reasonably practicable thereafter; or

(ii) such other treatment rendering such Holder's Allowed Other Priority Claim Unimpaired.

(c) *Voting*: Class C is Unimpaired. Holders of Other Priority Claims in Class C are deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, therefore, are not entitled to vote to accept or reject the Plan.

4. Class D—Prepetition Credit Agreement Claims.

(a) *Classification*: Class D consists of all Prepetition Credit Agreement Claims.

(b) *Treatment*: On the Effective Date, except to the extent that a Holder of an Allowed Prepetition Credit Agreement Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Prepetition Credit Agreement Claim, and subject to any increases in connection with an Improved Bank Recovery Event, each such Holder shall receive its Pro Rata share of:

(i) $710,100,000 in Cash;

(ii) $916,900,000 of additional Cash out of the proceeds of the syndication of the OpCo Market Debt to third parties, provided, however, that solely to the extent that the OpCo Market Debt is not fully syndicated and solely to the extent that the Requisite Consenting Bank Creditors waive such requirement in their sole discretion as set forth in Article IX.B hereof, such Holder will receive such Holder's Pro Rata share of the OpCo First Lien Term Loan issued in an aggregate principal amount equal to the amount of the unsubscribed portion of the OpCo Market Debt in lieu of such Cash on a dollar-for-dollar basis;

(iii) $1,961,000,000 aggregate principal amount of the PropCo First Lien Term Loan, subject to the right of such Holder to elect to receive PropCo Common Equity rather than such PropCo First Lien Term Loan pursuant to the PropCo Equity Election;

(iv) $1,450,000,000 of (A) the PropCo Second Lien Upsize Amount (subject to the right of such Holder to elect to receive PropCo Common Equity rather than the PropCo Second Lien Notes issued pursuant to the PropCo Second Lien Upsize

Amount pursuant to the PropCo Equity Election), if any, and (B) additional Cash in the amount of the difference between (I) $1,450,000,000 minus (II) the amount of the PropCo Second Lien Upsize Amount, provided that such Holder shall receive an equivalent principal amount of CPLV Mezzanine Debt instead of the PropCo Second Lien Upsize Amount if Class D elects (on the Class D Ballot) as a Class (on majority vote based solely on principal amount of Prepetition Credit Agreements Claims held) to cause the CPLV Mezzanine Election to occur pursuant to the Prepetition Credit Agreement CPLV Option Procedures;

(v) subject to the right of such Holder to participate in the New CEC Common Equity Buyback, OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 4.010% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall be approximately equivalent to 4.647% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes; and

(vi) the Additional CEC Bank Consideration.

(c) *Allowance*: $5,426,386,199.91 (before reduction on account of the Bank Pay Down) comprised of (i) $378,276,476.35 on account of Term B-4 Loans; (ii) $939,794,128.14 on account of Term B-5 Loans; (iii) $2,305,062,596.36 on account of Term B-6 Loans; (d) $1,747,852,239.58 on account of Term B-7 Loans; (e) $25,434,935.00 on account of the Goldman Sachs Swap Claim; (f) $17,321,091.66 on account of an additional Swap and Hedge Claim; and (g) $12,644,732.82 on account of draws on letters of credit issued under Prepetition Credit Agreement.

(d) *Voting*: Class D is Impaired. Holders of Prepetition Credit Agreement Claims in Class D are entitled to vote to accept or reject the Plan.

5. Class E—Secured First Lien Notes Claims.

(a) *Classification*: Class E consists of all Secured First Lien Notes Claims.

(b) *Treatment*: On the Effective Date, except to the extent that a Holder of an Allowed Secured First Lien Notes Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Secured First Lien Notes Claim, and subject to any increases in connection with an Improved Bond Recovery Event, each such Holder shall receive its Pro Rata share of:

(i) $970,900,000 in Cash, minus any Cash amounts up to $103,500,000 paid by the Debtors prior to the Effective Date pursuant to an order of the Bankruptcy Court authorizing such earlier payment (provided, for the avoidance of doubt, that such $103,500,000 payment shall not include the adequate protection payments authorized pursuant to the Cash Collateral Order);

(ii) $318,100,000 of Cash out of the proceeds of the issuance of the OpCo Market Debt to third parties, provided, however, that solely to the extent that the OpCo Market Debt is not fully syndicated and solely to the extent that the Requisite Consenting Bond Creditors waive such requirement in their sole discretion as set forth in Article IX.B hereof, such Holder will receive such Holder's Pro Rata share of the OpCo First Lien Notes issued in an aggregate principal amount equal to the amount of the unsubscribed portion of the OpCo Market Debt in lieu of such Cash on a dollar-for-dollar basis, provided, further, that, subject to

the foregoing proviso, to the extent the amount of OpCo First Lien Notes that would otherwise be issued on account of the unsubscribed portion of the OpCo Market Debt is less than $159,050,000, then such Holder will receive such Holder's Pro Rata share of the OpCo First Lien Incremental Term Loan in lieu of such OpCo First Lien Notes;

(iii) $431,000,000 aggregate principal amount of the PropCo First Lien Notes, subject to the right of such Holder to elect to receive PropCo Common Equity rather than such PropCo First Lien Notes pursuant to the PropCo Equity Election;

(iv) $1,425,000,000, consisting of a combination of (A) aggregate principal amount of PropCo Second Lien Notes (subject to the right of such Holder to elect to receive PropCo Common Equity rather than such PropCo Second Lien Notes pursuant to the PropCo Equity Election), and (B) Cash equal to the excess (if any) of (I) $250,000,000 over (II) the aggregate principal amount of CPLV Mezzanine Debt allocated to Holders of Secured First Lien Notes Claims pursuant to Article IV.A.3 hereof (prior to giving effect to any CPLV Mezzanine Equitized Debt);

(v) the PropCo Preferred Equity Distribution subject to the PropCo Preferred Equity Put Right and the PropCo Preferred Equity Call Right;

(vi) $1,107,000,000 of (A) aggregate principal amount of the CPLV Mezzanine Debt (subject to the right of such Holder to elect to receive PropCo Common Equity rather than such CPLV Mezzanine Debt pursuant to the PropCo Equity Election) and (B) additional Cash in the amount of the difference between (I) $1,107,000,000 minus (II) the aggregate principal amount of the CPLV Mezzanine Debt (other than any CPLV Mezzanine Debt issued to the holders of Prepetition Credit Agreement Claims) and the PropCo Preferred Equity Upsize Shares;

(vii) either (A) if the Spin Structure is used, 100% of PropCo Common Equity on a fully diluted basis (excluding dilution from PropCo Preferred Equity, if any, and the PropCo Equity Election), or (B) if the Partnership Contribution Structure is used, (I) 95% of PropCo Common Equity on a fully diluted basis (excluding dilution from PropCo Preferred Equity, if any, and the PropCo Equity Election) and (II) $91,000,000 in Cash;

(viii) subject to the right of such Holder to participate in the New CEC Common Equity Buyback, OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 12.532% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall be approximately equivalent to 14.524% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes; and

(ix) the Additional CEC Bond Consideration.

(c) *Allowance*: $6,530,577,083.33 comprised of (i) $1,294,270,833.33 on account of notes issued under the 8.50% First Lien Notes Indenture, (ii) $3,112,500,000.00 on account of notes issued under the 9.00% First Lien Notes Indentures, and (iii) $2,123,806,250.00 on account of notes issued under the 11.25% First Lien Notes Indenture

(d) *Voting*: Class E is Impaired. Holders of Secured First Lien Notes Claims in Class E are entitled to vote to accept or reject the Plan.

6. Class F—Second Lien Notes Claims.

(a) *Classification*: Class F consists of all Second Lien Notes Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Second Lien Notes Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Second Lien Notes Claim, each such Holder shall receive its Pro Rata share of:

(i) $344,590,000 in Cash;

(ii) $898,960,000 aggregate principal amount of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes Indenture in the aggregate for up to 11.017% of New CEC Common Equity on a fully diluted basis; and

(iii) subject to the New CEC Common Equity Buyback, OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 32.022% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall be approximately equivalent to 37.111% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes.

(c) *Allowance*: $5,524,111,987.73 comprised of (i) $3,883,617.80 on account of notes due 2015 issued under the 2008 Second Lien Indenture, (ii) $851,128,403.26 on account of notes due 2018 issued under the 2008 Second Lien Indenture, (iii) $3,895,193,716.67 on account of notes issued under the 2009 Second Lien Indenture, and (iv) $773,906,250.00 on account of notes issued under the 2010 Second Lien Indenture, plus fees, costs, and expenses incurred pursuant to the Second Lien Indentures

(d) *Voting*: Class F is Impaired. Holders of Second Lien Notes Claims in Class F are entitled to vote to accept or reject the Plan.

7. Class G—Subsidiary-Guaranteed Notes Claims.

(a) *Classification*: Class G consists of all Subsidiary-Guaranteed Notes Claims.

(b) *Treatment*: On the Effective Date, except to the extent that a Holder of an Allowed Subsidiary-Guaranteed Notes Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Subsidiary-Guaranteed Notes Claim, each such Holder shall receive its Pro Rata share of:

(i) $116,810,000 aggregate principal amount of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes Indenture in the aggregate for up to 1.431% of New CEC Common Equity on a fully diluted basis; and

(ii) subject to the right of such Holder to participate in the New CEC Common Equity Buyback, OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 4.045% of New CEC Common Equity on a

fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall be approximately equivalent to 4.688% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes.

(c) *Allowance*: $502,019,224.06

(d) *Voting*: Class G is Impaired. Holders of Subsidiary-Guaranteed Notes Claims in Class G are entitled to vote to accept or reject the Plan.

8. Class H—Senior Unsecured Notes Claims.

(a) *Classification*: Class H consists of all Senior Unsecured Notes Claims.

(b) *Treatment*: On the Effective Date, except to the extent that a Holder of an Allowed Senior Unsecured Notes Claim agrees to a less favorable treatment (including as set forth in Article IV.A.8 hereof), in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Senior Unsecured Notes Claim, and subject to the Improved Recovery Agreement, each such Holder shall receive its Pro Rata share of:

(i) $15,200,000 in Cash;

(ii) $39,580,000 aggregate principal amount of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes Indenture in the aggregate for up to 0.485% of New CEC Common Equity on a fully diluted basis; and

(iii) subject to the New CEC Common Equity Buyback, OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 1.414% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall be approximately equivalent to 1.639% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes.

(c) *Allowance*: $536,198,140.78 comprised of (i) $299,031,918.06 on account of notes issued under the 6.50% Senior Unsecured Notes Indenture; and (b) $237,166,222.72 on account of notes issued under the 5.75% Senior Unsecured Notes Indenture

(d) *Voting*: Class H is Impaired. Holders of Senior Unsecured Notes Claims in Class H are entitled to vote to accept or reject the Plan.

9. Class I—Undisputed Unsecured Claims.

(a) *Classification*: Class I consists of all Undisputed Unsecured Claims.

(b) *Treatment*: On the Effective Date, except to the extent that a Holder of an Allowed Undisputed Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Undisputed Unsecured Claim, and subject to the Improved Recovery Agreement, each such Holder shall receive its Pro Rata share of:

(i) recovery equal to 6.24% of such Holder's Allowed Undisputed Unsecured Claim in Cash from the Unsecured Creditor Cash Pool; and

(ii) subject to the New CEC Common Equity Buyback, recovery equal to 59.26% of such Holder's Allowed Undisputed Unsecured Claim from the Unsecured Creditor Securities Pool as such percentage value is determined in the definition thereof.

(c) *Voting*: Class I is Impaired. Holders of Undisputed Unsecured Claims in Class I are entitled to vote to accept or reject the Plan.

10. Class J—Disputed Unsecured Claims.

(a) *Classification*: Class J consists of all Disputed Unsecured Claims.

(b) *Treatment*: Subject to Article VI hereof, except to the extent that a Holder of an Allowed Disputed Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Disputed Unsecured Claim, and subject to the Improved Recovery Agreement, each such Holder shall receive the following:

(i) its Pro Rata share of Cash from Class J's share of the Unsecured Creditor Cash Pool up to a recovery equal to 6.24% of such Holder's Allowed Disputed Unsecured Claim; and

(ii) subject to the New CEC Common Equity Buyback, its Pro Rata share of Class J's share of the Unsecured Creditor Securities Pool up to a recovery equal to 59.26% of such Holder's Allowed Disputed Unsecured Claim as such percentage value is determined in the definition thereof.

(c) *Voting*: Class J is Impaired. Holders of Disputed Unsecured Claims in Class J are entitled to vote to accept or reject the Plan.

11. Class K—Convenience Unsecured Claims.

(a) *Classification*: Class K consists of all Convenience Unsecured Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Convenience Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Convenience Unsecured Claim, and subject to the Improved Recovery Agreement, each such Holder shall receive its Pro Rata share of the Convenience Cash Pool up to a recovery equal to 65.5% of such Holder's Convenience Unsecured Claim.

(c) *Voting*: Class K is Impaired. Holders of Convenience Unsecured Claims in Class K are entitled to vote to accept or reject the Plan.

12. Class L—Insurance Covered Unsecured Claims.

(a) *Classification*: Class L consists of all Insurance Covered Unsecured Claims.

(b) *Treatment*: Subject to Article VI hereof, except to the extent that a Holder of an Allowed Insurance Covered Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each

Allowed Insurance Covered Unsecured Claim, after accounting for insurance as set forth in Article VI.K hereof, and subject to the Improved Recovery Agreement, each such Holder shall receive its Pro Rata share of:

(i) its Pro Rata share of Cash from the Unsecured Insurance Creditor Cash Pool up to a recovery equal to 6.24% of such Holder's Allowed Insurance Covered Unsecured Claim; and

(ii) subject to the New CEC Common Equity Buyback, its Pro Rata share of the Unsecured Insurance Creditor Securities Pool up to a recovery equal to 59.26% of such Holder's Allowed Insurance Covered Unsecured Claim as such percentage value is determined in the definition thereof.

(c) *Voting*: Class L is Impaired. Holders of Insurance Covered Unsecured Claims in Class L are entitled to vote to accept or reject the Plan.

13. Class M—Par Recovery Unsecured Claims.

(a) *Classification*: Class M consists of all Par Recovery Unsecured Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Par Recovery Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Par Recovery Unsecured Claim, each such Holder shall receive recovery in full of its Allowed Par Recovery Unsecured Claim, including Post-Petition Interest, from its Pro Rata share of (but in no event more than payment in full (with Post-Petition Interest)):

(i) $13,620,000 aggregate principal amount of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes Indenture in the aggregate for up to 0.167% of New CEC Common Equity on a fully diluted basis; and

(ii) OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 0.502% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall be approximately equivalent to 0.582% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes.

(c) *Voting*: Class M is Impaired. Holders of Par Recovery Unsecured Claims in Class M are entitled to vote to accept or reject the Plan.

14. Class N—Winnick Unsecured Claims.

(a) *Classification*: Class N consists of all Winnick Unsecured Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Winnick Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Winnick Unsecured Claim, each such Holder shall receive its Pro Rata share of:

(i) $270,000 aggregate principal amount of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes

Indenture in the aggregate for up to 0.003% of New CEC Common Equity on a fully diluted basis; and

(ii) OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 0.005% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall be approximately equivalent to 0.006% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes.

(c) *Voting*: Class N is Impaired. Holders of Winnick Unsecured Claims in Class N are entitled to vote to accept or reject the Plan.

15. Class O—Caesars Riverboat Casino Unsecured Claims.

(a) *Classification*: Class O consists of all Caesars Riverboat Casino Unsecured Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Caesars Riverboat Casino Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Caesars Riverboat Casino Unsecured Claim, each such Holder shall receive its Pro Rata share of:

(i) $790,000 aggregate principal amount of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes Indenture in the aggregate for up to 0.010% of New CEC Common Equity on a fully diluted basis; and

(ii) OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 0.016% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall be approximately equivalent to 0.019% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes.

(c) *Voting*: Class O is Impaired. Holders of Caesars Riverboat Casino Unsecured Claims in Class O are entitled to vote to accept or reject the Plan.

16. Class P—Chester Downs Management Unsecured Claims.

(a) *Classification*: Class P consists of all Chester Downs Management Unsecured Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Chester Downs Management Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Chester Downs Management Unsecured Claim, each such Holder shall receive its Pro Rata share of:

(i) $410,000 aggregate principal amount of New CEC Convertible Notes, which shall be convertible pursuant to the terms of the New CEC Convertible Notes Indenture in the aggregate for up to 0.005% of New CEC Common Equity on a fully diluted basis; and

(ii) OpCo Series A Preferred Stock, which shall be exchanged pursuant to the CEOC Merger for 0.012% of New CEC Common Equity on a fully diluted basis (giving effect to the issuance of the New CEC Convertible Notes), which shall

be approximately equivalent to 0.014% of New CEC Common Equity before giving effect to the conversion of the New CEC Convertible Notes.

(c) *Voting*: Class P is Impaired. Holders of Chester Downs Management Unsecured Claims in Class P are entitled to vote to accept or reject the Plan.

17. Class Q—Non-Obligor Unsecured Claims.

(a) *Classification*: Class Q consists of all Non-Obligor Unsecured Claims.

(b) *Treatment*: Subject to Article VI hereof, on the Effective Date, except to the extent that a Holder of an Allowed Non-Obligor Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of and in exchange for each Allowed Non-Obligor Unsecured Claim, each such Holder shall receive payment in full, in Cash, of its Allowed Non-Obligor Unsecured Claim, including Post-Petition Interest, from the Non-Obligor Cash Pool.

(c) *Voting*: Class Q is Unimpaired. Holders of Non-Obligor Unsecured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

18. Class R—Section 510(b) Claims.

(a) *Classification*: Class R consists of all Section 510(b) Claims.

(b) *Treatment*: Section 510(b) Claims will be canceled, released, discharged, and extinguished as of the Effective Date, and will be of no further force or effect, and Holders of Section 510(b) Claims will not receive any distribution on account of such Section 510(b) Claims.

(c) *Voting*: Class R is Impaired. Holders of Section 510(b) Claims are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

19. Class S—Intercompany Claims.

(a) *Classification*: Class S consists of all Intercompany Claims.

(b) *Treatment*: Holders of Intercompany Claims shall not receive any distribution on account of such Intercompany Claims. On or after the Effective Date, the Reorganized Debtors may reconcile such Intercompany Claims as may be advisable in order to avoid the incurrence of any past, present, or future tax or similar liabilities by such Reorganized Debtors.

(c) *Voting*: Class S is Impaired under the Plan. Holders of Intercompany Claims are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

20. Class T—Intercompany Interests.

(a) *Classification*: Class T consists of all Intercompany Interests.

(b) *Treatment*: Intercompany Interests shall be, at the option of the Debtors, either:

(i) Reinstated as of the Effective Date for the benefit of the Holder thereof in exchange for the Reorganized Debtors' agreement to provide management services to certain other Reorganized Debtors, and to use certain funds and assets as set forth in the Plan to satisfy certain obligations of such other Reorganized Debtors; or

(ii) cancelled without any distribution on account of such Interests.

(c) *Voting*: Class T is Impaired under the Plan. Holders of Intercompany Interests are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

21. Class U—CEOC Interests.

(a) *Classification*: Class U consists of all CEOC Interests.

(b) *Treatment*: CEOC Interests will be discharged, canceled, released, and extinguished as of the Effective Date, and shall be of no further force or effect, and Holders of CEOC Interests will not receive any distribution on account of such CEOC Interests; provided, however, that solely for purposes of effectuating the Plan, the CEOC Interests held by CEC will be Reinstated as OpCo Common Stock.

(c) *Voting*: Class U is Impaired. Holders of CEOC Interests are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan

22. Class V—Des Plaines Interests.

(a) *Classification*: Class V consists of all Des Plaines Interests.

(b) *Treatment*: The legal, equitable, and contractual rights of the Holders of Des Plaines Interests are unaltered by the Plan. The Des Plaines Interests shall be Reinstated upon the Effective Date, and the Des Plaines Interests shall be and continue to be in full force and effect thereafter.

(c) *Voting*: Class V is Unimpaired under the Plan. Holders of Des Plaines Interests are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

C. *Special Provision Governing Unimpaired Claims.*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the rights of the Debtors in respect of any Unimpaired Claims, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims. Unless otherwise Allowed, Unimpaired Claims shall remain Disputed Claims under the Plan.

D. Elimination of Vacant Classes.

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

E. Plan Objections.

Acceptance of the Plan by any entity or a Class does not preclude any such entity or member of such Class from objecting to Confirmation on any ground. If Class I votes to reject the Plan, the Unsecured Creditors Committee may raise an objection to Confirmation based upon the treatment of Class I in the event of such rejection.

F. Voting.

A Holder of a Claim shall be entitled to vote to accept or reject the Plan in accordance with the Solicitation Procedures Order.

G. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code.

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation for the Debtors by acceptance of the Plan by at least one Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

H. Controversy Concerning Impairment.

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN

A. Sources of Recoveries.

Distributions under the Plan will be funded with, or effectuated by, (1) Cash held on the Effective Date by or for the benefit of the Debtors, (2) Cash proceeds from the New CEC Cash Contribution and New CEC's contribution of the Unsecured Creditors Cash Pool, (3) Cash proceeds from the New CEC OpCo Stock Purchase, (4) Cash proceeds from the New CEC PropCo Common Stock Purchase, (5) the issuance of New CEC Convertible Notes, (6) the issuance of New CEC Common Equity, (7) CIE Equity Buyback Proceeds from the CIE Escrow Account, (8) Cash proceeds from and the issuance of certain of the New Debt, (9) the issuance of the PropCo Preferred Equity and Cash proceeds from the PropCo Preferred Equity Put Right, (10) the issuance of the New Interests, (11) the Bank Guaranty Settlement, (12) the waiver by CAC of its recoveries on account of its Senior Unsecured Notes Claims, (13) the waiver by the Holders of First Lien Notes Claims of any recoveries at the Debtors' direction, or the assignment of any such recoveries at the Debtors' direction, on account of any First Lien Notes Deficiency Claims, (14) the waiver by the Holders of Prepetition Credit Agreement Claims and the Holders of First Lien Notes Claims and their respective trustees and/or agents, at the Debtors' direction, of the turnover rights under the Second Lien Intercreditor Agreement, and (15) the waiver by the Holders of Prepetition Credit Agreement Claims and the Holders of First Lien Notes Claims and their respective trustees and/or agents of the turnover rights under the Subsidiary-Guaranteed Intercreditor Agreement.

1. CEC-CAC Merger Agreement.

On or before the Effective Date, CEC and CAC will consummate their merger pursuant to the terms of the Merger Agreement, forming New CEC.

(a) New CEC Cash Contribution.

On the Effective Date, New CEC shall pay to the Debtors the New CEC Cash Contribution, which shall be used by the Debtors and the Reorganized Debtors, as applicable, to fund general corporate purposes, the Restructuring Transactions, and the distributions under the Plan.

(b) New CEC OpCo Stock Purchase.

On the Effective Date, New CEC shall consummate the New CEC OpCo Stock Purchase, at which time New CEC shall own 100% of the OpCo Common Stock.

(c) New CEC PropCo Common Stock Purchase.

If the Partnership Contribution Structure is used, on the Effective Date, New CEC shall consummate the New CEC PropCo Common Stock Purchase, at which time New CEC shall own 5% of the PropCo Common Equity on a fully diluted basis (including dilution in connection with the PropCo Equity Elections but excluding dilution from PropCo Preferred Equity, if any). If the Partnership Contribution Structure is used, the Holders of Secured First Lien Notes Claims shall be required on a pro rata basis to put 5% of the PropCo Common Equity to New CEC in connection with the New CEC PropCo Common Stock Purchase. For the avoidance of doubt, if the Spin Structure is used, New CEC shall not be required to make the New CEC PropCo Common Stock Purchase.

(d) New CEC Convertible Notes.

On the Effective Date New CEC shall execute and deliver the New CEC Convertible Notes Documents to the New CEC Convertible Notes Trustee, New CEC shall deliver the New CEC Convertible Notes to the Debtors, and the Debtors shall distribute the New CEC Convertible Notes pursuant to the terms of the Plan to the Holders of Non-First Lien Claims.

Subject to the occurrence of the Effective Date, the New CEC Convertible Notes Documents shall constitute legal, valid, and binding obligations of New CEC and shall be enforceable in accordance with their respective terms.

(e) New CEC Common Equity.

On the Effective Date, OpCo shall issue OpCo Series A Preferred Stock. As described more fully in the Restructuring Transactions Memorandum, OpCo will merge into a newly formed subsidiary of New CEC (or its predecessors) pursuant to the CEOC Merger. In exchange for the CEOC Merger, on the Effective Date, New CEC shall issue New CEC Common Equity in accordance with the Plan distributions in Article III hereof in exchange for the OpCo Series A Preferred Stock to the Holders of Prepetition Credit Agreement Claims, Secured First Lien Notes Claims, and Non-First Lien Claims pursuant to the terms of the Plan. The percentages of New CEC Common Equity issued pursuant to the Plan will take into account any dilution that would otherwise occur based on the potential conversion of New CEC Convertible Notes to New CEC Common Equity but will not take into account the New CEC Common Equity Buyback.

(f) RSA Forbearance Fees.

On the Effective Date, New CEC shall pay the RSA Forbearance Fees pursuant to the Bond RSA, the Bank RSA, and the Second Lien RSA.

(g) New CEC Common Equity Buyback.

On the Effective Date, New CEC shall use at least $1,000,000,000 of the CIE Equity Buyback Proceeds to purchase New CEC Common Equity from the New CEC Common Equity Buyback Participants at the New CEC Common Equity Buyback Purchase Price and in accordance with the New CEC Common Equity Cash Election Procedures as follows:

- Step One, New CEC shall use the New CEC Common Equity Initial Buyback Amount to repurchase New CEC Common Equity from Holders of Claims in Class F (Second Lien Notes Claims), Class H (Senior Unsecured Notes Claims), Class I (Undisputed Unsecured Notes Claims), Class J (Disputed Unsecured Notes Claims), and Class L (Insurance Covered Unsecured Claims) who elect on their New CEC Common Equity Cash Election Form to sell such Holders' shares of New CEC Common Stock, provided, however, that in the event that the aggregate amount of New CEC Common Stock that such Holders elect to sell exceeds the New CEC Common Equity Initial Buyback Amount, then such repurchase shall be pro rata based on the quantum of New CEC Common Equity such Holders elected to sell pursuant to their New CEC Common Equity Cash Election Form;

- Step Two, in the event that less than all of the New CEC Common Equity Initial Buyback Amount is used in Step One, New CEC shall use the remaining portion of the New CEC Common Equity Initial Buyback Amount to purchase New CEC Common Equity from Holders of Claims in Class F (Second Lien Notes Claims), Class H (Senior Unsecured Notes Claims), Class I (Undisputed Unsecured Claims), Class J (Disputed Unsecured Claims), and Class L (Insurance Covered Unsecured Claims) pro rata based on the amount of New CEC Common Equity such Holders would have received under the Plan, but excluding those Holders who participated at their pro rata or higher amount in Step One above, provided, however, that any Holder who did not participate at their pro rata or higher amount shall not have more than its pro rata share of the New CEC Common Equity Initial Buyback Amount repurchased in Step One and Step Two combined;

- Step Three, New CEC shall use a portion of the New CEC Common Equity Additional Buyback Amount equal to the lesser of (i) the maximum amount permitted without violating continuity of interest tests related to the Spin Structure assuming that the remainder of the New CEC Common Equity Additional Buyback Amount not allocated pursuant to this Step Three will be allocated pursuant to the following Step Four and (ii) the amount required to purchase the remaining shares of New CEC Common Equity, if any, that Holders of Claims in Class F (Second Lien Notes Claims), Class H (Senior Unsecured Notes Claims), Class I (Undisputed Unsecured Notes Claims), Class J (Disputed Unsecured Notes Claims), and Class L (Insurance Covered Unsecured Claims) elected to sell in Step One above that was not sold in Step One above, which amount will be used to purchase New CEC Common Stock from the Holders identified in the foregoing (ii) on a pro rata basis based on the quantum of New CEC Common Equity such Holders elected to sell pursuant to the New CEC Common Equity Cash Election Form but were unable to sell because of oversubscription in Step One; and

- Step Four, New CEC shall use any remaining New CEC Common Equity Additional Buyback Amount after Step Three to repurchase New CEC Common Equity from Holders of Claims in Class D (Prepetition Credit Agreement Claims), Class E (Secured First Lien Notes Claims), and Class G (Subsidiary Guaranteed Notes Claims) that elected to sell New CEC Common Equity pursuant to the New CEC Common Equity Cash Election Forms on a pro rata basis using the quantum of New CEC Common Equity such Holders so elected to sell, provided that any such payments will only be made to the extent that such payments will not violate the continuity of interest tests related to the Spin Structure.

To the extent the Debtors determine in good faith that the New CEC Common Equity Buyback would have negative consequences with respect to the tax treatment of the Spin Structure, the Debtors may modify the New CEC Common Equity Buyback solely in a manner necessary to avoid such negative consequences only if the Second Priority Noteholders Committee has given its written consent. Without limiting the rights of the Second

Priority Noteholders Committee as described in the preceding sentence, in the event that the Second Priority Noteholder Committee does not consent to a proposed modification of the New CEC Common Equity Buyback, then the Second Priority Noteholder Committee shall be provided reasonable opportunity to identify other nationally recognized tax counsel (including but not limited to one of the "Big Four" accounting firms) to issue opinions that may be required that the Debtors are unable to obtain. Any modifications to the New CEC Common Equity Buyback that adversely impacts CEOC's or CEC's ability to provide the treatment of, and the identical economic recoveries available to, the Holders of Secured First Lien Notes Claims or Prepetition Credit Agreement Claims require the consent of the Requisite Consenting Bond Creditors or the Requisite Consenting Bank Creditors, respectively.

2. PropCo Equity Election.

The respective aggregate principal amounts of the CPLV Mezzanine Debt (if any), the PropCo First Lien Notes, the PropCo First Lien Term Loan, and the PropCo Second Lien Notes each may be (but are not required to be) reduced by the PropCo Equity Election. The PropCo Equity Election may not reduce the aggregate principal amount of CPLV Mezzanine Debt (if any), PropCo First Lien Notes, PropCo First Lien Term Loan, and PropCo Second Lien Notes by more than $1,250,000,000. To the extent that Holders of Allowed Prepetition Credit Agreement Claims and/or Holders of Secured First Lien Notes Claims exercise, in their sole discretion, the PropCo Equity Election such that the aggregate principal amount of the CPLV Mezzanine Debt (if any), PropCo First Lien Notes, PropCo First Lien Term Loan, and PropCo Second Lien Notes issued pursuant to the Plan would be reduced by more than $1,250,000,000, the PropCo Equity Election shall reduce first the CPLV Mezzanine Debt (if any), second the PropCo Second Lien Notes, and third, on a Pro Rata basis, the PropCo First Lien Notes and the PropCo First Lien Term Loan, until the aggregate principal amount of such debt shall be reduced by no more than $1,250,000,000. A Holder making a PropCo Equity Election will receive $1.00 in value of PropCo Common Equity (at an assumed valuation of $1.620 billion for 100 percent of PropCo Common Equity on a fully diluted basis, without giving effect to the PropCo Equity Election) for every $1.00 in aggregate principal amount of PropCo First Lien Notes, PropCo First Lien Term Loan, PropCo Second Lien Notes, and CPLV Mezzanine Debt (if any) that such Holder would otherwise receive under the Plan. To the extent the PropCo Equity Election is exercised by such Holders and in such amounts that the Debtors determine, in good faith and with the written consent of the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, and the Required Preferred Backstop Investors and pursuant to the advice of tax counsel, that the results of the PropCo Equity Election would have negative consequences with respect to the tax treatment of the Spin Structure, then the Debtors, with the written consent of the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, and the Required Preferred Backstop Investors, may modify or eliminate the elections with respect to the PropCo Equity Election solely in a manner necessary to avoid such negative consequences. Without limiting the rights of the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, and/or the Required Preferred Backstop Investors as described in the preceding sentence, in the event that the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, and/or the Required Preferred Backstop Investors do not consent to a proposed modification of the PropCo Equity Election, then, as applicable, the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, and/or the PropCo Preferred Backstop Investors shall be provided reasonable opportunity to identify other nationally recognized tax counsel (including but not limited to one of the "Big Four" accounting firms) to issue opinions that may be required that the Debtors are unable to obtain. The PropCo Equity Election Procedures shall be included in the Plan Supplement and the exercise of the PropCo Equity Election shall occur after the entry of the Confirmation Order but before the Effective Date.

3. CPLV Market Debt and CPLV Mezzanine Debt.

The Debtors shall use commercially reasonable efforts to syndicate for Cash the maximum amount of $2,600,000,000 of CPLV Market Debt (but in no event shall the Debtors syndicate for Cash less than $1,800,000,000 of CPLV Market Debt). On the Effective Date, CPLV Sub shall execute and deliver the CPLV Loan Documents. On or before the Effective Date and after execution and delivery of the CPLV Loan Documents, the CPLV Lender shall lend the CPLV Market Debt to CPLV Sub, and the Debtors shall pay the Cash proceeds from the CPLV Market Debt to the Holders of Prepetition Credit Agreement Claims and the Holders of Secured First Lien Notes Claims pursuant to the terms of the Plan.

In the event the Debtors, after using commercially reasonable efforts, are unable to syndicate for Cash $2,600,000,000 of CPLV Market Debt (but are able to syndicate for Cash at least $1,800,000,000 of CPLV Market Debt), and subject to reduction on account of the PropCo Equity Election, as and to the extent set forth in Article IV.A.2 hereof, on the Effective Date, CPLV Mezz shall execute and deliver the CPLV Mezzanine Loan Documents, and the Debtors shall distribute the CPLV Mezzanine Debt to the Holders of the Prepetition Credit Agreement Claims (if and only to the extent such Holders as a Class exercise the CPLV Mezzanine Election) and the Holders of the Secured First Lien Notes Claims pursuant to the following terms: (a) the first $300,000,000 of CPLV Mezzanine Debt (before giving effect to any CPLV Mezzanine Equitized Debt) shall be distributed one-third (⅓) to the Holders of Prepetition Credit Agreement Claims and two-thirds (⅔) to the Holders of Secured First Lien Notes Claims, each to be shared Pro Rata among such Holders pursuant to Article III.B hereof; (b) any amounts of CPLV Mezzanine Debt over $300,000,000 and less than $600,000,000 (before giving effect to any CPLV Mezzanine Equitized Debt) shall be distributed equally to the Holders of Prepetition Credit Agreement Claims and the Holders of Secured First Lien Notes Claims to be shared Pro Rata among such Holders pursuant to Article III.B hereof; and (c) any amounts of CPLV Mezzanine Debt over $600,000,000 (before giving effect to any CPLV Mezzanine Equitized Debt) shall be issued 41.7% to the Holders of Prepetition Credit Agreement Claims and 58.3% to the Holders of Secured First Lien Notes Claims, provided that, (a) in the event that less than $2,000,000,000 but more than $1,800,000,000 of CPLV Market Debt is syndicated, then in lieu of the increased CPLV Mezzanine Debt that would be issued to the Holders of Secured First Lien Notes Claims, the Holders of Allowed Secured First Lien Notes Claims shall receive the PropCo Preferred Equity Upsize Shares (subject to the PropCo Preferred Equity Call Right and the PropCo Preferred Equity Put Right), and (b) if the Holders of Prepetition Credit Agreement Claims do not make the CPLV Mezzanine Election, then they shall receive the PropCo Second Lien Upsize Amount as and to the extent provided in Article III.B.4(b)(iv) hereof.

The weighted average yield on the CPLV Market Debt and CPLV Mezzanine Debt will be capped such that the annual debt service shall not exceed $130 million, which cap shall be reduced by the product of (a) the sum of (i) every dollar of the PropCo Second Lien Upsize Amount issued to the Holders of Prepetition Credit Agreement Claims and (ii) every dollar of CPLV Mezzanine Debt participating in the PropCo Equity Election, multiplied by (b) 0.072072072, provided that the cap shall not be reduced below $106,000,000.

4. PropCo Debt.

On the Effective Date, PropCo and its applicable subsidiaries (but not, for the avoidance of doubt, CPLV Sub or CPLV Mezz) shall execute and deliver the (a) PropCo First Lien Credit Agreement Documents to the PropCo First Lien Credit Agent, (b) PropCo First Lien Notes Documents to the PropCo First Lien Notes Indenture Trustee, and (c) PropCo Second Lien Notes Documents to the PropCo Second Lien Notes Trustee, and the Debtors shall distribute the PropCo First Lien Term Loan, PropCo First Lien Notes, and PropCo Second Lien Notes to, as applicable, the Holders of the Prepetition Credit Agreement Claims and the Holders of the Secured First Lien Notes Claims pursuant to the terms of the Plan. The aggregate amount of PropCo Second Lien Notes issued by PropCo shall increase by the amount of the PropCo Second Lien Upsize Amount to the extent that not all of the CPLV Market Debt is syndicated to third parties (and provided that the Holders of Prepetition Credit Agreement Claims have not otherwise exercised the CPLV Mezzanine Election). The amount of the PropCo First Lien Term Loan, the PropCo First Lien Notes, and the PropCo Second Lien Notes shall be reduced (along with the CPLV Mezzanine Debt, if any) based on the PropCo Equity Elections. Notwithstanding the foregoing, the proceeds of the PropCo Preferred Equity Put Rights and the PropCo Preferred Equity Call Rights (other than on account of the PropCo Preferred Equity Upsize Amount), after reducing the principal amount of the CPLV Mezzanine Debt (if any) to be issued to the Holders of Secured First Lien Notes Claims, shall be used to reduce the principal amount of the PropCo Second Lien Notes to be issued to the Holders of Secured First Lien Notes Claims.

Subject to the occurrence of the Effective Date, the PropCo First Lien Credit Agreement Documents, PropCo First Lien Notes Documents, and PropCo Second Lien Notes Documents shall constitute legal, valid, and binding obligations of PropCo and its applicable subsidiaries (but not, for the avoidance of doubt, CPLV Sub or CPLV) party thereto and shall be enforceable in accordance with their respective terms.

5. OpCo Financing.

The Debtors must syndicate the OpCo Market Debt to third parties for Cash. On or before the Effective Date, OpCo and its applicable subsidiaries shall execute and deliver the OpCo Market Debt Documents to any applicable indenture trustee and/or administrative agent for such OpCo Market Debt for Cash, which Cash shall be distributed on the Effective Date to the Holders of Allowed Prepetition Credit Agreement Claims and the Holders of Allowed Secured First Lien Notes Claims pursuant to the terms of the Plan.

If the Debtors are unable to provide the Holders of Prepetition Credit Agreement Claims with Cash proceeds from the syndication of OpCo Market Debt in an amount equal to $916,900,000, subject to obtaining a waiver by the Requisite Consenting Bank Creditors in their sole discretion pursuant to Article IX.B hereof, on the Effective Date, OpCo and its applicable subsidiaries shall enter into the OpCo First Lien Loan Agreement Documents, and the Debtors shall distribute the OpCo First Lien Term Loan in an aggregate principal amount equal to the amount by which $916,900,000 exceeds the Cash proceeds from the OpCo Market Debt that are paid to the Holders of Prepetition Credit Agreement Claims pursuant to the terms of the Plan.

If the Debtors are unable to provide the Holders of Secured First Lien Notes Claims with Cash proceeds from the syndication of OpCo Market Debt in an amount equal to $318,100,000, subject to obtaining a waiver by the Requisite Consenting Bond Creditors in their sole discretion pursuant to Article IX.B hereof, on the Effective Date, OpCo and its applicable subsidiaries shall enter into the OpCo First Lien Notes Documents, and the Debtors shall distribute the OpCo First Lien Notes in an aggregate principal amount equal to the amount by which $318,100,000 exceeds the amount of such Cash proceeds from the OpCo Market Debt that are paid to the Holders of Secured First Lien Notes Claims pursuant to the terms of the Plan, provided, however, that if the amount of OpCo First Lien Notes that would otherwise be issued on account of the unsubscribed portion of such OpCo Market Debt is less than $159,050,000, then in lieu of OpCo First Lien Notes, the Debtors shall distribute the OpCo First Lien Incremental Term Loan to the Holders of Secured First Lien Notes Claims pursuant to the terms of the Plan.

On the Effective Date, New CEC shall enter into the OpCo Guaranty Agreement to guarantee, as applicable, any OpCo First Lien Term Loan and any OpCo First Lien Notes, and, if necessary to ensure syndication to third parties, the OpCo Market Debt.

Subject to the occurrence of the Effective Date, the OpCo Market Debt Documents, the OpCo First Lien Loan Agreement Documents (if any), and the OpCo First Lien Notes Documents (if any), shall constitute legal, valid, and binding obligations of the Reorganized Debtors party thereto and shall be enforceable in accordance with their respective terms. Subject to the occurrence of the Effective Date, the OpCo Guaranty Agreement (if necessary) shall constitute a legal, valid, and binding obligation of New CEC and shall be enforceable in accordance with its terms.

6. Backstop Commitment and PropCo Preferred Equity Put and Call Rights.

On the Effective Date, the PropCo Preferred Backstop Investors shall have the right, pursuant to the PropCo Preferred Equity Call Right and consistent with the Backstop Commitment Agreement, to purchase for Cash from each Holder of Secured First Lien Notes Claims up to 50% of the PropCo Preferred Equity Distribution received by each such Holder. Each Holder of Secured First Lien Notes Claims that has exercised its PropCo Preferred Equity Put Right pursuant to the PropCo Preferred Subscription Procedures shall have the right to put all, but not less than all, of such Holders' Pro Rata share of the PropCo Preferred Equity Distribution to the PropCo Preferred Backstop Investors for Cash pursuant thereto and consistent with the Backstop Commitment Agreement. The PropCo Preferred Subscription Procedures shall be included in the Plan Supplement and the exercise of Put Rights and Call Rights shall occur after the entry of the Confirmation Order but before the Effective Date.

The recoveries (including the PropCo Preferred Equity Put Right and PropCo Preferred Equity Call Right) provided by issuance of the PropCo Preferred Equity Distribution (other than in respect of the PropCo Preferred Upsize Amount) shall be used first to reduce the principal amount of CPLV Mezzanine Debt (if any) to be issued to the Holders of Secured First Lien Notes Claims under the Plan, second to reduce the principal amount of PropCo Second Lien Notes to be issued to the Holders of Secured First Lien Notes Claims under the Plan, and third to

reduce the principal amount of CPLV Market Debt (provided that the CPLV Market Debt shall not be reduced to an amount below $1,800,000,000).

7. Issuance of New Interests.

On the Effective Date, CEOC Interests shall be cancelled, and the Reorganized Debtors and New Property Entities shall issue all Securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Plan, including (a) OpCo shall issue the OpCo Common Stock and, as set forth in Article IV.A.1(e) of the Plan, the OpCo Series A Preferred Stock, (b) PropCo shall issue the PropCo LP Interests, the PropCo LP GP Interests, and, if applicable, PropCo Preferred LP Interests, (c) PropCo GP shall issue the PropCo GP Interests, and (d) the REIT shall issue REIT Common Stock and REIT Preferred Stock; provided that the CEOC Interests held by CEC will be Reinstated as OpCo Common Stock. The issuance of such documents is authorized without the need for any further corporate action or without any further action by the Holders of Claims or Interests.

As set forth in more detail in the Plan Supplement, after taking into account the exercise of all of the PropCo Preferred Equity Put Rights and all of the PropCo Preferred Equity Call Rights, all PropCo Common Equity and all PropCo Preferred Equity will be issued as REIT Common Stock and REIT Series A Preferred Stock, respectively, except to the extent that a beneficial owner for United States federal income tax purposes of such PropCo Common Equity or PropCo Preferred Equity would (a) end up owning more than 9.8% of either the REIT Common Stock or the REIT Series A Preferred Stock (after taking into account all of the PropCo Preferred Equity Put Rights and all of the PropCo Preferred Equity Call Rights) and (b) is not willing to or permitted to sign an Ownership Limit Waiver Agreement (as defined in the REIT Series A Preferred Stock Articles), in which case such amounts in excess of 9.8% shall be issued as PropCo LP Interests and PropCo Preferred LP Interests as applicable.

8. Bank Guaranty Settlement.

As part of a settlement by and among CEOC, CEC, and the Consenting First Lien Bank Lenders regarding the entitlement of the Holders of Prepetition Credit Agreement Claims to postpetition interest and the rate of any such postpetition interest, and to facilitate a settlement with the Holders of Subsidiary-Guaranteed Notes Claims, on the Effective Date, CEC (or New CEC) shall contribute the Bank Guaranty Settlement Purchase Price to the Debtors, and, on the Effective Date, the Debtors shall distribute the Bank Guaranty Settlement Purchase Price to the Holders of Prepetition Credit Agreement Claims in compliance with each such Holder's respective Bank Guaranty Accrued Amount in accordance with the Plan. Confirmation of the Plan shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019 and section 1123 of the Bankruptcy Code, of the Bank Guaranty Settlement.

9. Waiver of CAC Recovery on Senior Unsecured Notes Claims.

As part of the settlement embodied in the Plan, CAC shall, as of the Effective Date, waive the consideration that CAC would otherwise receive under the Plan on account of CAC's Senior Unsecured Notes Claims.

10. Waiver or Assignment of Recoveries on Account of First Lien Notes Deficiency Claims.

On the Effective Date, at the Debtors' direction, the Holders of First Lien Notes Claims shall waive their distributions on account of any First Lien Notes Deficiency Claims.

11. Waiver of Turnover Provisions.

On the Effective Date, the Holders of First Lien Notes Claims and the Holders of Prepetition Credit Agreement Claims, and their respective trustees and/or agents, will waive the turnover rights under the Second Lien Intercreditor Agreement.

On the Effective Date, the Holders of First Lien Notes Claims and the Holders of Prepetition Credit Agreement Claims, and their respective trustees and/or agents, will waive the turnover rights under the Subsidiary-Guaranteed Notes Intercreditor Agreement.

B. Master Lease Agreements.

On the Effective Date, OpCo (and/or its applicable subsidiaries) and PropCo (and/or its applicable subsidiaries) shall enter into the Master Lease Agreements, and the Master Lease Agreements shall become effective in accordance with their terms and the Plan.

C. Management and Lease Support Agreements.

On the Effective Date, OpCo, PropCo, Manager, and New CEC shall enter into the Management and Lease Support Agreements, and the Management and Lease Support Agreements shall become effective in accordance with their terms and the Plan.

D. Right of First Refusal Agreement.

On the Effective Date, PropCo and New CEC shall enter into the Right of First Refusal Agreement, and the Right of First Refusal Agreement shall become effective in accordance with its terms and the Plan.

E. PropCo Call Right Agreement.

On the Effective Date, PropCo, New CEC, CERP, CGP, and their respective applicable subsidiaries (if applicable) shall enter into the PropCo Call Right Agreement, and the PropCo Call Right Agreement shall become effective in accordance with its terms and the Plan.

F. Tax Indemnity Agreement.

On the Effective Date, OpCo, PropCo, and New CEC shall enter into the Tax Indemnity Agreement, and the Tax Indemnity Agreement shall become effective in accordance with its terms and the Plan.

G. Transition Services Agreement.

On the Effective Date, OpCo (and/or its applicable subsidiaries) and PropCo (and/or its applicable subsidiaries) shall enter into the Transition Services Agreement, and the Transition Services Agreement shall become effective in accordance with its terms and the Plan.

H. Subsidiary-Guaranteed Notes Settlement.

The Plan recoveries available to the Holders of Subsidiary-Guaranteed Notes Claims pursuant to the Plan have been made available pursuant to a settlement by and among CEOC, each Subsidiary Guarantor, the Holders of Subsidiary-Guaranteed Notes Claims, CEC, the Consenting First Lien Bank Lenders, and the Consenting First Lien Noteholders (including with respect to the waiver of turnover provisions under the Subsidiary-Guaranteed Notes Intercreditor Agreement set forth in Article IV.A.11 hereof). As more fully set forth in the SGN RSA and the Disclosure Statement, by the Subsidiary-Guaranteed Notes Settlement, (a) the Holders of Prepetition Credit Agreement Claims and the Holders of First Lien Notes Claims, and their respective trustees and/or agents, waive their rights to turnover under the Subsidiary-Guaranteed Notes Intercreditor Agreement, and such waiver shall be in effect on the Effective Date and (b) regardless of whether Class G votes to accept or reject the Plan, on the Effective Date, each holder of a SGN Claim shall receive its pro rata share of (i) $116,810,000 in New CEC Convertible Notes and (ii) 4.045% of New CEC Common Equity on a fully-diluted basis (giving effect to the issuance of the New CEC Convertible Notes). Confirmation of the Plan shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019 and section 1123 of the Bankruptcy Code, of the Subsidiary-Guaranteed Notes Settlement.

I. Unsecured Creditors Committee Settlement.

As more fully documented in the UCC RSA, the Plan treatments provided in the Plan to the Holders of Undisputed Unsecured Claims, Disputed Unsecured Claims, Convenience Unsecured Claims, Senior Unsecured Notes Claims, and Insurance Coverage Unsecured Claims have been made available pursuant to a settlement by and

among the Debtors, CEC, and the Unsecured Creditors Committee, as reflected in the Plan. Confirmation of the Plan shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019 and section 1123 of the Bankruptcy Code, of the settlement with the Unsecured Creditors Committee.

J. Second Priority Noteholders Committee Settlement.

As more fully documented in the Second Lien RSA, the Plan treatments provided in the Plan to the Holders of Second Lien Notes Claims have been made available pursuant to a settlement by and among the Debtors, CEC, CAC, the Second Priority Noteholders Committee, and the Consenting Second Lien Creditors, as reflected in the Plan. As provided in the Second Lien RSA, the Plan, the Confirmation Order, the documents in the Plan Supplement, and any modifications, amendments, or supplements thereto shall be reasonably acceptable to the Second Priority Noteholders Committee and to the extent that any such amendment, supplement, modification, or restatement could have, in the good faith opinion of the Second Priority Noteholders Committee, after consulting with its professionals, any material impact on the legal or economic rights of the Second Lien Notes Claims, shall be approved by the Second Priority Noteholders Committee. Confirmation of the Plan shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019 and section 1123 of the Bankruptcy Code, of the settlement with the Second Priority Noteholders Committee and the Consenting Second Lien Creditors.

K. Danner Settlement.

As more fully documented in the Danner Agreement, the Plan treatments provided in the Plan and the other protections for the 2016 Fee Notes resolve the action captioned Frederick Barton Danner v. Caesars Entertainment Corporation and Caesars Entertainment Operating Company, Inc., No. 14-cv-7973 (S.D.N.Y.).

L. Cash Collateral Order Amendments and Operating Cash for OpCo and the REIT.

Pursuant to the Plan and the agreements set forth in the Bank RSA and the Bond RSA, on the Effective Date the Cash Collateral Order shall be deemed amended to delete the requirement that the Holders of Prepetition Credit Agreement Claims and the Holders of First Lien Notes Claims shall receive payments of Available Cash remaining on the Effective Date as adequate protection. The Debtors shall contribute $44,525,000 of the Minimum Cash Requirement to the REIT to fund the REIT's initial balance sheet, with the remaining Minimum Cash Requirement remaining at OpCo for Cash on hand; provided that any amounts of Cash above the Minimum Cash Requirement remaining at OpCo can be used by New CEC in its sole discretion.

M. Deferred Compensation Settlement.

On the Effective Date, OpCo and New CEC shall consummate the Deferred Compensation Settlement Agreement, and the Deferred Compensation Settlement Agreement shall become effective in accordance with its terms and the Plan.

N. The Separation Structure.

The Separation Structure will occur through the Spin Structure, provided, however, that in lieu of the Spin Structure, the separation will be accomplished by the Partnership Contribution Structure (1) if the Company is unable to receive a favorable private letter ruling from the IRS (the "Spin Ruling") or a "should" level opinion of counsel (the "Spin Opinion"), concluding, in either case, based on facts, customary representations (and certain customary assumptions, in the case of a Spin Opinion) set forth or described in the Spin Ruling or Spin Opinion, that the Spin Structure qualifies under section 368(a)(1)(G) of the Internal Revenue Code, with the consent of the Requisite Consenting Bank Creditors, the Requisite Consenting Bond Creditors, the Second Priority Noteholders Committee, and the Unsecured Creditors Committee, such consent not to be unreasonably withheld, (2) at the election of the Requisite Consenting Bond Creditors (after consultation with the Consenting First Lien Bank Creditors), if the Estimated REIT E&P exceeds $1.6 billion, or (3) at the election of the Debtors and CEC, with the consent of the Requisite Consenting Bank Creditors and the Requisite Consenting Bond Creditors, such consent not to be unreasonably withheld. In either Separation Structure, (1) the distribution of the New Debt and New Interests under the Plan will be made in a manner that will not generate taxable income to the Debtors other than cancellation

of indebtedness income, and (2) the Debtors and CEC shall regularly consult with the advisors for the Consenting First Lien Noteholders, the advisors for the Consenting First Lien Bank Lenders, the advisors for the Second Priority Noteholders Committee, the advisors for the Subsidiary-Guaranteed Notes Trustee, and the advisors for the Unsecured Creditors Committee on the Separation Structure and all decisions that may materially affect the tax consequences thereof on the Holders of First Lien Notes Claims, the Holders of Prepetition Credit Agreement Claims, Holders of Second Lien Notes Claims, the Holders of General Unsecured Claims, the Holders of Non-Obligor Unsecured Claims, the Holders of Convenience Unsecured Claims, the Holders of Senior Unsecured Notes Claims, and/or the Holders of Subsidiary-Guaranteed Notes Claims.

If the Partnership Contribution Structure is used, New CEC shall have the option to participate in future issuances, or purchase additional equity from PropCo at fair market value if participation is not feasible, to maintain its percentage ownership interest in PropCo at 5% if it would otherwise decrease below that threshold.

To meet the requirement that a real estate investment trust have at least 100 shareholders and notwithstanding anything herein to the contrary, the REIT will have the right to issue, for Cash, the REIT Series B Preferred Stock.

O. Treatment of the NRF Bankruptcy Disputes and NRF Non-Bankruptcy Disputes.

Notwithstanding any other provision of this Plan (including Article VIII hereof), and except as set forth in this Article IV.O, on and after the Effective Date, (i) all matters related to or arising from the NRF Non-Bankruptcy Disputes shall not be subject to any discharge, release, injunction, or exculpation provided for in this Plan, and shall survive the Effective Date without impairment in any manner whatsoever as a result of the Chapter 11 Cases or otherwise; provided, however, that, except as set forth herein, nothing in this provision shall be deemed to alter or modify the rights and obligations of the parties to the NRF Non-Bankruptcy Disputes with respect to any agreement entered into during the pendency of the Chapter 11 Cases, including the NRF Standstill Agreement. The rights of all parties to the NRF Non-Bankruptcy Disputes and, until its termination, pursuant to the NRF Standstill Agreement, are expressly preserved except as set forth herein. On the Effective Date, (1) the NRF Claim will be deemed withdrawn in accordance with this Article IV.O, (2) the parties to the NRF Adversary Proceeding shall submit an agreed order to the Bankruptcy Court denying the *Debtors' Motion for Entry of an Order (A) Extending the Automatic Stay to Enjoin Certain Payments and Legal Processes, and (B) Granting Related Relief* [Adv. Pro. Docket No. 8] in the NRF Adversary Proceeding, and (3) the NRF Bankruptcy Disputes shall be dismissed or withdrawn with prejudice (but in the case of the NRF Adversary Proceeding, only after the Bankruptcy Court's entry of the agreed order set forth in (2) above). The NRF and the members of the Caesars Controlled Group acknowledge and agree that, except as set forth in this Article IV.O, nothing in this Plan or any agreement entered into during the pendency of the Chapter 11 Cases, including the NRF Standstill Agreement, shall be construed to limit (1) any claim, assertion, defense or argument based on the facts and circumstances leading up to the filing of the Chapter 11 Cases or the fact of the occurrence of the Chapter 11 Cases, that was made or that may be made by the NRF or the Caesars Controlled Group in any forum, in connection with any dispute related to or arising from the NRF Withdrawal Notice or the NRF Payment Demand, or (2) the rights of the parties in, or the powers of the courts or arbitrators in, the NRF Non-Bankruptcy Disputes. The Confirmation Order shall provide that on the Effective Date, the NRF Standstill Agreement shall automatically terminate without further act or action by any party thereto. The last day on which any member of the Caesars Controlled Group may request review of the assessment made in the NRF Payment Demand pursuant to section 4219(b)(2)(A) of ERISA shall be 90 calendar days after the Effective Date, and all other dates respecting such request for review shall be calculated based on the Effective Date.

Notwithstanding the foregoing or any other provision of this Plan, (a) the NRF shall not have, and shall be barred from asserting any liability on account of, any claim for partial or complete withdrawal by any or all of the NRF Employers from the Legacy Plan of the NRF on account of any of the restructuring transactions contemplated by this Plan, including the creation of the New Property Entities pursuant to the Separation Structure and any exercise of PropCo's rights under the PropCo Call Right Agreement, (b) the NRF shall not have, and shall be barred from asserting, any claims (as defined in Section 101(5) of the Bankruptcy Code) against any or all of the New Property Entities or any or all of the New Property Entities' respective assets to the extent such claims are based on, or arise out of, any act, omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, including any such claims arising out of or otherwise related to the NRF Bankruptcy Disputes, the NRF Non-Bankruptcy Disputes, the NRF Payment Demand, the NRF Withdrawal Notice, and the partial or

14.3 Entire Agreement. This Agreement sets forth the entire agreement and understanding of the parties in respect of the subject matter hereof and supersedes all prior and contemporaneous agreements, arrangements and understandings, express or implied, oral or written, relating to the subject matter hereof.

14.4 Modification. This Agreement may be amended or modified only by a written instrument executed by all of the Members and Managers. The failure of a party at any time or times to require performance of any provisions hereof shall in no manner affect the party's right at a later time to enforce the same. No waiver by any party of the breach of any term contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such breach or of the breach of any other term of this Agreement.

14.5 Amendments. Reference to this Agreement herein shall include any amendment or renewal hereof.

14.6 Severability. If any provision of this Agreement shall be held to be invalid or unenforceable, such invalidity or unenforceability shall attach only to such provision and only to the extent such provision shall be held to be invalid or unenforceable and shall not in any way affect the validity or enforceability of the other provisions hereof, all of which provisions are hereby declared severable, and this Agreement shall be carried out as if such invalid or unenforceable provision or portion thereof was not embodied herein.

14.7 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement. The headings in this Agreement are solely for the convenience of the

parties, and are not intended to and do not limit, construe or modify any of the terms and conditions hereof.

14.8 Creditors. None of the provisions of this Agreement shall be for the benefit of or be enforceable by any creditors of the LLC.

14.9 Pronouns. Words and phrases used herein in the singular shall be deemed to include the plural and vice versa, and nouns and pronouns used in any particular gender shall be deemed to include any other gender, unless the context requires otherwise.

14.10 Member and Manager Liability. Notwithstanding anything to the contrary stated herein, neither the Managers, nor any Member or any permitted successor and assign of the Managers or any Member, shall be liable, responsible or accountable in damages or otherwise to any Manager, any Member or the LLC for any errors in judgment, for any act, including any act of active negligence, performed by such person or entity, or for any omission or failure to act, if the performance of such act or such omission or failure is done in good faith, is within the scope of the authority conferred upon such person or entity by this Agreement or by law and does not constitute breach of fiduciary duty, willful misconduct, gross negligence or reckless disregard of duties.

15. **Indemnification**.

15.1 Generally. For all claims, losses, liabilities, etc. which arise out of events occurring on or after the Effective Date, the LLC shall indemnify and hold harmless the Managers and all of the Members as well as the Managers' and the Members' respective permitted successors and assigns (collectively, the "Indemnified Persons") from and against any and all liabilities reasonably incurred by any such Indemnified Person in connection with the defense or disposition of any proceeding in which any such Indemnified Person may be involved

or with which any such Indemnified Person may be threatened, with respect to or arising out of any act, including any act of active negligence, performed by the Indemnified Person or any omission or failure to act if (i) the performance of the act or the omission or failure was done in good faith and within the scope of the authority conferred upon the Indemnified Person by this Agreement or by law, except for acts which constitute breach of fiduciary duty, willful misconduct, gross negligence or reckless disregard of duties or (ii) a court of competent jurisdiction determines upon application that, in view of all of the circumstances, the Indemnified Person is fairly and reasonably entitled to indemnification for such liabilities as such court may deem proper.

16. **Equitable Relief**. The parties agree that, since the membership interests in the Company can only be sold or transferred subject to Article 11 hereof, and since, for that reason among others, the non-defaulting parties hereto will be irreparably damaged in the event of a breach or threatened breach hereof, this Agreement shall be specifically enforceable. Should any dispute arise concerning the membership interests, an injunction may be issued restraining any disposition pending the determination of such controversy.

17. **Effective Date**. This Agreement shall immediately become effective (such date being the "Effective Date") upon the execution and delivery hereof by all of the parties hereto.

18. **Waiver of Jury Trial**. ALL OF THE PARTIES HERETO ACKNOWLEDGES THAT THE RIGHT TO A TRIAL BY JURY IS A CONSTITUTIONAL RIGHT, BUT THAT THE RIGHT MAY BE WAIVED. EACH PARTY HERETO KNOWINGLY, VOLUNTARILY, IRREVOCABLY AND WITHOUT COERCION, WAIVES ALL RIGHTS TO TRIAL BY JURY OF ALL DISPUTES BETWEEN THEM. NO PARTY

HERETO SHALL BE DEEMED TO HAVE GIVEN UP THIS WAIVER OF JURY TRIAL UNLESS THE PARTY CLAIMING THAT THIS WAIVER HAS BEEN RELINQUISHED HAS A WRITTEN INSTRUMENT SIGNED BY THE OTHER PARTIES STATING THAT THIS WAIVER HAS BEEN GIVEN UP. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO TRIAL BY THE COURT.

19. **Representation by Counsel**. Each party acknowledges that he or it has been represented by counsel in connection with this Agreement and the transactions contemplated hereby. Accordingly, any rule or law or any legal decision that would require the interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived by the parties. The provisions of this Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto. In the event of litigation between the parties hereto arising out of or from this Agreement, the parties' aforesaid respective counsel (as set forth in Article 13 hereof) may represent them and shall not be disqualified based upon their prior representation of their respective parties in connection with the negotiation and execution of this Agreement. Additionally, neither Brian nor any firm with which he is associated, shall be disqualified or be deemed conflicted from representing the Company, RSG and/or Rowen with respect to any matter as a result of Brian agreeing to serve as a Manager of the Company. All parties hereto hereby waive any conflict or potential conflict that could arise from Brian (or his firm) serving as counsel in any such matter.

20. **Costs**. Each of the parties hereto acknowledges and agrees that in the event it becomes necessary for any party hereto to seek judicial remedies for the breach or threatened breach of this Agreement, the prevailing party shall be entitled, in addition to all

other remedies, to recover all costs of such judicial action, including reasonable attorneys' fees and the costs related to any appeal thereof, from the opposing party.

IN WITNESS WHEREOF, the parties have executed this Limited Company Operating Agreement as of the day and year first above written.

AS MEMBERS:

R SQUARED GLOBAL SOLUTIONS, LLC

By: _____
Rowen Seibel, Manager

THE ORIGINAL HOMESTEAD RESTAURANT, INC.

By: _____
Greg Sherry

AS MANAGERS (and as to Rowen, Greg and Marc, with respect to the other provisions applicable to them):

_____
Rowen Seibel

_____
Brian K. Ziegler

_____
Greg Sherry

_____
Marc Sherry

EXHIBIT 2

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Attorneys for Plaintiffs

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;

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"), PHWLV, 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

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

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

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

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

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

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

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

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

PARTIES, JURISDICTION, AND VENUE

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

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

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

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

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

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

14. Defendant Moti Partners, LLC is a New York limited liability company located at 200 Central Park South, New York, New York 10019. In March 2009, Caesars Palace and MOTI Partners, LLC entered into a Development, Operation, and License Agreement (the "MOTI Agreement"). The MOTI Agreement relates to the design, development, construction, and operation of the Serendipity restaurant in Las Vegas. The negotiations of the MOTI Agreement occurred primarily in Nevada. The MOTI Agreement also was signed by the parties in Nevada, and Mr. Seibel signed the MOTI Agreement on behalf of MOTI. The MOTI Agreement further 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 [the MOTI Agreement]." The MOTI Agreement likewise required (i) MOTI to provide "Development Services" during meetings that "shall take place primarily in Las Vegas;" (ii) MOTI to provide "Menu Development Services" during meetings that "shall take place primarily in Las Vegas;" and (iii) Mr. Seibel to provide "Marketing Consulting Services" during meetings that "shall take place primarily in Las Vegas."

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

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

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operation of an Old Homestead restaurant in Las Vegas. The negotiations of the DNT Agreement occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the DNT Agreement on behalf of DNT. The DNT 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 DNT Agreement further required (i) DNT to provide "Restaurant Development Services" that "shall take place in Las Vegas;" (ii) Mr. Seibel to visit the restaurant one time each quarter for two consecutive nights; and (iii) Mr. Seibel to participate in marketing consultations and meetings that "shall take place in Las Vegas."

17. Defendant TPOV Enterprises, LLC is a New York limited liability company located at 200 Central Park South, New York, NY 10019. In November 2011, Paris and TPOV entered into a Development and Operation Agreement between TPOV Enterprises, LLC and Paris Las Vegas Operating Company, LLC ("TPOV Agreement"). The TPOV Agreement relates to the design, development, construction, and operation of the Gordon Ramsay Steak restaurant in Las Vegas. The negotiations of the TPOV Agreement occurred in Nevada and the agreement was signed by the parties in Nevada. Mr. Seibel signed the TPOV Agreement on behalf of TPOV. The TPOV 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 TPOV Agreement further required (i) TPOV 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 attend meetings "with respect to same [that] shall take place in Las Vegas, Nevada."

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

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

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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.

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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. <u>The Business Relationship Between Caesars and Mr. Seibel</u>.

(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.

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27. Caesars holds gaming licenses and therefore is subject to rigorous regulation. Nevada requires its licensees to police themselves and their affiliates to ensure unwavering compliance with gaming regulations. As part of its compliance program, Caesars conducts suitability investigations of potential vendors that meet certain criteria as outlined in its compliance program, and requires various disclosures by vendors meeting such criteria to ensure that the entities with which it does business are suitable. Thus, in connection with the initial discussions between the parties, Caesars required Mr. Seibel to complete a "Business Information Form." On that form, Mr. Seibel 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." In reliance on those representations (among other things), Caesars Palace and MOTI entered into the MOTI Agreement.

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

29. As far as conduct, MOTI represented that "it shall conduct all of its obligations hereunder 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 Marks, the Hotel Casino, 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."

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

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

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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.

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

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

(b) The DNT Agreement.

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

38. In connection with the discussions between DNT and Caesars Palace, Caesars required Mr. Seibel to complete another "Business Information Form" in 2011. On that form, Mr. Seibel 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." In reliance on those representations (among other things), Caesars Palace and DNT entered into the DNT Agreement.

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

40. First, the DNT Parties represented in the DNT Agreement that "they shall, and they shall cause their 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 Old Homestead Marks, the Old Homestead Materials, the Old Homestead System, the Caesars Palace 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." The DNT Parties further agreed that they would "use commercially reasonable efforts to continuously monitor the performance of each of its and its Affiliates'

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

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

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

> If any DNT Associate fails to satisfy or [sic] such requirement, if Caesars or any of Caesars' affiliates are directed to cease business with any DNT Associate by any Gaming Authority, or if Caesars shall determine, in Caesars' sole and exclusive judgment, that any DNT Associate is an Unsuitable Person, whether as a result of DNT Change of Control or otherwise, then, immediately following notice by Caesars to DNT, (a) the DNT Parties shall terminate any relationship with the Person who is the source of such issue, (b) the DNT Parties 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, have the right to terminate this Agreement and its relationship with the DNT Parties. The DNT Parties further acknowledges [sic] that Caesars shall have the absolute right 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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> regulations relating to gaming or the sale of alcohol to which Caesars 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 Caesars 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 Caesars 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.

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

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

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

(c) The TPOV Agreement.

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

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> alcohol, (b) whose association or relationship with Paris 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 Paris 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 Paris 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 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.

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

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

55. Because Mr. Seibel was specifically included as a TPOV Associate, Paris 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 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

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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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judgment, that any LLTQ Associate is an Unsuitable Person, whether as a result of a LLTQ Change of Control or otherwise, then (a) LLTQ shall terminate any relationship with the Person who is the source of such issue, (b) LLTQ 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, have the right to terminate this Agreement and its relationship with LLTQ. LLTQ further acknowledges that Caesars shall have the right 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 LLTQ and shall not be the subject of any proceeding [in arbitration].

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

Any Person (a) whose association with Caesars 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 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 regulations relating to gaming or the sale of alcohol to which Caesars 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 Caesars 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 Caesars 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.

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

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

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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.

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(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

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

77. Because Mr. Seibel was specifically included as a GRB 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 GRB Agreement.

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

(f) The FERG Agreement

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

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

81. First, FERG represented in the FERG Agreement 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 the CAC Marks and materials, the GR Marks, CAC, 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." FERG further agreed that it would "use commercially reasonable efforts to continuously monitor the performance of each of its and its Affiliates'

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

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

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

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

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

> Any Person (a) whose association with CAC 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 CAC 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 CAC 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 CAC 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 or 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.

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

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

87. Because Mr. Seibel was specifically included as a FERG 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 last 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 FERG Agreement.

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

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

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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. <u>The Activities of Mr. Seibel and the Seibel-Affiliated Entities Rendered Him Unsuitable Under the Seibel Agreements</u>.

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) Termination of the MOTI Agreement.

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

> Pursuant to Section 9.2 of the Agreement, MOTI 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 9.2 provides that if Caesars determines, in its sole and absolute judgment, that (a) any MOTI 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 MOTI 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 MOTI are not capable of being cured. Accordingly, Caesars is exercising its rights under Section 9.2 of the Agreement and is terminating the Agreement effective immediately.

(b) Termination of the DNT Agreement.

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

> Pursuant to Section 11.2 of the Agreement, the DNT Parties have acknowledged and agree 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 Caesars determines, in its sole and absolute

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> judgment, that any DNT Associate is an Unsuitable Person, the DNT Parties shall cease activity or relationship creating the issue.
>
> Caesars is aware that Rowen Seibel, who is a DNT 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, the DNT Parties shall, within 10 business days of receipt of this letter, terminate any relationship with Mr. Seibel and provide Caesars with written evidence 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.

112. In response to this letter, DNT 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 DNT and the DNT Agreement, Caesars determined, in its sole discretion—as it was entitled to do under the DNT Agreement—that DNT's relationship was not subject to cure given Mr. Seibel's continued relationship with the principals and representatives of DNT. As a result, the DNT Agreement was terminated.

(c) Termination of the TPOV Agreement.

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

> Pursuant to Section 10.2 of the Agreement, TPOV 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 TPOV 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 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.

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(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

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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(e) 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

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

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

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

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

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

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

121. First, Caesars Palace filed a motion to reject the LLTQ and FERG Agreements. Caesars Palace concluded that the costs of these two agreements outweighed any potential benefits 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

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

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

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

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

- "[T]he [Debtors'] fraudulent inducement claim, like the issue of whether the Termination [of the LLTQ and FERG Agreements] was proper in the first instance, is not presently before [the bankruptcy court] and should be resolved in separate proceedings (likely in state court or federal district court)."

- "[LLTQ and FERG] will challenge the propriety of the purported termination of the [LLTQ and FERG Agreements] in the appropriate venue, likely outside of the Chapter 11 cases."

(b) Litigation involving GRB and Planet Hollywood.

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

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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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(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.

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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

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

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

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

- The MOTI and DNT Business Information Forms;
- Sections 8.1, 9.1, and 9.2 of the MOTI Agreement;
- Sections 10.2, 11.1, and 11.2 of the DNT Agreement;
- Sections 9.2, 10.1, and 10.2 of the TPOV Agreement;
- Sections 9.2, 10.1, and 10.2 of the LLTQ Agreement;
- Sections 10.3, 11.1, and 11.2 of the GRB Agreement; and
- Sections 10.2, 11.1, and 11.2 of the FERG Agreement.

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

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

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

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

146. 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.

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COUNT III

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

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

148. 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."

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

150. Section 13.22 of the LLTQ Agreement 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 overly broad, indefinite, vague, and ambiguous.

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

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

153. Section 4.1 of the FERG Agreement 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 overly broad, indefinite, vague, and ambiguous.

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

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

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

156. 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.

Prayer for Relief

WHEREFORE, Caesars respectfully prays for judgment as follows:

(a) Declaratory Relief as requested herein;

(b) Equitable relief;

(c) Reasonable attorneys' fees and costs; and

(d) Any additional relief this Court may deem just and proper

DATED this 24th day of August, 2017.

PISANELLI BICE PLLC

By: _____

James J. Pisanelli, Esq., Bar No. 4027
Debra L. Spinelli, Esq., Bar No. 9695
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and

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Exhibit G

GT GreenbergTraurig

Mark A. Clayton
Tel 702.792.3773
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claytonm@gtlaw.com

September 2, 2016

VIA UPS OVERNIGHT

Rowen Seibel
DNT Acquisition, LLC
200 Central Park South, 19th Floor
New York, NY 10019

Brian K. Ziegler, Esq.
Certilman Balin Adler & Hyman, LLP
90 Merrick Avenue, 9th Floor
East Meadow, NY 11554

Greg Sherry
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56 9th Avenue
New York, NY 10011

Alan M. Lebensfeld, Esq.
Lebensfeld Borker Sussman & Sharon LLP
140 Broad Street
Red Bank, NJ 07701

Re: Development, Operation and License Agreement by and among DNT Acquisition, LLC ("DNT"), The Original Homestead Restaurant, Inc. ("OHS") and Desert Palace, Inc. ("Caesars") dated June 21, 2011 ("Agreement")

To whom it may concern:

For purposes of this letter, capitalized terms not defined herein have the meaning set forth in the Agreement.

Pursuant to Section 11.2 of the Agreement, the DNT Parties have acknowledged and agree 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 Caesars determines, in its sole and absolute judgment, that any DNT Associate is an Unsuitable Person, the DNT Parties shall cease the activity or relationship creating the issue.

Caesars is aware that Rowen Seibel, who is a DNT 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, the DNT Parties 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 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.

Lastly, Caesars reserves and retains all other rights and remedies available under the Agreement.

Sincerely,

Mark A. Clayton
Shareholder

MAC/

Exhibit H

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September 7, 2016

Via Email and Regular Mail

Mark A. Clayton, Esq.
Greenberg Traurig
3773 Howard Hughes Parkway
Suite 400 North
Las Vegas, Nevada 89169

Dear Mr. Clayton:

I am in receipt of your letter to me of September 2, 2016 referencing "August 30, 2016 Correspondence."

Please advise as to why you believe the purported assignments did not meet the internal compliance criteria set forth in (1)(ii)(A)-(D) of the Letter Agreement dated May 26, 2014.

Contrary to your assertions, we believe that the assignments were effective assignments and were effectuated exactly as contemplated by the Letter Agreement. Moreover, your client has acknowledged the assignments and has been making payments to the assignee entities.

I look forward to hearing from you soon.

Very truly yours,

Brian K. Ziegler

BKZ/bgh

Exhibit I

GT GreenbergTraurig

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claytonm@gtlaw.com

September 21, 2016

VIA EMAIL AND OVERNIGHT COURIER

Rowen Seibel
DNT Acquisition, LLC
200 Central Park South, 19th Floor
New York, NY 10019

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Certilman Balin Adler & Hyman, LLP
90 Merrick Avenue, 9th Floor
East Meadow, NY 11554

Greg Sherry
c/o The Old Homestead Steakhouse
56 9th Avenue
New York, NY 10011

Alan M. Lebensfeld, Esq.
Lebensfeld Borker Sussman & Sharon LLP
140 Broad Street
Red Bank, NJ 07701

Re: Development, Operation and License Agreement by and among DNT Acquisition, LLC ("DNT"), The Original Homestead Restaurant, Inc. ("OHS") and Desert Palace, Inc. ("Caesars") dated June 21, 2011 ("Agreement")

Gentlemen:

Reference is made to my correspondence, dated September 2, 2016, regarding the Agreement. For purposes of this letter, capitalized terms not defined herein have the meaning set forth in the Agreement.

As of 11:59 p.m. on September 20, 2016, Caesars had not received any evidence that DNT and OHS have disassociated with Rowen Seibel an individual who is an Unsuitable Person, pursuant to the Agreement.

Because DNT and OHS have failed to disassociate with an Unsuitable Person, Caesars hereby terminates the Agreement pursuant to Section 4.2.3 of the Agreement, effective immediately.

Lastly, Caesars reserves and retains all other rights and remedies available under the Agreement.

Sincerely,

Mark A. Clayton
Shareholder

MAC/

Exhibit J

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	)	Chapter 11
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et al.,[1]	)	Case No. 15-01145 (ABG)
Debtors.	)	(Jointly Administered)
	)	**Re: Docket No. 6318**

ORDER CONFIRMING DEBTORS' THIRD AMENDED JOINT PLAN OF REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

Upon the filing by the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") of the *Debtors' Third Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 6318] on January 13, 2017 (the "Plan"),[2] a copy of which is attached hereto as **Exhibit A**, which Plan replaces the previously filed plan of reorganization filed at Docket No. 5325; and the Court previously having approved the *Disclosure Statement for the Debtors' Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 4220] (the "Disclosure Statement") pursuant to the *Order Approving the Disclosure Statement for the Debtors' Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 4223], entered on June 28, 2016; and the Court previously having approved solicitation procedures related to the Disclosure Statement and the solicitation of acceptances and rejections of the Plan pursuant to the *Order (A) Approving the Solicitation Procedures and (B) Granting Related Relief* [Docket

[1] A complete list of the Debtors and the last four digits of their federal tax identification numbers may be obtained at https://cases.primeclerk.com/CEOC.

[2] Capitalized terms used but not defined herein have the meanings ascribed to them in the Plan.

No. 4219], entered on June 28, 2016, as amended by Docket No. 4272 entered on July 6, 2016 (the "Solicitation Procedures Order"), which Solicitation Procedures Order and Disclosure Statement were further amended pursuant to the *Order (A) Approving the Notice for the Debtors' Continued Solicitation on the Amended Plan, (B) Extending the Voting Deadline in Connection Therewith, and (C) Granting Related Relief* [Docket No. 5328], entered on October 20, 2016 (the "Continued Solicitation Notice Order"); and the Court having previously approved the confirmation schedule and the procedures related to confirmation of the Plan pursuant to the *Order (A) Approving the Confirmation Schedule and (B) Granting Related Relief* [Docket No. 4151], entered on June 24, 2016, as amended by Docket No. 5438 entered on October 26, 2016, and further amended by Docket No. 5702 entered on November 17, 2016; and the Debtors having served on the Holders of Claims and Interests the Disclosure Statement pursuant to the Solicitation Procedures Order, *see Affidavits of Service* [Docket Nos. 4326, 4380, 4478, 4478, 4517, 4597] and the notice of Plan modifications pursuant to the Continued Solicitation Notice Order, *see Affidavits of Service* [Docket No. 5429]; and upon the filing by the parties of the *stipulation Regarding Certain Facts for the Confirmation Hearing* on December 23, 2016 [Docket No. 6153]; and the Court having considered the record in these chapter 11 cases, the substantial creditor support for the Plan, and the compromises and settlements embodied in and contemplated by the Plan, the lack of any objection to the Plan or those compromises and settlements by any creditor or other economic stakeholder, the withdrawal by the Office of the United States Trustee of its objection to the Plan on January 13, 2017 [Docket No. 6319], and the briefs and arguments regarding confirmation of the Plan submitted in connection with the hearing on confirmation of the Plan (the "Confirmation Hearing"); and after due deliberation, it is HEREBY ORDERED THAT:

1. The Plan, including (a) all of the modifications to the Plan filed with the Court prior to or during the Confirmation Hearing and (b) all documents incorporated into the Plan through the Plan Supplement (including the final forms thereof to be filed on or before the Effective Date), is confirmed.

2. The documents contained in the Plan Supplement are an integral part of the Plan, and the Debtors and the Reorganized Debtors (as applicable) are authorized to take all actions required under the Plan and the Plan Supplement documents to effectuate the Plan, including, but not limited to, (a) the transfer of certain of the Debtors' real property and certain other property to the REIT, free and clear of all liens, claims, and encumbrances (except as set forth in the Plan), (b) the payment of the Backstop Fees and Expenses and the Commitment Payment (each as defined in the Backstop Commitment Agreement) in connection with the Debtors' entry into the Backstop Commitment Agreement and the payment of such Backstop Fees and Expenses and the Commitment Payment pursuant to this paragraph 5(b) will qualify as Administrative Claims under the Plan, (c) the solicitation of elections from the applicable Holders of Claims pursuant to the New CEC Common Equity Election Procedures, the PropCo Equity Election Procedures, and the PropCo Preferred Subscription Procedures, (d) the negotiation of and entry into any documents and agreements (including, without limitation, engagement letters, fee letters, commitment letters, indemnifications, releases, and definitive documentation) with, as applicable, arrangers, bookrunners, and lenders (collectively, the "Financial Institutions") in connection with or related to the origination, syndication, arrangement, or securitization of the OpCo Market Debt, the CPLV Market Debt, and the CPLV Mezzanine Debt, and such other documents as may be required or desirable to effectuate the treatment afforded by the foregoing, in form and substance acceptable to the Debtors, the Reorganized Debtors, the applicable

Financial Institutions, and any other parties with consent rights under the Plan (collectively, the "Market Debt Documents"), in each case without notice, hearing, or further order of this Court, (e) the performance of all actions to be taken, undertakings to be made, and obligations to be incurred by the Debtors or the Reorganized Debtors in connection therewith, including the payment or reimbursement (as and when due) of any fees, indemnities, and expenses under or pursuant to any such documents and agreements in connection therewith (including, without limitation, any commitment, structuring, placement, or professional fees and expenses under any engagement letters), (f) the grant of all Liens and security interests in accordance with the Market Debt Documents and to make all filings and recordings and to obtain all governmental approvals and consents necessary or desirable to establish and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign), and the performance of all acts and the making, executing, and delivering of all instruments and documents in connection therewith that may be reasonably required or desirable for the performance of their obligations under the Market Debt Documents, in each case without notice, hearing, or further order of this Court, and (g) the issuance and registration, as applicable, of any new equity interests in connection with the Plan.

3. Pursuant to Bankruptcy Rule 3020(c)(1), the following provision in the Plan will be immediately effective on the Effective Date:

> (a) **Article VIII.E**: ***Injunction***. **Effective as of the Effective Date, pursuant to section 524(a) of the Bankruptcy Code, to the fullest extent permissible under applicable law, and except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or Confirmation Order, or any documents, instruments, or agreements (including those set forth in the Plan Supplement) executed to implement the Plan or Confirmation Order, all Entities who have held, hold, or may hold Claims, Interests, or Liens that have been discharged pursuant to Article VIII.A of the Plan, released pursuant to Article VIII.B or**

Article VIII.C of the Plan, or are subject to exculpation pursuant to Article VIII.D of the Plan are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, any or all of the Debtors, the Reorganized Debtors, the New Property Entities, or the Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims or Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such Claims or Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or Estates of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such Entity has timely asserted such setoff right prior to the Effective Date in a document Filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a Claim or Interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests discharged, exculpated, released, or settled pursuant to the Plan.

4. The Debtors must file with the Court and serve a notice of the entry of this Confirmation Order, substantially in the form attached hereto as **Exhibit B**, upon (a) all parties listed in the creditor matrix maintained by Prime Clerk LLC and (b) such additional persons and entities as deemed appropriate by the Debtors, no later than five business days after entry of this Confirmation Order, and will cause Prime Clerk LLC to file an affidavit of service with the Court. The Debtors will publish the notice of the entry of this Confirmation Order in the *New York Times* (National Edition) and the *Wall Street Journal* within seven business days after the entry of this Confirmation Order, and will cause an affidavit of service to be filed with the Court.

5. The Debtors must file with the Court and serve a notice of the occurrence of the Effective Date, substantially in the form attached hereto as **Exhibit C**, upon (a) all parties listed

in the creditor matrix maintained by Prime Clerk LLC and (b) such additional persons and entities as deemed appropriate by the Debtors, no later than five business days after the Effective Date, and will cause Prime Clerk LLC to file an affidavit of service with the Court. The Debtors will publish the notice of the occurrence of the Effective Date in the *New York Times* (National Edition) and the *Wall Street Journal* within seven business days after the Effective Date, and will cause an affidavit of service to be filed with the Court.

6. Notwithstanding Bankruptcy Rule 3020(e), the terms and conditions of this Order will be immediately effective and enforceable upon its entry.

Dated: Jan. 17, 2017
Chicago, Illinois

The Honorable A. Benjamin Goldgar
United States Bankruptcy Judge

Exhibit A

Plan

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	)	Chapter 11
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et al.,[1]	)	Case No. 15-01145 (ABG)
Debtors.	)	(Jointly Administered)

DEBTORS' THIRD AMENDED JOINT PLAN OF REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

Nothing contained herein shall constitute an offer, acceptance, or a legally binding obligation of the Debtors or any other party in interest and this Plan is subject to approval by the Bankruptcy Court and other customary conditions. This Plan is not an offer with respect to any securities. YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY COURT.

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Counsel to the Debtors and Debtors in Possession

Dated: January 13, 2016

[1] The last four digits of Caesars Entertainment Operating Company, Inc.'s tax identification number are 1623. A complete list of the Debtors (as defined herein) and the last four digits of their federal tax identification numbers are identified on Exhibit A attached hereto.

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IN THE SUPREME COURT OF THE STATE OF NEVADA

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 16 ENTERPRISES, LLC; DNT ACQUISITION, LLC, appearing derivatively by one of its two members, R Squared Global Solutions, LLC,

Petitioners

vs.

CLARK COUNTY DISTRICT COURT, THE HONORABLE JOSEPH HARDY, DEPARTMENT 15,

Respondent,

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

Real Parties in Interest.

Case Number:

Eighth Judicial District Court
Case No. A-17-760537-B
Dept. 15, Honorable Joseph Hardy

APPENDIX TO PETITION FOR WRIT OF MANDAMUS OR PROHIBITION

VOLUME 2 OF 15

(APP. 250 – 500)

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Attorneys for Petitioners

CERTIFICATE OF SERVICE

Pursuant to NEV. R. APP. P. 25, I certify that I am an employee of MCNUTT LAW FIRM. On June 18, 2018, I caused a copy of the **APPENDIX TO PETITION FOR WRIT OF MANDAMUS OR PROHIBITION** to be hand delivered, in a sealed envelope, on the date and to the addressee(s) shown below:

Honorable Joseph Hardy
District Court Judge, Dept. 15
Regional Justice Center
200 Lewis Ave., Las Vegas, NV 89155
Respondent

James J. Pisanelli, Esq.
Pisanelli Bice, PLLC
400 S. 7th Street, Suite 300
Las Vegas, NV 89101
Attorney for Real Parties in Interest

/s/ Lisa Heller
Employee of McNutt Law Firm, P.C.

APPENDIX TO PETITION FOR WRIT OF MANDAMUS OR PROHIBITION

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APPENDIX TO PETITION FOR WRIT OF MANDAMUS OR PROHIBITION

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PISANELLI BICE PLLC
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LAS VEGAS, NEVADA 89101

DISTRICT COURT

CLARK COUNTY, NEVADA

ROWEN SEIBEL, an individual and citizen of New York, derivatively on behalf of Real Party in Interest GR BURGR LLC, a Delaware limited liability company, Plaintiff, v. PHWLV, LLC, a Nevada limited liability company; GORDON RAMSAY, an individual; Defendants, and GR BURGR LLC, a Delaware limited liability company, Nominal Defendant,	Case No.: A-17-751759-B Dept. No.: 15 **STIPULATION AND ~~[PROPOSED]~~ ORDER TO CONSOLIDATE CASE NO. A-17-760537-B WITH AND INTO CASE NO. A-17-751759-B**
DESERT PALACE, INC.; PARIS LAS VEGAS OPERATING COMPANY, LLC; PHWLV, 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	760537 Case No.: A-17-~~751759~~-B Dept. No.: 27

ENTERPRISES, LLC; TPOV 16 ENTERPRISES, LLC; DNT ACQUISITION, LLC; GR BURGR, LLC; and J. JEFFREY FREDERICK, Defendants.	

Parties Rowen Seibel, PHWLV, LLC, Gordon Ramsay, GR Burgr LLC, Desert Palace, Inc., Paris Las Vegas Operating Company, LLC, Boardwalk Regency Corporation d/b/a Caesars Atlantic City, LLTQ Enterprises, LLC, LLTQ Enterprises 16, LLC, FERG LLC, FERG 16, LLC, MOTI Partners, LLC, MOTI Partners 16, LLC, TPOV Enterprises, LLC, TPOV 16 Enterprises, LLC, and J. Jeffrey Frederick, by and through their undersigned counsel of record, hereby STIPULATE AND AGREE, as follows:

1. Rowen Seibel ("Seibel") commenced Case No. A-17-751759-B by filing a complaint on February 28, 2017 (the "First Action"). The First Action is pending in Department XV of the Eighth Judicial District Court, Clark County, Nevada.

2. Desert Palace, Inc., Paris Las Vegas Operating Company, LLC, PHWLV, LLC and Boardwalk Regency Corporation d/b/a Caesars Atlantic City (collectively "Caesars") commenced Case No. A-17-760537-B by filing a complaint on August 25, 2017 (the "Second Action"). The Second Action is pending in Department XXVII of the Eighth Judicial District Court, Clark County, Nevada.

3. The First Action and the Second Action involve some common questions of fact and law. Accordingly, pursuant to NRCP 42(1), the Second Action should be consolidated with and into the First Action. [1]

[1] Caesars provided DNT Acquisition, LLC until February 15, 2018 to respond to the Complaint in the Second Action. As a result, DNT Acquisition, LLC has not yet appeared in the Second Action. One member of DNT Acquisition, LLC is willing to enter into this Stipulation; one member is not. Pursuant to this Court's direction at the status check on February 6, 2018, the undersigned parties hereby submit this stipulation for consolidation.

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DATED February 8, 2018

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DATED February 8, 2018

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DATED February 8, 2018

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Trustee of GR Burgr LLC

DATED February 8, 2018

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DATED February 8, 2018

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Attorneys for Defendant Gordon Ramsay

ORDER

IT IS HEREBY ORDERED that Case No. A-17-760537-B is hereby consolidated with and into Case No. A-17-751759-B.

DATED this 9th day of February, 2018.

Joe Hardy

THE HONORABLE JOE HARDY
EIGHTH JUDICIAL DISTRICT COURT

Respectfully submitted by:

PISANELLI BICE PLLC

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DISTRICT COURT

CLARK COUNTY, NEVADA

ROWEN SEIBEL, an individual and citizen of New York, derivatively on behalf of Real Party in Interest GR BURGR LLC, a Delaware limited liability company, Plaintiff, v. PHWLV, LLC, a Nevada limited liability company; GORDON RAMSAY, an individual; DOES I through X; ROE CORPORATIONS I through X, Defendants, AND ALL RELATED MATTERS	Case No.: A-17-751759-B Dept. No.: 15 Consolidated with: Case No.: A-17-760537-B **MOTION TO DISMISS OR, IN THE ALTERNATIVE, TO STAY CLAIMS ASSERTED AGAINST DEFENDANT DNT ACQUISITION, LLC** This document applies to: A-17-760537-B

Defendants DNT ACQUISITION, LLC, appearing derivatively by one of its two members, R Squared Global Solutions, LLC ("DNT")[1], hereby submits its motion (the "Motion") to dismiss or, in the alternative, to stay the claims against DNT in the complaint filed on August 25, 2017, seeking only declaratory relief (the "Complaint") by Plaintiffs ("Debtor Plaintiffs").

NOTICE OF HEARING

PLEASE TAKE NOTICE that on the 4 day of April, 2018, at 9:00 a.m. / p.m. o'clock, the Court will call for hearing the instant **MOTION TO DISMISS OR, IN THE ALTERNATIVE, TO STAY CLAIMS ASSERTED AGAINST DEFENDANT DNT ACQUISITION, LLC**.

DATED February 22, 2018.

MCNUTT LAW FIRM, P.C.

/s/ Dan McNutt
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Attorneys for R Squared Global Solutions, LLC, appearing derivatively On behalf of Defendant DNT ACQUISITION LLC

INTRODUCTION

DNT moves to dismiss the claims asserted against it in the Complaint in this action ("Action") on the grounds that: (i) plaintiff Desert Palace, Inc. ("Desert Palace" or "Debtor Plaintiff") and DNT are litigating overlapping (and in some instances, identical) claims in a federal bankruptcy court; (ii) declaratory relief is improper under the circumstances; and (iii) forum shopping is not condoned under Nevada law. Alternatively, if the Court decides not to dismiss the claims asserted against DNT, it should stay all proceedings in this action against DNT until such issues are fully and finally resolved by the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division (the "Illinois Bankruptcy Court") – the court in which such matters are pending.

[1] The basis for R Squared Global Solutions, LLC's ("RSG") derivative appearance are set forth in the affidavit of Craig Green attached hereto as Exhibit M.

Nevada law does not allow a plaintiff to maintain two actions involving the same claims or set of facts against duplicative parties. However, that is precisely what Debtor Plaintiffs have done by commencing this action. Between April 20, 2015 and May 22, 2015, DNT and its members filed Proofs of Claim in the Illinois Bankruptcy Court seeking moneys due DNT from Caesars under the DNT Agreement that arose prior to the Petition Date (defined below). Although Debtor Plaintiff initially sought to assume the DNT Agreement in the Illinois Bankruptcy Court, effective as of October 6, 2017, the Debtor Plaintiff rejected the DNT Agreement in the Illinois Bankruptcy Court. Instead of filing objections to DNT Proof of Claim, Debtor Plaintiff brings this action to litigate in Nevada what is essentially their objection to the DNT Claim. In addition, in November 2017 DNT filed an administrative claim ("DNT Admin Claim") that challenges, among other things, Debtor Plaintiff's termination of the DNT Agreement. The DNT Admin Claim was required to be filed in the Illinois Bankruptcy Court under a Third Amended Plan and provisions of the bankruptcy code. In December 2017, the Debtor Plaintiff objected to DNT's Admin Claim. The issue central to the DNT Admin claim (whether the contracts were properly terminated) and a central issue to the DNT Claim (whether Debtor Plaintiffs were fraudulently induced to enter into the DNT Agreement) are the very issues between Debtor Plaintiff and DNT in this Action in Counts I and II, respectively. [2]

In addition, in November 2017 DNT filed an administrative claim ("DNT Admin Claim") that challenges, among other things, Debtor Plaintiff's termination of the DNT Agreement. The DNT Admin Claim was required to be filed in the Illinois Bankruptcy Court under a Third Amended Plan and provisions of the Bankruptcy Code. In December 2017, the Debtor Plaintiff objected to DNT's Admin Claim. The issue central to the DNT Admin Claim (whether the contracts were properly terminated) and a central issue to the DNT Claim (whether Debtor Plaintiffs were fraudulently induced to enter into the DNT Agreement) are the very issues between Debtor Plaintiff and DNT in this Action in Counts I and II, respectively. [3]

In fact, the claims brought by Debtor Plaintiffs against other Defendants in this Action concern

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[2] Although Count III purports to be asserted against DNT, no reference is made to DNT in Count III and the DNT Agreement does not contain the contractual provisions that are at issue in Count III.

[3] Although Count III purports to be asserted against DNT, no reference is made to DNT in Count III and the DNT Agreement does not contain the contractual provisions that are at issue in Count III.

the same issues, facts and allegations as those asserted against DNT, but were also being actively litigated in the Illinois Bankruptcy Court for the past two years. The litigation in the Illinois Bankruptcy Court was initiated first and continues to date after intensive motion practice and discovery. Notably, the Illinois Bankruptcy Court has already commented unfavorably on certain legal theories that the Debtor Plaintiffs now seek to have this Court also decide. Certain other Defendants here, namely LLTQ Enterprises LLC, LLTQ Enterprises 16, LLC, FERG, LLC, FERG 16 LLC, MOTI Partners, LLC and MOTI Partners 16, LLC, filed motions to dismiss the Complaint on the grounds, *inter alia,* of the prior pending bankruptcy proceeding.

DNT's Admin Claim and the objection thereto, as well as administration claims of the LLTQ entities, the FERG entities and the MOTI entities, are certainly "contested matters" under the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") that must be resolved in that forum. Although DNT has yet to engage in discovery on these issues, discovery on the identical issues has been ongoing between Debtor Plaintiffs and the LLTQ entities, the FERG entities and the MOTI entities. These contested matters are presently being litigated before the Illinois Bankruptcy Court and thus preclude the declaratory relief sought in this Court. Moreover, the Illinois Bankruptcy Court is the only court in the position to definitively resolve all the ongoing rights of DNT and obligations of the Debtor Plaintiff to DNT under the DNT Agreement that is at issue in the Complaint here. Because the same cannot be said for the declaratory relief claims filed by Debtor Plaintiffs here, those claims should be dismissed because Debtor Plaintiff cannot obtain full relief in this Court. Debtor Plaintiff has, therefore, failed to state a claim against DNT upon which relief can be granted and such claims should be dismissed, or, in the alternative, stayed.

BACKROUND AND PROCEDURAL HISTORY

1. Effective as of June 21, 2011, DNT, The Original Homestead Restaurant, Inc. ("OHS"), and Desert Palace entered into an agreement for the design, development and operation of an Old Homestead Steakhouse (the "Restaurant") in Caesars Palace, Las Vegas, Nevada ("DNT Agreement"). (Compl. ¶ 16.)

A. DNT Claims.

2. On January 15, 2015 (the "Petition Date"), the Debtor Plaintiffs, and several of their affiliated entities each filed voluntary petitions under Chapter 11 of the United States Code (11 U.S.C. §§ 101 et seq., as amended, the "Bankruptcy Code") in the Illinois Bankruptcy Court, thereby commencing the chapter 11 cases jointly administered as Case No. 15-01145 (collectively, the "Chapter 11 Cases"). (Compl. ¶ 120.)

3. On April 30, 2015, OHS, one of the members of DNT, filed a proof of claim [Bankr. Claim No. 1883] asserting a pre-petition debt against Caesars for monies due and owing to DNT under the DNT Agreement as of the Petition Date in the amount of no less than $204,964.75 (the "OHS Pre-Petition Claim"). (Exhibit A.) On May 22, 2015, DNT filed a proof of claim [Bankr. Claim No. 3346] asserting a pre-petition debt against Caesars for monies due and owing to DNT under the DNT Agreement as of the Petition Date in the amount of no less than $204,964.75 (the "DNT Pre-Petition Claim"). (Exhibit B.) Also on May 22, 2015, R Squared Global Solutions, LLC, the other member of DNT, filed a proof of claim [Bankr. Claim No. 3304] asserting a pre-petition debt against Caesars for monies due and owing to RSG under the DNT Agreement as of the Petition Date in the amount of no less than $91,201.62 (the "RSG Pre-Petition Claim," and collectively with the OHS Pre-Petition Claim and the DNT Pre-Petition Claim, are referred to herein as the "DNT Claims"). (Exhibit C.) The filing of the DNT Claims commenced the action between DNT and the Debtor Plaintiffs in The Illinois Bankruptcy Court.

4. On November 20, 2017, RSG directly, and derivatively on behalf of DNT as a member of DNT, filed a request for payment of an administrative expense claim [Dkt. No. 7607] (the "DNT Admin Claim"). (Exhibit D.) The DNT Admin Claim challenges Caesars' termination of the DNT Agreement and asserts, among other things, that even if the DNT Agreement was terminated, the effect of termination provisions in that agreement expressly survive such termination and still bind the parties to the DNT Agreement. *See generally id.* On December 6, 2017, Caesars filed a preliminary objection to the DNT Admin Claim [Dkt. No. 7658] (the "Caesars Objection to DNT Admin Claim"). (Exhibit E.) On December 6, 2017, OHS filed a preliminary objection to the DNT Admin Claim [Dkt. No. 7656] (the "OHS Objection to DNT Admin Claim," and collectively with the Caesars Objection to DNT Admin

Claim, the "Objections to DNT Admin Claim"). (Exhibit F.) The filing of the Objections to DNT Admin Claim joined issue, with the DNT Admin Claim being a contested matter under Fed. R. Bankr. P. 9016.

5. On June 28, 2016, Caesars filed its proposed Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (the "Proposed Second Amended Plan") [Dkt. No. 4218], and on July 18, 2016, filed a Supplement to Debtors' Second Amended Joint Plan of Reorganization and includes the DNT Agreement on Schedule HH to assume the DNT Agreement under the proposed Second Amended Plan. [Dkt. No. 4389]. On August 17, 2016, DNT filed a limited preliminary objection to the Cure Schedule asserting that the proper cure amount is no less than $204,964.75, as reflected in the DNT Claims. [Dkt. No. 4702].

6. On or about September 2, 2016, Caesars sent a letter addressed to Rowen Seibel ("Seibel"), one of the managers of DNT, and to the other managers of DNT warning that if DNT and OHS did not (i) terminate any relationship with Seibel based on Caesars' determination that Seibel is an "unsuitable person" under the DNT Agreement based on the Seibel's recent guilty plea to a single count of obstruction of the due administration of tax laws and (ii) provide written evidence of the terminated relationship to Caesars within ten business days, then Caesars would have to terminate the DNT Agreement under Section 4.2.3 of the DNT Agreement. (Compl. ¶ 111; Exhibit G.) By letter dated September 7, 2016, counsel to DNT responded to the September 2 Letter, referring to an assignment of interests in April 2016 which resulted in Seibel having no interest in the relevant entities. (Compl. ¶ 112; Exhibit H.)[4] In response, by letter dated September 21, 2016, Caesars advised counsel to DNT that the assignments and assignees are not approved and the DNT Agreement was purportedly terminated. (*Id.;* Exhibit I.)

B. Caesars' Plan and Bankruptcy Disputed Claim Process.

7. On January 13, 2017, Caesars filed its Third Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code, dated January 13, 2017 [Dkt. No. 6318]. On January

[4] Effective April 13, 2016, Seibel assigned all of his ownership interests in R Squared Global Solutions, LLC, one of the two members of DNT, to The Seibel Family 2016 Trust, as permitted under DNT's operating agreement.

17, 2017, the Illinois Bankruptcy Court entered an order confirming the Third Amended Plan. [Dkt. No. 6334]. (Exhibit J.) In relevant part, the confirmed Third Amended Plan defines "Claim" as meaning:

> any claim against the Debtors or the Estates, as defined in section 101(5) of the Bankruptcy Code, including: (a) any right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) any right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

Third Amended Plan at Art. I(A)(75).

8. It further provides that administrative claims asserted under section 503(b) of the Bankruptcy Code, are considered "Claims." *See id.* at Art. I(A)(16) ("Administrative Claim" means a Claim for the costs and expenses of administration of the Estates pursuant to section 503(b) and 507(a)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors . . . . "). With regard to objecting to Claims, the Third Amended Plan provides that:

> Subject to Article XII.G hereof, the Reorganized Debtors shall have the authority to: (a) *File objections to Claims*, settle, compromise, withdraw, or litigate to judgment objections to any and all Claims, regardless of whether such claims are in a Class or otherwise; (b) settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (c) administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

Art. VII(A)(2) (emphasis added).

9. Moreover the use of "'File,' 'Filed,' or 'Filing'" means "file, filed, or filing with the Bankruptcy Court (including the clerk thereof) in the Chapter 11 Cases . . . ." *Id.* at Art. I(A)(131). Thus, the Third Amended Plan requires objections by Debtor Plaintiffs to claims and administrative expense requests to be filed in the Illinois Bankruptcy Court. In addition to the claims resolution process contained in the Third Amended Plan, the Bankruptcy Code and Federal Rules of Bankruptcy Procedure set forth procedures for objecting to proofs of claim and administrative expense requests. *See, e.g.*, 11 U.S.C. § 502(b); Fed. R. Bankr. P. 3007 ("An objection to the allowance of a claim and a notice of

objection that substantially conforms to the appropriate Official Form shall be filed and served at least 30 days before any scheduled hearing on the objection or any deadline for the claimant to request a hearing"); 5005 (The lists, schedules, statements, proofs of claim or interest, complaints, motions, applications, *objections and other papers* required to be filed by these rules . . . shall be filed with the clerk in the district where the case under the Code is pending") (emphasis added). Accordingly, it is clear that under the confirmed Third Amended Plan the DNT Claim is a "claim" and that all administrative claims, such as the DNT Admin Claim, as well as all challenges to claims and administrative expense requests, were required to be brought in the Illinois Bankruptcy Court.

10. Despite the clear requirement pursuant to the Third Amended Plan that challenged claims be brought in the Illinois Bankruptcy Court, on August 25, 2017, Caesars and CAC and two non-debtor affiliates collectively filed the Complaint in this action seeking solely declaratory relief against twelve defendants, including DNT. Through the Complaint the Debtor Plaintiffs seek adjudication in this Court of the same issues that were the subject of the Bankruptcy proceeding.

11. On October 6, 2017, Caesars filed with the Illinois Bankruptcy Court a Notice of Effective Date indicating that the Third Amended Plan has become effective. (Exhibit L.)

C. Related Matters Pending in the Illinois Bankruptcy Court.

12. Other contested matters between Debtor Plaintiffs and other Defendants in this Action have been litigated for the past two years in the Illinois Bankruptcy Court and those matters also involve some of the same issues that are the subject of the claims asserted in this Action against DNT. Those related contested matters were the subject of litigation long before Debtor Plaintiffs commenced the present Action.

13. On November 4, 2015, LLTQ/FERG filed a request for payment of an administrative expense claim [Dkt. No. 2531] (the "LLTQ/FERG Admin Claim"), to which Caesars filed a preliminary objection [Dkt. No. 2555] on November 10, 2015. During discovery on the LLTQ/FERG Admin claim, LLTQ/FERG filed on August 3, 2016, a motion to compel Caesars/CAC to respond to specific interrogatories and related requests for production related to new restaurant ventures with Gordon Ramsay ("Ramsay") [Dkt. No. 4579] (the "Motion to Compel Discovery Response"). On August 10, 2016, Caesars/CAC filed an objection [Dkt. No. 4631] to the Motion to Compel asserting, among other

things, that the restrictive covenants at issue are not enforceable under Nevada law as a basis for denying the requested discovery. On October 4, 2016, LLTQ/FERG filed its first motion to compel Ramsay to produce documents [Dkt. No. 5176], and on October 5, 2016, filed a combined motion for partial summary judgment [Dkt. No. 5197] (the "MSJ"), seeking determinations that: (i) under Nevada state law, the LLTQ Agreement is integrated with the Ramsay LV Agreement; (ii) under New Jersey state law, the FERG Agreement is integrated with the Ramsay AC Agreement; and (iii) LLTQ/FERG are entitled to allowance and payment of administrative expense claims through at least September 2, 2016.

14. On October 12, 2016, Caesars/CAC filed a preliminary objection to the MSJ [Dkt. No. 5246] (the "10-12-16 Objection"), asserting affirmative defenses based on fraudulent inducement and rescission and seeking to take discovery with respect to these defenses (the "Suitability Discovery")[5]. On April 17, 2017, LLTQ/FERG filed a motion for a protective order [Dkt. No. 6781] (the "Protective Order Motion") specific to the Suitability Discovery, asserting that the claims and defenses of rescission of the LLTQ/FERG Agreements and fraudulent inducement raised by Caesars are procedurally improper, factually deficient and unavailable as a matter of law. In response, on April 26, 2017, Caesars/CAC filed an objection to the Protective Order Motion [Dkt. No. 6887]. By Order entered May 31, 2017, the Illinois Bankruptcy Court denied the Protective Order Motion thereby allowing Caesars/CAC to continue conducting the Suitability Discovery and pursue alleged defenses of fraud in the inducement and rescission. However, in doing so, it described Caesars' rescission theory to be "thin" and "dubious." (Exhibit K.) This complaint was filed in response to the Illinois Bankruptcy Court's comments.

ARGUMENT

A. Standards for Motion to Dismiss.

15. A complaint must be dismissed if it "fail[s] to state a claim upon which relief can be granted." Nev. R. Civ. P. 12(b)(5). In order to survive dismissal, Debtor Plaintiff's factual allegations are accepted as true and "must be legally sufficient to constitute the elements of the claim asserted." *Sanchez ex rel. Sanchez v. Wal-Mart Stores, Inc.*, 125 Nev. 818, 823, 221 P.3d 1276, 1280 (2009). When

[5] Suitability Discovery concerns the issue of Seibel's "suitability", which was the purported basis for Debtor Plaintiffs' terminating the agreements, including the DNT Agreement.

reviewing a 12(b)(5) motion to dismiss for failure to state a claim, the court must determine whether Plaintiff "asserts specific allegations sufficient to constitute the elements of a claim on which [the] court can grant relief." *Malfabon v. Garcia*, 111 Nev. 793, 796, 898 P.2d 107, 108 (1995). Debtor Plaintiffs have not reached that threshold and their claims against DNT must be dismissed.

16. "In ruling on a motion to dismiss for failure to state a claim, the court may consider any exhibits attached to the complaint and matters on the record." *Schmidt v. Washoe* County, 123 Nev. 128, 133, 159 P.3d 1099, 1103 (2008) *abrogated on other grounds by Buzz Stew, LLC v. City of N. Las Vegas*, 124 Nev. 224, 181 P.3d 670 (2008). The court may also consider unattached evidence on which the complaint specifically relies if (1) the complaint refers to the document; (2) the document is central to the plaintiffs' claim; and (3) no party questions the authenticity of the document. *Baxter v. Dignity Health,* 357 P.3d 927, 930 (2017). Specifically, a court may consider the papers filed in the Chapter 11 Cases, the underlying motions and objections thereto, and the relevant discovery motions and rulings, without converting the instant motion into a Nev. R. Civ. P. 56 motion for summary judgment because the pleadings, motions and other documents filed in the Chapter 11 Cases are a matter of public record. *Breliant v. Preferred Equities Corp.*, 109 Nev. 842, 847, 858 P.2d 1258, 1261 (1993) ("the court may take into account matters of public record…when ruling on a motion to dismiss for failure to state a claim upon which relief can be granted.")

17. The Court may also consider the DNT Agreement, as the authenticity of the agreements are not contested, and is the document on which Debtor Plaintiff's claims necessarily rely. *C.f. Lee v. City of Los Angeles*, 250 F.3d 668, 688-89 (9th Cir. 2001) (holding that, while "a district court may not consider any material beyond the pleadings in ruling on a Fed. R. Civ. P. 12(b)(6) motion," the motion need not be converted into a motion for summary judgment "[i]f the documents are not physically attached to the complaint, but the documents' authenticity is not contested and the plaintiff's complaint necessarily relies on them" (internal quotations and citation omitted).) *See also Schmidt*, 123 Nev. at 133, 159 P.3d at 1103 (2007) ("In ruling on a motion to dismiss for failure to state a claim, the court may take into account any exhibits attached to the complaint and matters in the record.").

B. Dismissal is appropriate because the same claims between the same parties based upon the same evidence are pending in another forum.

18. Fundamentally, this Court should not consider the request for declaratory relief because the same allegations and claims are at issue in the Illinois Bankruptcy Court. "It is well-settled that courts will not entertain a declaratory judgment action if there is pending, at the time of the commencement of the action for declaratory relief, another action or proceeding to which the same persons are parties and in which the same issues may be adjudicated." *Pub. Serv. Comm'n of Nevada v. Eighth Judicial Dist. Court of State of Nev.*, 107 Nev. 680, 684, 818 P.2d 396, 399 (1991) quoting *Haas & Haynie Corp. v. Pacific Millwork Supply*, 2 Haw.App. 132, 134, 627 P.2d 291, 293 (1981). Moreover, a "separate action for declaratory judgment is not an appropriate method of testing defenses in a pending action." *Id.* at 685 citing *Ratley v. Sheriff's Civil Service Bd. of Sedgwick County*, 7 Kan.App.2d 638, 646 P.2d 1133 (1982).

19. These disputed matters predate the Action.

20. The DNT Claims predate this Action. The Bankruptcy proceeding commenced in 2015. The DNT Claims were filed in April and May 2015.

21. "The first-to-file rule is a doctrine of comity providing that 'where substantially identical actions are proceeding in different courts, the court of the later-filed action should defer to the jurisdiction of the first-filed action by either dismissing, staying, or transferring the later filed suit.'" *Sherry v. Sherry*, No. 62895, 2015 WL 1798857, 1 (Nev. Apr. 16, 2015) quoting *SAES Getters S.p.A. v. Aeronex, Inc.*, 219 F.Supp.2d 1081, 1089 (S.D.Cal.2002). "The two actions need not be identical, only substantially similar." *Id. (internal citation omitted).*

22. "In bankruptcy cases, courts have traditionally analogized a creditor's claim to a civil complaint, an objection [to that claim] to an answer and an adversarial proceeding to a counterclaim." *In re 20/20 Sport, Inc.*, 200 B.R. 972, 978 (Bankr. S.D.N.Y. 1996); *see also O'Neill v. Continental Airlines, Inc. (In re Continental Airlines)*, 928 F.2d 127, 129 (5th Cir. 1991) ("[T]he filing of a proof of claim is analogous to the filing of a complaint in a civil action, with the bankrupt's objection the same as the answer."); *Nortex Trading Corp. v. Newfield*, 311 F.2d 163, 164 (2d Cir. 1962) (stating that under the Bankruptcy Act of 1898 that a creditor's filing of "its proof of claim is analogous to the

commencement of an action within the bankruptcy proceeding."). In April and May 2015, more than two years prior to the filing of the Complaint, DNT filed the DNT Claims against Caesars in the Caesars Bankruptcy Case. (Exhibits A, B, C). That filing equally applies to the first-to-file rule as well as the bankruptcy requirements concerning the proper place to bring challenges to claims asserted in a bankruptcy case against a debtor.

23. Count II seeks a declaratory judgment that "Caesars does not have any current or future financial obligations or commitments to [DNT]." (Compl. ¶ 145). Caesars asserts that there are three grounds for such relief: (i) "the express language of the Seibel Agreements [which by Caesars' definition includes the DNT Agreement] states that Caesars has no future obligations to the Seibel-Affiliated Entites [which by Caesars' definition includes DNT] where, as here, termination is based on suitability or non-disclosure grounds" (Compl. ¶ 140); an alleged fraudulent inducement by Seibel and DNT to enter into the DNT Agreement, which should result in a rescission of the DNT Agreement (Compl. ¶¶ 141-143); and Seibel's and DNT's obligation to update prior disclosures relieves Caesars from any obligation to perform under the DNT Agreement. (Compl. ¶ 144).

24. The DNT Proof of Claim asserts that Caesars currently owes no less than $204,964.75 under the DNT Agreement, which amounts were accrued and earned but not paid prior to Caesars filing for bankruptcy. Accordingly, Count II is clearly an affirmative defense to the DNT Claims because it seeks to pay nothing to DNT on the DNT Claims, or any other claims. Furthermore, the facts underlying Caesars' fraudulent inducement affirmative defense focused on suitability issues have already been raised in the motion practice before the Illinois Bankruptcy Court, with discovery on those issues ongoing.

25. Count I seeks a declaratory judgment that Caesars' determination of unsuitability as the basis for terminating the DNT Agreement was proper. (Compl. ¶ 134). To the extent Count I is an additional defense to the DNT Claims, the discussion concerning Count II above is equally applicable. Even if Count I is not a defense to the DNT Proof of Claims, the facts concerning suitability, on which Count I is based, are not materially different when applied to DNT because alleged termination of the DNT Agreement flows from Caesars' original determination that Seibel was allegedly unsuitable. Accordingly, application of the first-to-file rule falls in favor of the issues being decided before the court

in which they were first raised, i.e., the Illinois Bankruptcy Court.

26. Separate from the first-to-file rule, Caesars' filing of the Complaint is in contravention of bankruptcy procedure which requires objections to claims and administrative expense requests to be filed in the bankruptcy court. *See* Fed. R. Bankr. P. 3007 and 5005(a). Thus, the relief sought in the Complaint should have been sought before the Illinois Bankruptcy Court. Moreover, the confirmed Third Plan of Reorganization requires objections to Claims, which includes the DNT Claims, the DNT Admin Claim, and the DNT Rejection Claims, to be filed by Caesars with the Illinois Bankruptcy Court.

27. The DNT Admin Claims should be considered as predating this Action. The Third Amended Plan, which requires all administrative claims to be brought in the Illinois Bankruptcy Court and for Debtor Plaintiffs to bring all challenges to claim, including DNT Admin Claims, to the Illinois Bankruptcy Court. The Third Amended Plan was ordered approved in January 2017. The fact that Debtor Plaintiff chose to file this action in August 2017, eight (8) months after the Third Amended Plan was approved by the Illinois Bankruptcy Court, but before the October 2017 Effective Date of the Third Amended Plan does not make this Action the first filed. DNT's Admin Claims were required by the January 2017 Third Amended Plan to be brought in Illinois Bankruptcy Court. Debtor Plaintiff was required under Third Amended Plan, and the Bankruptcy Code to file objections to that request in the Illinois Bankruptcy Court.

28. In addition, some of the identical issues involved in the claims brought against DNT in this Action have been actively litigated in the Illinois Bankruptcy Court for two years by other Defendants to this Action and Debtor Plaintiffs. Those contested matters also predate this Action. For instance, the issues involving Mr. Seibel's alleged "unsuitability" – the purported basis for the termination of the DNT Agreement, which is the subject of Count I here – and the defense of fraud in the inducement – Count II here – had been pending for over two years in the Illinois Bankruptcy Court in the litigation involving the Debtor Plaintiffs and the LLTQ/FERG Defendants.

29. When two actions are pending that involve the same parties and arise from the same set of facts, the Nevada Supreme Court has determined the second filed action may be dismissed. *Fitzharris v. Phillips*, 74 Nev. 371, 376-77, 333 P.2d 721, 724 (1958). It "would be contrary to fundamental judicial procedure to permit two actions to remain pending between the same parties upon the identical cause."

Id. at 376; *see also Goldfield Consol. Milling & Transp. Co. v. Old Sandstrom Annex Gold Mining Co.*, 38 Nev. 426, 435, 150 P. 313, 315 (1915); *State v. Cal. Mining Co.*, 13 Nev. 289, 294, (1878). That is the case here and it requires the dismissal of the claims asserted against DNT.

30. Even if Count I and II were not identical to the claims at issue in the Illinois Bankruptcy Court, they must be dismissed because they involve the same operative facts. *Smith v. Hutchins*, 93 Nev. 431, 432, 566 P.2d 1136, 1137 (1977) ("Policy demands that all forms of injury or damage sustained by the plaintiff as a consequence of the defendant's wrongful act be recovered in one action rather than in multiple actions.").

31. The claims asserted here against DNT should be dismissed for the additional reason that complete relief cannot be obtained in this Court. A "court may refuse to enter a declaratory judgment where to do so would not terminate the controversy giving rise to the action." *El Capitan Club v. Fireman's Fund Ins. Co.*, 89 Nev. 65, 68, 506 P.2d 426, 428 (1973) (citing Nev. Rev. Stat. 30.080). This Court may refuse to enter judgment on the Complaint, a declaratory judgment action, because "such judgment or decree, if rendered or entered, would not terminate the uncertainty or controversy giving rise to the proceeding." Nev. Rev. Stat. 30.080.

32. Counts I and II of the Action are simply a repackaging and new presentation of the claims and defenses the same parties are litigating in the Illinois Bankruptcy Court. This Court cannot decide the distinct bankruptcy issues that are governed by section 365 of the Bankruptcy Code, and the DNT Admin Request controlled by section 503 of the Bankruptcy Code, and those issues are currently before the Illinois Bankruptcy Court. Thus, the disputes between DNT and Debtor Plaintiff will not terminate through the present request for declaratory judgment in this Court.

C. The NV Complaint must be dismissed for a lack of justiciable controversy that is ripe for judicial determination.

33. The Court should dismiss the NV Complaint as to DNT because it "fail[s] to state a claim upon which relief can be granted." Nev. R. Civ. P. 12(b)(5). Here, the NV Complaint seeks declaratory relief, which "is available only if: (1) a justiciable controversy exists between persons with adverse interests, (2) the party seeking declaratory relief has a legally protectable interest in the controversy, and (3) the issue is ripe for judicial determination." *Cty. of Clark, ex rel. Univ. Med. Ctr. v. Uproach*, 114

Nev. 749, 752, 961 P.2d 754, 756 (1998) (internal citation omitted).

34. "If there is no justiciable controversy, then the precise contours of the Nevada Declaratory Judgment Act are irrelevant." *Am. Realty Inv'rs, Inc. v. Prime Income Asset Mgmt., LLC*, No. 2:13-CV-00278-APG, 2013 WL 5663069, at *7 (D. Nev. Oct. 15, 2013).

35. As detailed above, Debtor Plaintiff's claims for declaratory relief in this action mirror the claims and defenses currently at issued in the Illinois Bankruptcy Court, both against DNT, as well as other parties to the Bankruptcy proceedings. Debtor Plaintiff's claims in the instant matter are therefore both not legally protectable and unripe for declaratory relief. *See Knittle v. Progressive Cas. Ins. Co.*, 112 Nev. 8, 11, 908 P.2d 724, 726 (1996) (holding that where a prior action is pending, a Plaintiff "can assert no legally protectible interest creating a justiciable controversy ripe for declaratory relief.")

36. Regarding the element of ripeness, "the factors to be weighed in deciding whether a case is ripe for judicial review include: (1) the hardship to the parties of withholding judicial review, and (2) the suitability of the issues for review." *Herbst Gaming, Inc. v. Heller*, 122 Nev. 877, 887, 141 P.3d 1224, 1231 (2006). Debtor Plaintiff's claims in the instant action are analogous to those of the plaintiffs in *American Realty Investors, Inc. v. Prime Income Asset Management, Inc.* No. 2:13-CV-00278-APG, 2013 WL 5663069 (D. Nev. Oct. 15, 2013). The *American Realty* plaintiffs brought suit in the United States District Court for the District of Nevada to obtain a declaratory judgment on issues of contribution and indemnification related to an ongoing lawsuit in the United States District Court for the Northern District of Texas (the "Texas Fraud Lawsuit") in which the *American Realty* plaintiffs were named as defendants. *See id* at *2. The Court ruled that the *American Realty* plaintiffs failed to state causes of action for contribution and indemnification because the existence of the Texas Fraud Lawsuit rendered the harm at issue "possible but not *probable*" (emphasis in original). *Id.* at *8.

37. In dismissing the *American Realty* plaintiffs' claims, the court commented that "[t]he costs and pitfalls associated with litigating multiple suits on the same subject matter, and the attendant possibility of inconsistent verdicts, are not insubstantial or abstract" (internal quotations and citation omitted). *Id.* Further, *American Realty* found that the plaintiffs "will suffer no hardship if the contribution and indemnification claims are not resolved in the instant case" as the court saw "no difficulty raising these same issues in the Texas Fraud Lawsuit." *Id.* Additionally, the court was

particularly "concerned that facts may develop in the Texas Fraud Lawsuit that are relevant to the determinations of contribution and indemnification in this case" and "decline[d] to operate in something of a factual vacuum to determine contribution and indemnification in the instant case at this time." *Id.* This action provides an incomplete resolution of the claims between the parties because it seeks declaratory relief only. *Cf. Boca Park Marketplace Syndications Group, LLC v. Higco, Inc.*, 407 P.3d 761, 765 (2017) (finding that declaratory judgment resulting from an action that sought only declaratory relief lacks preclusive effect in a subsequent action seeking coercive relief).

38. The same ripeness issues are in play in the instant case. Debtor Plaintiff seeks to resolve identical factual issues to those pending in the Illinois Bankruptcy Court, which would force this Court to operate in the same factual vacuum to adjudicate the issues before it. Debtor Plaintiff would suffer no hardship if this Court dismissed their instant claims against DNT, as the very same issues are already being litigated in the Illinois Bankruptcy Court. Furthermore, these same issues are not suitable for review in the instant case and doing so would risk inconsistent verdicts to those in the Illinois Bankruptcy Court, the very result the *American Realty* court sought to avoid. Therefore, Debtor Plaintiff's instant claims against DNT are not ripe for judicial determination and should be dismissed on that basis.

D. Dismissal is appropriate for abusive litigation practices, including forum shopping.

39. "Courts have inherent equitable powers to dismiss actions for abusive litigation practices." *Lane v. Allstate Ins. Co.*, 114 Nev. 1176, 1181, 969 P.2d 938, 941 (1998) (internal citation omitted). "Judge shopping, generally, occurs when a litigant who obtains an unfavorable ruling seeks to have a second judge consider the same issue in hopes of having a more favorable outcome." *Albert Winemiller, Inc. v. Keilly*, No. 48140, 2009 WL 1491481, *2 (Nev. Feb. 6, 2009), citing *Moore v. City of Las Vegas*, 92 Nev. 402, 404, 551 P.2d 244, 246 (1976).

40. The Debtor Plaintiffs fought for and apparently persuaded The Illinois Bankruptcy Court that they may assert fraudulent inducement and rescission defenses in the Illinois Bankruptcy Court matters concerning LLTQ/FERG, and thus were entitled to discovery thereon. As part of that dispute, the Illinois Bankruptcy Court described the Plaintiff Debtors' rescission theory to be "thin" and "dubious" and stated that rescission "did not look like a possibility here." The Illinois Bankruptcy Court

did not dismiss such defenses conclusively as the underlying motion related to discovery.

41. It is thus appropriate to dismiss Count II where the Debtor Plaintiffs filed same to shop for a more favorable forum. This is a transparent attempt to evade a final determination from the Illinois Bankruptcy Court that previously provided unfavorable commentary on their legal theories.

E. Alternatively, the claims against DNT should be stayed pending resolution of the contested matters before the Illinois Bankruptcy Court.

42. In the alternative to dismissal, the Court should stay the claims pending against DNT until there is a final determination of the DNT Claims by the Illinois Bankruptcy Court.

43. As discussed above concerning the first-to-file rule, and consistent with Caesars' own confirmed Third Plan of Reorganization, the incomplete issues raised in the Action were first raised and must be litigated in the Illinois Bankruptcy Case.

44. The docket in the Chapter 11 Cases makes clear that as of January 2017 Debtor Plaintiff was required to bring all challenges to claims, such as the DNT Claims, to the Illinois Bankruptcy Court. Specifically, the matters at issue here, namely, the issues related to the propriety of the termination of the DNT Agreement and fraud in the inducement had to be asserted in the Illinois Bankruptcy Court and have been asserted there. Accordingly, the NV Complaint against DNT should be dismissed.

CONCLUSION

45. For the reasons set forth above, DNT submits that this Court should dismiss all claims in the NV Complaint against DNT or, in the alternative, stay such claims until the prior Contested Bankruptcy Matters are resolved by the Illinois Bankruptcy Court.

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WHEREFORE, the Defendants respectfully request that the Court dismiss all claims in the NV Complaint against DNT or, in the alternative, stay such claims until the prior Contested Bankruptcy Matters are resolved by the Illinois Bankruptcy Court and that the Court grant such further relief as it deems just and proper.

DATED February 22, 2018.

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CERTIFICATE OF MAILING

I HEREBY CERTIFY that pursuant to Nev. R. Civ. P. 5(b) and EDCR 8.05 on February 22, 2018 I caused service of the foregoing **MOTION TO DISMISS OR, IN THE ALTERNATIVE, TO STAY CLAIMS ASSERTED AGAINST DEFENDANT DNT ACQUISITION, LLC** to be made by depositing a true and correct copy of same in the United States Mail, postage fully prepaid, addressed to the following and/or via electronic mail through the Eighth Judicial District Court's E-Filing system to the following at the e-mail address provided in the e-service list:

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DISTRICT COURT

CLARK COUNTY, NEVADA

ROWEN SEIBEL, an individual and citizen of New York, derivatively on behalf of Real Party in Interest GR BURGR LLC, a Delaware limited liability company, Plaintiff, v. PHWLV, LLC, a Nevada limited liability company; GORDON RAMSAY, an individual; DOES I through X; ROE CORPORATIONS I through X, Defendants, AND ALL RELATED MATTERS	Case No.: A-17-751759-B Dept. No.: 15 Consolidated with: Case No.: A-17-760537-B **APPENDIX OF EXHBIITS IN SUPPORT OF MOTION TO DISMISS OR, IN THE ALTERNATIVE, TO STAY CLAIMS ASSERTED AGAINST DEFENDANT DNT ACQUISITION, LLC – VOLUME I** This document applies to: A-17-760537-B

Exhibit	Description	Page No. Range	Volume
A.	OHS Pre-Petition Claim	1 - 5	1
B.	DNT Pre-Petition Claim	6 - 9	1
C.	RSG Pre-Petition Claim	10 - 13	1
D.	DNT Admin Claim	14 - 29	1
E.	Caesars Objection to DNT Admin Claim	30 - 67	1
F.	Objections to DNT Admin Claim	68 - 141	1
G.	September 2, 2016, Caesars letter to Rowen Seibel	142 - 144	1
H.	September 7, 2016, DNT counsel's response to Caesars' September 2, 2016 letter	145 - 146	1
I.	September 21, 2016, Caesars letter to DNT counsel	147 - 149	1
J.	Order confirming the Third Amended Plan	150 - 312	1/2
K.	May 31, 2017 transcript	313 - 324	2
L.	Notice of Effective Date	325 - 328	2
M.	Craig Green Declaration	329 - 331	2

DATED February 22, 2018.

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CERTIFICATE OF MAILING

I HEREBY CERTIFY that pursuant to Nev. R. Civ. P. 5(b) and EDCR 8.05 on February 22, 2018 I caused service of the foregoing **APPENDIX OF EXHBIITS IN SUPPORT OF MOTION TO DISMISS OR, IN THE ALTERNATIVE, TO STAY CLAIMS ASSERTED AGAINST DEFENDANT DNT ACQUISITION, LLC – VOLUME I** to be made by depositing a true and correct copy of same in the United States Mail, postage fully prepaid, addressed to the following and/or via electronic mail through the Eighth Judicial District Court's E-Filing system to the following at the e-mail address provided in the e-service list:

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/s/ Lisa A. Heller
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Exhibit A

UNITED STATES BANKRUPTCY COURT, NORTHERN DISTRICT OF ILLINOIS	PROOF OF CLAIM
List the **name** and **case number** of the Debtor against which you assert a claim below. **Choose only one Debtor per claim form**. *Please refer to the dropdown below for a list of all Debtors in these cases.*	COURT USE ONLY
Desert Palace, Inc. (15-01167)	
Name of creditor and address where **notices** should be sent: The Original Homestead Restaurant, Inc., d/b/a the "Old Homestead Steakhouse" Attn: Mr. Greg Sherry c/o The Old Homestead Steakhouse 56 9th Avenue New York, NY 10011-4901 **Telephone number:** 212-242-9040 **Email:** steakgs1@aol.com	Name and address where **payment** should be sent (*if different from left*): **Telephone number:** **Email:**

NOTE: *Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.*

1. Amount of Claim as of Date Case Filed: $ 204,964.75 If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. ❒ Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.	❒ Check this box if this claim amends a previously filed claim. **Court Claim Number:**_____ (*If known*) Filed on:_____	❒ Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.

2. Basis for Claim: Licensing fees (See instruction #2)	**3. Last four digits of any number by which creditor identifies debtor:** ___ ___ ___ ___ 9851	**3a. Debtor may have scheduled account as:** _____ (See instruction #3a)	**3b. Uniform Claim Identifier (optional):** _____ (See instruction #3b)

4. Secured Claim (See instruction #4)
Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.
Nature of property or right of setoff: ❒ Real Estate ❒ Motor Vehicle ❒ Other **Describe:**
Value of Property: $_____
Annual Interest Rate_____% ❒ Fixed or ❒ Variable
(when case was filed)

Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:
$_____
Basis for perfection:
_____
Amount of Secured Claim: $_____
Amount Unsecured: $_____

5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.
❒ Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).
❒ Up to $2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).
❒ Wages, salaries, or commissions (up to $12,475*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).
❒ Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).
❒ Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).
❒ Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(__).
Amount entitled to priority:
$_____
**Amounts are subject to adjustment on 4/1/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.*

6. Claim Pursuant to 11 U.S.C. § 503(b)(9): Indicate the amount of your claim from the value of any goods received by the Debtor 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.
$_____ (See instruction #6)

7. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #7)

8. Documents: Attached are **redacted** copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, mortgages, or security agreements. *(See instruction #8, and the definition of "redacted".)*
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.
If the documents are not available, please explain: _____

9. Signature: (See instruction #9). Check the appropriate box.

❒ I am the creditor.	☑ I am the creditor's authorized agent.	❒ I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.)	❒ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Edward Wheeler Title: CPA
Company: A. Gross CPA, PA
Address and telephone number (if different from notice address above):
PO Box 305
Emerson, NJ 07630
Telephone number: 2012651722
Email: ewheeler@agrosscpa.com
Signature & Date: **Signature:** Edward Wheeler
Email: steakgs1@aol.com

COURT USE ONLY

Penalty for presenting fraudulent claim: Fine of up to $500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

Attach Supporting Documentation (limited to a single PDF attachment that is less than 5 megabytes in size and under 100 pages):

PLEASE REVIEW YOUR PROOF OF CLAIM AND SUPPORTING DOCUMENTS AND REDACT ACCORDINGLY PRIOR TO UPLOADING THEM. PROOFS OF CLAIM AND ATTACHMENTS ARE PUBLIC DOCUMENTS THAT WILL BE AVAILABLE FOR ANYONE TO VIEW ONLINE.

IMPORTANT NOTE REGARDING REDACTING YOUR PROOF OF CLAIM AND SUPPORTING DOCUMENTATION When you submit a proof of claim and any supporting documentation you must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. The responsibility for redacting personal data identifiers (as defined in Federal Rule of Bankruptcy Procedure 9037) rests solely with the party submitting the documentation and their counsel. Prime Clerk and the Clerk of the Court will not review any document for redaction or compliance with this Rule and you hereby release and agree to hold harmless Prime Clerk and the Clerk of the Court from the disclosure of any personal data identifiers included in your submission. In the event Prime Clerk or the Clerk of the Court discover that personal identifier data or information concerning a minor individual has been included in a pleading, Prime Clerk and the Clerk of the Court are authorized, in their sole discretion, to redact all such information from the text of the filing and make an entry indicating the correction.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:
Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:
Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:
State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:
State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:
State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:
Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:
If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:
Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).
If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Claim Pursuant to 11 U.S.C. § 503(b)(9):
Check this box if you have a claim arising from the value of any goods received by the Debtor 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

7. Credits:
An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

8. Documents:
Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

9. Date and Signature:
The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor
A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor
A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim
A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim
A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)
A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim
An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)
Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted
A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

INFORMATION

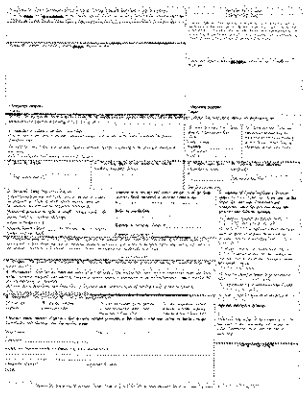
Evidence of Perfection
Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

Acknowledgment of Filing of Claim
To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access Prime Clerk's website at https://cases.primeclerk.com/ceoc to view your filed proof of claim.

Offers to Purchase a Claim
Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

PLEASE SEND COMPLETED PROOF(S) OF CLAIM TO:

Caesars Entertainment Operating Company, Inc.
Claims Processing Center
c/o Prime Clerk LLC
830 3rd Ave, 9th Floor
New York, NY 10022



Electronic Proof of Claim

Adobe Document Cloud Document History

April 30, 2015

Created:	April 30, 2015
By:	Prime Clerk (epoc@primeclerk.com)
Status:	SIGNED
Transaction ID:	XMQQRJBIM7M767Z

"Electronic Proof of Claim" History

Widget created by Prime Clerk (epoc@primeclerk.com)
April 30, 2015 - 11:57 AM EDT

Widget filled in by Edward Wheeler (steakgs1@aol.com)
April 30, 2015 - 1:15 PM EDT - IP address: 24.187.132.155

User email address provided through API
April 30, 2015 - 1:15 PM EDT - IP address: 24.187.132.155

Signed document emailed to Edward Wheeler (steakgs1@aol.com) and Prime Clerk (epoc@primeclerk.com)
April 30, 2015 - 1:15 PM EDT

Exhibit B

B10 (Official Form 10) (04/13)

UNITED STATES BANKRUPTCY COURT Northern District of Illinois		PROOF OF CLAIM
Name of Debtor: DESERT PALACE, INC.	Case Number: 15-01167	RECEIVED MAY 22 2015 PRIME CLERK LLC
NOTE: *Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.*		
Name of Creditor (the person or other entity to whom the debtor owes money or property): DNT ACQUISITION, LLC.		COURT USE ONLY
Name and address where notices should be sent: DNT Acquistion, LLC. c/o Certilman Balin Adler & Hyman, LLP. 90 Merrick Avenue, East Meadow, NY 11554 Telephone number: (516) 296-7801 email: rmccord@certilmanbalin.com		☐ Check this box if this claim amends a previously filed claim. Court Claim Number: (*If known*) Filed on:
Name and address where payment should be sent (if different from above): Telephone number: email:	☐ Date Stamped Copy Returned ☐ No Self-Addressed Stamped Envelope ☐ No Copy Provided	☐ Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.

1. Amount of Claim as of Date Case Filed: $ 204,964.75 plus interest

If all or part of the claim is secured, complete item 4.

If all or part of the claim is entitled to priority, complete item 5.

☐ Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.

150114580002135

2. Basis for Claim: Fees, Revenues and Operating Income pursuant to Article 8 of the Development, Operation and License Agreement dated June 21, 2011
(See instruction #2)

3. Last four digits of any number by which creditor identifies debtor:	3a. Debtor may have scheduled account as: (See instruction #3a)	3b. Uniform Claim Identifier (optional): (See instruction #3b)

4. Secured Claim (See instruction #4)
Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.

Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: $

Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other **Describe:**

Basis for perfection:

Value of Property: $

Amount of Secured Claim: $

Annual Interest Rate % ☐ Fixed or ☐ Variable **(when case was filed)**

Amount Unsecured: $

5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.

☐ Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).

☐ Wages, salaries, or commissions (up to $12,475*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).

☐ Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).

Amount entitled to priority: $

☐ Up to $2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).

☐ Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(__).

**Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.*

6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)

7. Documents: Attached are **redacted** copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and **redacted** copies of documents providing evidence of perfection of a security interest are attached. If the claim is secured by the debtor's principal residence, the Mortgage Proof of Claim Attachment is being filed with this claim. *(See instruction #7, and the definition of "redacted".)*

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

8. Signature: (See instruction #8)

Check the appropriate box.

☐ I am the creditor. ☑ I am the creditor's authorized agent. ☐ I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.) ☐ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Richard J. McCord, Esq.
Title: Partner
Company:
Address and telephone number (if different from notice address above):

(Signature) 5/21/15 (Date)

Telephone number: email:

Penalty for presenting fraudulent claim: Fine of up to $500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:
Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:
Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:
State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:
State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:
State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:
Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:
If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:
Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).
If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:
An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:
Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement or secured by a security interest in the debtor's principal residence. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:
The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor
A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor
A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim
A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim
A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)
A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim
An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)
Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted
A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection
Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim
To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim
Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Exhibit C

B10 (Official Form 10) (04/13)

UNITED STATES BANKRUPTCY COURT Northern District of Illinois	PROOF OF CLAIM
Name of Debtor: DESERT PALACE, INC. / Case Number: 15-01167	RECEIVED MAY 22 2015 PRIME CLERK LLC COURT USE ONLY
NOTE: *Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.*	
Name of Creditor (the person or other entity to whom the debtor owes money or property): R SQUARED GLOBAL SOLUTIONS, LLC.	
Name and address where notices should be sent: R SQUARED GLOBAL SOLITIONS, LLC. c/o Certilman Balin Adler & Hyman, LLP. 90 Merrick Avenue, East Meadow, NY 11554 Telephone number: (516) 296-7801 email: rmccord@certilmanbalin.com	❒ Check this box if this claim amends a previously filed claim. Court Claim Number:_____ (*If known*) Filed on:_____
Name and address where payment should be sent (if different from above): ☑ Date Stamped Copy Returned ☐ No Self-Addressed Stamped Envelope ☐ No Copy Provided Telephone number: email:	❒ Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.

1. Amount of Claim as of Date Case Filed: $ 91,201.62 plus interest

If all or part of the claim is secured, complete item 4.

If all or part of the claim is entitled to priority, complete item 5.

150114580002115

❒ Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.

2. Basis for Claim: Fees, Revenues and Operating Income pursuant to Article 8 of the Development, Operation and License Agreement dated June 21, 2011 (See instruction #2)

3. Last four digits of any number by which creditor identifies debtor:	**3a. Debtor may have scheduled account as:** (See instruction #3a)	**3b. Uniform Claim Identifier (optional):** (See instruction #3b)

4. Secured Claim (See instruction #4)
Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.

Nature of property or right of setoff: ❒ Real Estate ❒ Motor Vehicle ❒ Other **Describe:**

Value of Property: $_____

Annual Interest Rate_____% ❒ Fixed or ❒ Variable **(when case was filed)**

Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: $_____

Basis for perfection: _____

Amount of Secured Claim: $_____

Amount Unsecured: $_____

5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.

❒ Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).

❒ Wages, salaries, or commissions (up to $12,475*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).

❒ Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5).

Amount entitled to priority:

❒ Up to $2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).

❒ Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).

❒ Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(__).

$_____

**Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.*

6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)

7. Documents: Attached are **redacted** copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and **redacted** copies of documents providing evidence of perfection of a security interest are attached. If the claim is secured by the debtor's principal residence, the Mortgage Proof of Claim Attachment is being filed with this claim. *(See instruction #7, and the definition of "redacted".)*

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

8. Signature: (See instruction #8)

Check the appropriate box.

☐ I am the creditor. ☑ I am the creditor's authorized agent. ☐ I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.) ☐ I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Richard J. McCord, Esq.
Title: Partner
Company:
Address and telephone number (if different from notice address above):

(Signature) 5/21/15 (Date)

Telephone number: email:

Penalty for presenting fraudulent claim: Fine of up to $500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:
Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:
Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:
State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:
State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:
State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:
Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:
If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:
Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).
If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:
An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:
Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement or secured by a security interest in the debtor's principal residence. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:
The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor
A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor
A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim
A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim
A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)
A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim
An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)
Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted
A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection
Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim
To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim
Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Exhibit D

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	)	Chapter 11
	)	
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et al.,[1]	)	Case No. 15-01145 (ABG)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	**Hearing Date: December 13, 2017**
	)	**Hearing Time: 1:30 p.m.**

REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE

NOW COME R Squared Global Solutions, LLC ("RSG") and DNT Acquisition LLC, derivatively through RSG, as a member of DNT, by and through RSG's undersigned counsel, and hereby request the entry of an order for allowance and payment of their respective outstanding and ongoing administrative expense claims owed by Desert Palace, Inc. ("Caesars"), one of the debtors herein (collectively, the "Debtors"), pursuant to 11 U.S.C. §§ 503 and 507 and the Debtors confirmed plan of reorganization (the "Request for Payment"). In support of the Request for Payment, the Claimants respectfully state as follows:

I. INTRODUCTION

1. Caesars operates a successful and profitable steakhouse inside of its flagship Caesars Palace property in Las Vegas, Nevada, utilizing the "Old Homestead Steakhouse" intellectual and business practices properties, which it opened in December 2011 (the "Old Homestead Steakhouse," or the "Restaurant"). It obtained the rights to do so under an Agreement (defined below) with DNT Acquisition LLC. ("DNT," and collectively with RSG,

[1] The last four digits of Caesars Entertainment Operating Company, Inc.'s tax identification number are 1623, and the last four digits of Desert Palace, Inc.'s tax identification number are 7966. A complete list of the Debtors (as defined herein) and the last four digits of their federal tax identification numbers may be obtained at https://cases.primeclerk.com/CEOC.

the "Claimants"). Such operations continued throughout Caesars' time as a debtor in possession in these cases, and generated millions of dollars of Net Profits for Caesars and its estate. Prior to, and after, Caesars' filing for chapter 11 protection through September 2016, Caesars regularly made distributions due under that agreement to the appropriate designated parties, including RSG, but thereafter unilaterally and without just cause ceased making payments to RSG.

2. At all times from January 15, 2015 through and including October 6, 2017[2] (the "Administrative Period"), Caesars continued to operate the Old Homestead Steakhouse. Those operations include the period during which Caesars ceased payments to RSG in or about September 2016. Such cessation of payments to RSG is a post-petition breach of the agreement. Unpaid distributions and other claims due under the Agreement are to be afforded administrative priority under section 503 and 507 of the Bankruptcy Code under applicable Supreme Court and Seventh Circuit precedent. There is no dispute that the Old Homestead Steakhouse is a profitable, important, and highly valued part of Caesars' operations, and that it continued to operate that restaurant profitably through the Effective Date.

3. Notwithstanding Caesars' purported termination of the Agreement in September 2016, it has continued to profit from its operation of the Old Homestead Steakhouse without payment due to RSG. In the event that the Court finds Caesars' purported termination to be valid, that continued operation is nonetheless a post-petition breach of provisions of the agreement that expressly survive termination of the Agreement, including, but not limited to, Caesars being permitted to only operate the Old Homestead Restaurant for an additional one-hundred twenty day period after termination (with the concomitant obligation to pay DNT the

[2] On January 17, 2017, the Court entered an order [ECF Doc. No. 6334] confirming the Third Amended Plan of Reorganization, dated January 13, 2017, as modified, of the above-captioned Debtors, which includes Caesars (the "Confirmed Plan"). The Plan went effective on October 6, 2017 (the "Effective Date") [*see* Notice of Occurrence of Effective Date, ECF Doc. N. 7482], which ended the administrative claim period for the Debtors' cases. *See* Confirmed Plan, Art. I(A)(16).

amounts owed under the Agreement for such operations as if it had not been terminated), and, thereafter, being prohibited from using the Restaurant's food and beverage menus and recipes developed by DNT, the Old Homestead Marks,[3] Old Homestead System, and Old Homestead Materials – all of which Caesars continued to use. Moreover, early termination of the Agreement requires an early termination payment in certain instances.

4. Claims related to Caesars' post-petition breaches arose in connection with operation of its business and are thus entitled to administrative priority. Accordingly, the Claimants therefore request an order approving the Request for Payment, awarding an administrative priority claim for all payments due under the agreement so long as Caesars continued to operate the Restaurant post-petition, and granting Claimants such other and further relief as is just.

II. BACKGROUND

A. Caesars is Operating the Old Homestead Steakhouse Pursuant to a License Agreement with DNT

5. On or about June 21, 2011, Caesars entered into that certain Development, Operation and License Agreement (the "Agreement") with DNT and The Original Homestead Restaurant, Inc. ("OHS"). A true and correct copy of the Agreement is annexed hereto as **Exhibit A**. DNT is owned by RSG and OHS, with RSG holding and owning a membership interest in DNT representing 50% of the voting authority of DNT, and OHS holding and owning the remaining membership interest in DNT representing the other 50% of the voting authority in DNT.

6. Representatives of Caesars, DNT and OHS engaged in discussions and exchanged numerous correspondences to negotiate at arms' length the terms of the design, development and

[3] Terms not defined herein shall have the same meaning as assigned to them in the Agreement.

operation of, and the sharing of revenue and profits from, the Old Homestead Steakhouse to be located at Caesars' flagship property, Caesars Palace, in Las Vegas, Nevada.

7. Under the Agreement, among other things, Caesars opened and operated the Old Homestead Steakhouse as a first-class restaurant and retail premises located within Caesars Palace at 3570 S Las Vegas Boulevard, Las Vegas, Nevada through a sub-license from DNT.[4]

8. The Agreement provides that, among other things:

a. DNT shall develop the initial food and beverage menus of the Restaurant . . . and the recipes for same, and thereafter DNT shall revise the food and beverage menus of the Restaurant . . . and the recipes for same [], all of which recipes shall be owned by OHS (*see* Agr. § 3.4);[5]

b. Caesars has a right of first refusal to DNT's and/or OHS's use of the Old Homestead Marks, the Old Homestead System or the Old Homestead Materials in other ventures (*see* Agr.§ 2.4); and

c. Caesars has the exclusive right within Clark County, Nevada to the use of the the Old Homestead Marks, the Old Homestead System or the Old Homestead Materials (*see* Agr. § 2.3).

9. In exchange, Caesars is obligated to provide DNT with, among other things:

a. a license fee of 4% of Gross Restaurant Sales for each year of the term of the Agreement, calculated on yearly Gross Restaurant Sales up to $7,735,755.00; and 8% of Gross Restaurant Sales in any given year during

[4] DNT directly licenses the Old Homestead Marks, Old Homestead Materials and Old Homestead Systems from OHS or its affiliate under a separate agreement to which Caesars is not a party. *See* Agr. § 6.3

[5] Notwithstanding OHS's ownership of recipes, Caesars' right to use them arises under the Agreement with DNT. *See* Agr. § 6.1 & 6.3. Upon a termination of the Agreement, Caesars' right to use reverts to the DNT Parties (*see* Agr. § 4.3.3(a) & (b)), and Caesars is prohibited from using them at the location of the Restaurant premises (*see* Agr. § 4.3.2(e)).

the term of the Agreement for Gross Restaurant Sales in excess of $7,735,755.00 each year (*see* Agr. § 8.1.1); and

b. 20% of Net Profits remaining after certain permitted retentions by Caesars from Net Profits (*see* Agr. § 8.1.5).

10. The Agreement is for a term of ten (10) years, commencing upon the opening of the Restaurant, with Caesars having an option to extend the term for an additional five (5) years. § 4.1. The Restaurant opened on December 22, 2011, such that the term of the Agreement currently expires on December 22, 2021.

11. Mr. Rowen Seibel, an individual residing in New York City, New York, was initially a manager of DNT, and direct or indirect 100% owner of RSG. Effective as of April 13, 2016, all of the membership interests in RSG that were previously owned, directly or indirectly, by Mr. Seibel were transferred to The Seibel Family 2016 Trust (the "Trust").

12. Accordingly, by letter dated April 8, 2016, DNT advised Caesars that effective as of April 13, 2016, all obligations and duties of Mr. Seibel that were specifically designated to be performed by Mr. Seibel under the Agreement were assigned and delegated to J. Jeffrey Frederick, a former Regional Vice-President of Food and Beverage for the Debtors. A true and correct copy of the April 8 letter is attached hereto as **Exhibit B**.

13. Thereafter, after being informed of the foregoing, Caesars continued to operate the Restaurant, and from between April and September, 2016, remitted payments due DNT under the Agreement to RSG, which is Mr. Seibel's designee under section 8.2 of the Agreement, and, upon information and belief, to OHS. See § 8.2. Moreover, prior to and during that period, Caesars and DNT engaged in significant and extensive discussions concerning amendments to the Agreement that would result in Caesars seeking to assume the Agreement, as modified.

14. Five days after Mr. Seibel had divested himself of any interests relating to RSG, on April 18, 2016, the United States Attorney's Office filed an information as to Mr. Seibel in case no. 16-CR-00279, in the U.S. District Court South District of New York (the "Seibel Case").

15. Also on April 18, 2016, Mr. Seibel entered a guilty plea for violation of Title 26, United States Code, Section 7212(a) (the "Seibel Plea").

16. On August 19, 2016, Mr. Seibel was sentenced, and a judgment was entered against him in the Seibel Case.

B. Caesars' Declaration of Mr. Seibel being an "Unsuitable Person"

17. In a letter dated September 2, 2016, Caesars, through their counsel, advised that it believed Mr. Seibel to be an "Unsuitable Person" under section 11.2 the Agreement and advised that it would "be required to terminate the Agreement pursuant to Section 4.2.3 of the Agreement" if the DNT Parties did not terminate their relationship with Mr. Seibel within ten (10) business days of such letter (the "Termination Warning Letter"). A true and correct copy of the September 2, 2016 letter is attached hereto as **Exhibit C**.

18. Section 11.2 of the Agreement provides in relevant part that

> [i]f Caesars shall determine, in Caesars' sole and exclusive judgment, that any DNT Associate is an Unsuitable Person, whether as a result of DNT Change of Control or otherwise, then, immediately following notice by Caesars to DNT, (a) the DNT Parties shall terminate any relationship with the Person who is the source of such issue, (b) the DNT Parteis 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, have the right to terminate this Agreement and its relationship with the DNT Parties.

Agreement § 11.2.

19. Section 4.2.3 of the Agreement provides that "[t]his Agreement may be terminated by Caesars upon written notice to the DNT Parties having immediate effect as contemplated by Section 11.2." Agreement, § 4.2.3. Notwithstanding a termination under § 4.2.3 having immediate effect, Caesars did not invoke such an immediate termination.

20. By letter dated September 21, 2016, Caesars, through their counsel, advised that it was terminating the Agreement under section 4.2.3 effective immediately because it alleged that it "had not received any evidence that DNT and OHS have disassociated with Rowen Seibel," and that it had deemed Mr. Seibel to be an "Unsuitable Person" (the "Putative Termination"). A true and correct copy of the September 21, 2016 letter is annexed hereto as **Exhibit D**. The sole basis asserted by Caesars for the Putative Termination of the Agreement is DNT and OHS's alleged failure to disassociate with Mr. Seibel (whom Caesars alleged to have found to be an Unsuitable Person under the Agreement), and provide evidence thereof. Caesars did not raise any other basis for the Putative Termination, and relied on no other provision of the Agreement except for § 4.2.3 under which it asserted that the Agreement was terminated.

21. Notwithstanding the purported termination, the Restaurant is still open in Caesars and Caesars is still operating the Restaurant using the Restaurant's same basic food and beverage menus and recipes developed by DNT, as well as the Old Homestead Marks, the Old Homestead Materials and the Old Homestead System.[6] The menu currently offered by the Restaurant still includes some of the signature dishes sub-licensed under the Agreement as part of the Old Homestead System and the Old Homestead Materials. *Compare* Exhibit D to the Agreement with the currently accessible Old Homestead Steakhouse menus, true and correct copies of which

[6] *See* https://www.caesars.com/caesars-palace/restaurants/old-homestead#.WgtTOWhSyUk (last accessed on November 16, 2017). Moreover, one can still link to Caesars' dedicated webpage for Old Homestead Steakhouse through, among other websites, upon information and belief, one owned and controlled by OHS. *See* http://www.theoldhomesteadsteakhouse.com/ (last accessed on November 16, 2017).

is annexed hereto as **Exhibit E.**[7] Moreover, upon information and belief, the Restaurant continues to be profitable.

22. In the event of a termination of the Agreement, § 4.3.2 of the Agreement states in relevant part that

> (a) Caesars shall cease operation of the Restaurant and its use of the Old Homestead Marks, the Old Homestead Materials and the Old Homestead System; provided, however, in the event of an early termination of this Agreement, Caesars shall be entitled to operate the Restaurant and use the License for a period of up to one hundred twenty (120) days after such termination to orderly and properly wind-up operations of the Restaurant provided that during such period Caesars shall continue to be obligated to pay DNT all amounts due DNT hereunder that accrue during such period in accordance with the terms of this Agreement as if this Agreement had not been terminated . . . .
>
> * * *
>
> (e) Caesars shall have the right, but not the obligation, immediately or at any time after such expiration or termination, to operate a restaurant in the Restaurant Premises; provided, however, such restaurant shall not employ the Restaurant's food and beverage menus or recipes developed by DNT pursuant to Section 3.4 or use any of the Old Homestead Marks, Old Homestead Materials or Old Homestead System.

Agr. § 4.3.2.

23. Section 4.3.3 of the Agreement provides in relevant part that "[i]n the case of termination by Caesars pursuant to Section 4.2.1, Caesars shall pay to DNT the Early

[7] The dinner menu can also be found at https://www.caesars.com/content/dam/clv/Dining/Upscale/Old%20Homestead/menus/caesars-palace-las-vegas-dining-old-homestead-dinner-winter2016.pdf (last accessed on November 16, 2017); and the dessert menu can also be found at https://www.caesars.com/content/dam/clv/Dining/Upscale/Old%20Homestead/menus/caesars-palace-las-vegas-dining-old-homestead-dessert-winter2016.pdf (last accessed on November 16, 2017).

Termination Payment within five (5) days after the effective date of such termination." Agr. § 4.3.3(c).[8]

III. RELIEF REQUESTED

24. The Claimants seek the Court's allowance, and Caesars' payment, of all post-petition distributions and all other claims that have accrued post-petition (and prior to the Effective Date) under the Agreements as an administrative expense. Such claims include, without limitation, damages for failure to pay amounts owed prior to any rejection[9] of the Agreement, as well as, to the extent the Court finds that the Agreement was, in fact, terminated under § 4.2.3, damages for the breaches of the effects of termination provisions, which survive any termination of the Agreement. If the Agreement was not terminated, then all amounts owed under the Agreement are due and payable. Furthermore, in the event the Court determines that the Agreement was improperly terminated under § 4.2.3 of the Agreement, but such act of termination should be considered "for convenience" under § 4.2.1, then the Claimants seek damages in the form of the Early Termination Fee, as well as damages for breaches of the termination provisions which survive such termination in any event, with Caesars still not permitted to operate the Restaurant under § 4.3.

25. Section 503 of the Bankruptcy Code provides that, after notice and a hearing, "there shall be allowed administrative expenses . . . including . . . the actual, necessary costs and expenses of preserving the estate . . ." 11 U.S.C. § 503(b)(1)(A). A particular expense is entitled

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[8] Section 4.2.1 of the Agreement provides that [a]t any time following the second anniversary of the Opening Date, this Agreement may be terminated by Caesars by written notice to the DNT Parties specifying the date of termination." Agr. § 4.2.1.

[9] The Debtors included the Agreement on its schedule of executory contracts to be rejected under the Plan, which rejection only became effective on the Effective Date. Because rejection occurred on the same day as the last day of the Administrative Period, i.e., the Effective Date, this Request for Payment covers the entire Administrative Period. RSG and DNT, derivatively through RSG as member of DNT, have separately filed proofs of claim for rejection damages.

to administrative priority under section 503 if it both "(1) arises from a transaction with the debtor-in-possession and (2) is beneficial to the debtor-in-possession in the operation of the business." *In re Jartran, Inc.*, 732 F.2d 584, 587 (7th Cir. 1984) (internal citation and alteration omitted); *see also In re Nat. Steel Corp.*, 316 B.R. 287, 299-300 (Bankr. N.D. Ill. 2004).

26. Caesars, who throughout the Chapter 11 Cases derived substantial net profits under the Agreement by operating the Old Homestead Steakhouse, has (a) paid all distributions due under the Agreements after the Petition Date through September 20, 2016 (subject to any accounting and payment rights of the DNT Parties and RSG); (b) admitted that the Restaurant operations under the Agreement is beneficial to the estate; and (c) admitted that the Restaurant is an important and highly valued component of Caesars' operations.

27. The Supreme Court and Seventh Circuit have made clear that claims arising from a debtor's continued operation of a business, even tort claims, "should be treated as administrative claims." *In re Res. Tech. Corp.*, 662 F.3d 472, 476 (7th Cir. 2011) (citing *Reading v. Brown*, 391 U.S. 471, 88 S.Ct. 1759, 20 L.Ed.2d 751 (1968)). Caesars' continued post-petition operation of the Old Homestead Steakhouse represents breaches of the Agreements as part of the Caesars' business operations.

28. Caesars is responsible for its post-petition breaches of the Agreement because it has continued to operate the Old Homestead Steakhouse, for the benefit of its estate.

> When the estate continues to operate the business, it assumes all the duties that flow from such operation. The estate must pay the victims of any breach of such duties as administrate expenses. To hold otherwise would allow the estate to take extremely risky actions to benefit the creditors without having to worry about the consequences. The amount of benefit to the estate in such a case is measured by the damages incurred by the wronged party. Thus, damages caused by post-petition torts incurred during the operation of the estate's business are given administrative priority.

In re RadLAX Gateway Hotel, LLC, 447 B.R. 570, 577 (Bankr. N.D. Ill. 2011).

29. Notwithstanding Caesars' assertion of not having received any evidence of DNT and OHS disassociating from Mr. Seibel as the basis for terminating the Agreement under § 4.2.3, counsel to RSG provided substantial evidence of such disassociation. First, the April 8 Letter clearly provides that Mr. Seibel became disassociated from DNT in April 2016. Furthermore, by correspondence from counsel to RSG and the Trust, dated August 30, 2016, Caesars was advised that Mr. Seibel had transferred his interests in RSG to the Trust, in a similar manner in which he transferred ownership in other entities with which Caesars had agreements, with Caesars knowing of those other transfers in April 2016. A true and correct copy of the August 30, 2016 letter is annexed hereto as **Exhibit F**. Moreover, in a series of correspondence exchanged between September 7, 2016, and September 20, 2016, further evidence of a complete divestiture and disassociation from DNT by Mr. Seibel was presented to Caesars, including a copy of the relevant pages from Trust document to Caesars' counsel, together with various questions and explanations concerning the threatened termination in the Termination Warning Letter. True and correct copies of the September 7, 2016 letter from counsel to RSG and the Trust to counsel to Caesars, the September 12, 2016 letter from counsel to Caesars to counsel to RSG and the Trust, the September 16, 2016 correspondence from counsel to RSG and the Trust to counsel to Caesars, and a September 20, 2016 e-mail from counsel to RSG and the Trust to counsel to Caesars are annexed hereto as **Exhibit G, Exhibit H, Exhibit I and Exhibit J**, respectively.

30. The Debtors were also informed prior to the Putative Termination that Mr. Seibel had no relationship with the Trust, but if the assignees could be found to jeopardize the Debtors' gaming licenses, RSG (or its successors and assigns) would work with the Debtors to agree upon different assignees that would not jeopardize any gaming licenses. *See, e.g.*, Exhibit I. The

Debtors were also informed that the Trust expressly provides protections to avoid any possible issues concerning "unsuitable" persons. Based on the foregoing, the Claimants submit that the Agreement was not terminated consistent with the applicable provisions of the Agreement, and Caesars is, therefore, in breach thereof for discontinuing its distributions to RSG through the balance of the Administrative Period. Assuming *arguendo* that the Agreement was terminated in September 2016, the effects of termination provisions in § 4.3 survive such termination, and, thus, were at all times breached by Caesars through its continued operations of the Restaurant and use of prohibited marks, menus, recipes, and related property.

31. The fact that Caesars continues to operate the Old Homestead Steakhouse, including, upon information and belief, seeking to expand its footprint, reflects a clear indication that Caesars and its estate were benefitted prior to the Effective Date, with Casers continuing to benefit to the present.

32. The proper measure of the amount for which an administrative claim should be allowed is the amounts set forth in the license agreement under which the debtor in possession operated. *See, e.g.*, *In re Shreyas Hospitality, LLC*, No. 09-70523, 2010 WL 2836751, *7 (Bankr. C.D. Ill. July 15, 2010) (granting administrative expense claim to "be allowed in the amount contractually due for the time period during which the Debtor operated as a "Super 8" motel while in Chapter 11."); *In re Cont'l Energy Assocs. Ltd. P'ship.*, *178* B.R. 405, 408 (Bankr. M.D. Pa. 1995; *see also In re Nat'l Steel Corp.*, 316 B.R. 287, 305 (Bankr. N.D. Ill. 2004). *Cf. NLRB v. Bildisco & Bidisco*, 465 U.S. 513, 531, 104 S.Ct. 1188, 1199, 79 L.ed.2d 482 (1984) (citations omitted) ("If the debtor-in-possession elects to continue to receive benefits from the other party to an executory contract pending a decision to reject or assume the contract, the debtor-in-possession is obligated to pay for the reasonable value of the services . . . . which,

depending on the circumstances of a particular contract, may be what is specified in the contract.").

33. Throughout the Administrative Period until September 2016, Caesars continued to pay to RSG the full amounts owed to DNT under the Agreement to which RSG was entitled to receive under § 8.2. Upon information and belief, OHS also received its payments under the Agreement, and continues to receive payments. The only difference between the pre-September 2016 period and the post-September 2016 period is that RSG is not receiving any payments at all from Caesars notwithstanding Caesars reaping substantial Net Profits from continued operations. Thus, requiring payment of the full contract rate is appropriate in order to ensure that all parties are receiving the full benefit of their respective bargains. *See, e.g.*, *See In re Beverage Canners Int'l Corp.*, 255 B.R. 89, 93-94 (Bankr. S.D. Fla. 2000) ("Presumptively, the value of consideration received under an executory contract is the amount set forth in the contract . . . . The basis for such presumption is that the parties are in the best position to negotiate the terms and value of the consideration. It logically follows that if a debtor makes full use of the services provided under the contract, the benefit to the debtor is the entire bargained for value pursuant to such agreement."); *cf. In re Home Interiors & Gifts, Inc.*, 08-31961-11-BJH, 2008 WL 4772102, at *8 (Bankr. N.D. Tex. Oct. 9, 2008) (granting non-debtor contract counterparty the full amount of its claim sought as an administrative expense notwithstanding a substantial amount arose from the debtor's continued use of licensed materials post-rejection).

34. Anything less than the contract rate due under the Agreement would deprive the Claimants of the benefit of their bargain, while permitting Caesars to receive the full benefit of its bargain. *Beverage Canners*, 255 B.R. at 94 ("[D]ecisions awarding an administrative expense of less than the full contract amount typically involve less than full use of the contract rights.").

"[D]uring the period prior to assumption or rejection of an executory contract or unexpired lease, the estate must pay the reasonable value of any contractual benefits the estate receives during that period, as an administrative expense." *In re Res Tech. Corp.*, 254 B.R. 215, 221 (Bankr. N.D. Ill. 2000). It is undeniable that Caesars utilized its rights under the Agreement to the fullest extent, and received substantial Net Profits as a direct result. As a result, Caesars should be required to pay the full amount owed to DNT under the Agreement, including the amounts that should have been paid to RSG.

35. RSG files this Request for Payment on its own behalf as the acknowledged designee for certain of the payments to DNT under § 8.2 of the Agreement. RSG believes that OHS has been separately paid some or all of its portion of the amounts owed to DNT under the Agreement throughout the entire Administrative Period, but also files this Request for Payment on behalf of DNT on a derivative basis as a member of DNT in order to recover any and all amounts not otherwise already paid out, whether such amounts should have been paid directly to RSG or OHS under the Agreement.

IV. CONCLUSION

36. As a result of voluntarily continuing to operate the Old Homestead Steakhouse, and using the DNT's licensed intellectual properties, materials and business systems, including, but not limited to, the menus and recipes developed by DNT, post-petition under the terms of the Agreement, Caesars engaged in an ongoing post-petition transaction under the Agreement that benefited its estate through the collection of substantial Net Profits. Accordingly, it is clear that the payments due to the Claimants under the DNT Agreement for, among other things, Caesars' use of the Restaurant's food and beverage menus and recipes, the Old Homestead Marks, Old

Homestead System and Old Homestead Materials though and including the Effective Date, is an administrative claim in Caesars' Chapter 11 case.

WHEREFORE, R Squared Global Solutions, LLC and DNT Acquisition LLC, derivatively through R Squared Global Solutions, LLC, as a member of DNT Acquisition LLC, respectfully request that the Court enter an order approving the Request for Payment, awarding an administrative expense claim for all distributions due under the Agreement, requiring payment thereof, and granting such further relief as is appropriate under the circumstances.

Dated: November 20, 2017

Respectfully submitted,

R Squared Global Solutions, LLC and DNT Acquisition LLC, derivatively through R Squared Global Solutions, LLC, as a member of DNT Acquisition LLC

By: /s/Richard J. McCord
One of Their Attorneys

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Exhibit E

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	)	Chapter 11
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et al.,[1]	)	Case No. 15-01145 (ABG)
Reorganized Debtors.	)	(Jointly Administered)
	)	**Re: Docket No. 7607**

REORGANIZED DEBTORS' PRELIMINARY OBJECTION TO REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE

The above-captioned reorganized debtors (collectively, before the effective date of their plan of reorganization, the "Debtors," and after the effective date of their plan of reorganization, the "Reorganized Debtors") file this preliminary objection to the *Request for Payment of Administrative Expense* [Dkt. No. 7607] (the "Motion") filed by R Squared Global Solutions, LLC ("RSG") and DNT Acquisition LLC ("DNT"), derivatively through RSG, as a member of DNT (collectively, the "Seibel Entities"). As set forth herein, the Court should deny the Motion because the Seibel Entities are not entitled to an administrative expense claim.

1. The threshold question presented by the Motion is whether the Debtors' termination of the contract with the Seibel Entities (the "DNT Agreement") was proper and, if so, under which provision. *See* Mot. ¶ 24. Caesars terminated all agreements with entities affiliated with Mr. Rowen Seibel in September 2016 because Caesars determined Mr. Seibel was an "Unsuitable Person" under such agreements after learning that Mr. Seibel had pled guilty to a Class E Felony for impeding the administration of the Internal Revenue Code, 26 U.S.C. § 7212. The Debtors

[1] A complete list of the Reorganized Debtors and the last four digits of their federal tax identification numbers may be obtained at https://cases.primeclerk.com/CEOC.

terminated the DNT Agreement under sections 4.2.3 and 11.2 on September 21, 2016. Sections 4.2.3 and 11.2 do not require the Debtors to continue making payments to the Seibel Entities or pay an early termination fee. The Debtors also entered into a contract, dated as of September 21, 2016 (the "New Agreement"), with the Original Homestead Restaurant, Inc. ("OHR"), which the DNT Agreement makes clear is the owner of the intellectual property at issue—e.g., the "Old Homestead System," the "Old Homestead Marks," and the "Old Homestead Materials" (each as defined in the DNT Agreement, and collectively, the "OH IP")—and the recipes at the Old Homestead Steakhouse. *See* Mot. at Ex. A, Term. Agmt. Recitals, § 3.4.1. A copy of the New Agreement is attached hereto as **Exhibit A**. OHR was also party to the DNT Agreement.

2. In the Motion, the Seibel Entities contend that they are entitled to administrative expense claims on several different grounds. But the Seibel Entities are entitled to an administrative expense claim only if they can demonstrate that the claim (a) "arise[s] from a transaction with the debtor-in-possession" and (b) was "beneficial to the debtor-in-possession in the operation of the business." *Matter of Jartran, Inc.*, 732 F.2d 584, 587 (7th Cir. 1984). The Seibel Entities cannot do so for the following reasons, and thus their Motion must be denied.

3. *First*, the Seibel Entities assert that the Debtors never terminated the DNT Agreement and therefore the Seibel Entities are entitled to administrative expense priority for payments related to the continued operation of the restaurant. To the contrary, after Caesars discovered Mr. Seibel's guilty plea, it requested that DNT terminate its relationship with Mr. Seibel. *See* Mot. at Ex. C. DNT nevertheless failed to cease the "activity or relationship creating the issue to *Caesars' satisfaction*" as required by the DNT Agreement, and, following the expiration of the notice period, Caesars, in its sole judgment, terminated the DNT Agreement on

September 21, 2016. *See* Mot. at Ex. A, Term. Agmt. § 11.2 (emphasis added). As a result, the Seibel Entities are not entitled to any further payments related to the continued operation of the restaurant.

4. *Second*, the Seibel Entities assert that even if Caesars properly terminated the DNT Agreement, the Reorganized Debtors owe administrative expense payments to the Seibel Entities for the period from approximately September 21, 2016, through October 6, 2017, because the Debtors continued to operate of the restaurant during that time. This argument rests on the faulty premise that the Debtors operated the restaurant under the DNT Agreement during that time. Not so. The Debtors operated the restaurant pursuant to the New Agreement with OHR, which is the entity that owned the OH IP and recipes. Thus, the Debtors do not owe the Seibel Entities any payment—let alone an administrative expense—for the operation of the restaurant following termination.

5. *Third*, the Seibel Entities assert that even if Caesars properly terminated the DNT Agreement, the Debtors continued to use the OH IP beyond the 120-day wind-down period, which, in turn, was a violation of certain provisions in the agreement that survived termination. OHR, however, continued to own the OH IP and the recipes beyond termination and therefore retained the right to license the property. *See* Mot. at Ex. A, Term. Agmt. § 3.4.1. Moreover, the Seibel Entities' own licenses to use the OH IP and related rights terminated automatically upon termination of the DNT Agreement. The Debtors have paid OHR for the continued use of the OH IP pursuant to the New Agreement and do not owe the Seibel Entities anything related to that use because the Seibel Entities have no interest in the OH IP.

6. *Fourth*, the Seibel Entities assert that any termination of the DNT Agreement (if it occurred) occurred "for convenience," which entitles the Seibel Entities to administrative expense

priority for an early termination fee. But even if Caesars terminated the DNT Agreement pursuant to the "for convenience" provision (it was not), any early termination fee cannot be an administrative expense because it did not arise from a promise made by the Debtors as debtor in possession. Instead, any obligation relating to the early termination fee predates the Debtors' bankruptcy cases by almost 4 years. *See In re WorldCom, Inc.*, 308 B.R. 157, 165 (Bankr. S.D.N.Y. 2004) (holding that the claim must "arise[s] out of a transaction between the creditor and the bankrupt's trustee or the debtor-in-possession"); *Jartran*, 732 F.2d at 587–88 (holding that a contract that was entered into prepetition was not an inducement by the debtor in possession and therefore claims arising under that contract that were not requested postpetition were not administrative expenses). In addition, the estates did not receive a benefit from DNT due to the termination.

7. *Finally*, the Seibel Entities have not performed any actions or provided any benefit to the estate that would entitle them to an administrative expense. Indeed, the Seibel Entities' involvement in the Old Homestead Restaurant at Caesars Palace has been limited to negotiation of the DNT Agreement and the contribution of certain upfront costs. Since that point in time, the Debtors and OHR have sustained and operated the restaurant. In fact, the Old Homestead Steakhouse at Caesars Palace operates under the same name, in the same manner, and with the same OH IP, menu, and website as OHR's other two restaurants. OHR is the owner of each of those critical components for the operation of the Old Homestead Steakhouse, not the Seibel Entities. Thus, the Seibel Entities provided no postpetition benefits to the Debtors' operation of the Old Homestead Steakhouse.

8. Accordingly, the Court should deny the Motion.

Dated: December 6, 2017
Chicago, Illinois

/s/ Jeffrey J. Zeiger, P.C.

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Exhibit A

New Agreement

RESTAURANT LICENSE AGREEMENT

This RESTAURANT LICENSE AGREEMENT (this "Agreement") is made as of September 21, 2016 (the "Effective Date"), by and between The Original Homestead Restaurant, Inc., d/b/a the "Old Homestead Steakhouse," a New York corporation, having its principal place of business located at 56 9th Avenue, New York, New York 10011-4901("Licensor"), and Desert Palace, Inc., d/b/a Caesars Palace, a Nevada corporation, having its principal place of business located at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109 ("Licensee"). Each of Licensor and Licensee are hereinafter referred to as a "Party," and together, as the "Parties." Capitalized terms in this Agreement shall have the definitions set forth in Exhibit A attached hereto and incorporated herein by this reference.

RECITALS

A. Licensee operates Caesars Palace, a first class casino resort located at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109 (the "Casino"), within which Licensee leases and operates various venues consisting of, among other things, first class dining and retail establishments, gaming areas, hotel areas and entertainment venues.

B. Licensor has the exclusive right to use and exploit the Licensor Marks and Licensor Materials. .

C. Licensee desires to operate a restaurant using the "Old Homestead Steakhouse" name and other intellectual property (the "Restaurant") only in that certain area of the Casino as more particularly shown on Exhibit B attached hereto (the "Restaurant Premises"),

D. Licensee desires to obtain a license to use the Licensor Marks and Licensor Materials from Licensor, and Licensor desires to grant a license to use the Licensor Marks and Licensor Materials to Licensee, pursuant to the terms and conditions of this Agreement. In addition, Licensee desires to retain Licensor to perform those services and fulfill those obligations set forth in this Agreement, and Licensor desires to perform such services and fulfill such obligations, pursuant to the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals and the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. GRANT OF LICENSE.

1.1 Right to License. Each of Licensor, Greg Sherry and Marc Sherry represent and warrant to Licensee that Licensor is, and at all times during the Term will be, the exclusive owner of the Licensor Marks and Licensor Materials, and possess, and at all times during the Term will possess, the entire right to license the Licensor Marks and Licensor Materials to Licensee pursuant to this Agreement, free and clear of any restrictions. Licensor shall, at its own cost and expense, maintain in full force and effect the Licensor Marks and Licensor Materials that are registered.

1.2 Intellectual Property License. Licensor hereby grants to Licensee and its Affiliates a fully paid-up, royalty-free license during the Term (the "License") to use and employ the Licensor Marks and Licensor Materials on and in connection with the operation of the Restaurant in the Restaurant Premises, and the marketing and promotion thereof. The License shall be exclusive to Licensee and its Affiliates within the Restricted Area.

1.3 Ownership.

(a) By Licensee. Licensor acknowledges and agrees that Licensee shall own: (i) any works, trade names, trademarks, domain names, designs, trade dress, service names, service marks and registrations thereof, and applications for registration thereof, and all works of authorship, programs, patents, techniques, processes, formulas, ideas, developmental or experimental work, work-in-process, methods or trade secrets and all other materials, work product, intangible assets or other intellectual property rights created or developed by Licensee for use in association with the Restaurant or otherwise pursuant to this Agreement, except to the extent they are

legally recognized derivative works or improvements of the Licensor Marks or Licensor Materials; and (ii) any other works, designs, trademarks, trade names, domain names, services marks and registrations thereof, programs, patents, techniques, processes, formulas, ideas, developmental or experimental work, work-in-process, plans and specifications and any other materials or work product that were created by Licensee independent of this Agreement or the Restaurant (clauses (i) and (ii), collectively, the "Licensee Marks and Materials"). Licensor acknowledges and agrees that Licensor shall not have or obtain any right, title or interest in or to any of the Licensee Marks and Materials. Notwithstanding the foregoing and except as expressly provided in this Agreement, Licensee shall not acquire any rights, directly or indirectly, in any Licensor Marks or Licensor Materials, whether included or embedded in any of the Licensee Marks and Materials or otherwise, and including, but not limited to, the marks "Gotham" and "Filet-in-Bone."

(b) Licensor Marks and Licensor Materials Exclusive Property of Licensor. Subject to the rights granted by this Agreement, Licensee recognizes and acknowledges the exclusive rights of Licensor to the Licensor Marks, Licensor Materials, and all other intellectual property rights related thereto or derived therefrom (the marks "Gotham" and "Filet-in-Bone), and acknowledges that all such rights are subject to the total control in their exercise by Licensor and its Affiliates. For all purposes of the relationship between Licensor and Licensee created hereunder, Licensor shall be deemed to be the sole and exclusive owner of all right, title, and interest in and to the Licensor Marks and Licensor Materials in all forms and embodiments thereof, subject only to the specific rights granted to Licensee hereunder. Licensee agrees that its use of the Licensor Marks and Licensor Materials, and all associated goodwill generated thereby, shall inure to the sole benefit of Licensor in accordance with their rights in the Licensor Marks and Licensor Materials, and shall be deemed to be used by Licensor. Licensee specifically acknowledges that the rights granted to it pursuant to this Agreement shall not prevent or prohibit Licensor or any licensee thereof to commercialize or otherwise utilize (and retain all profits from) the Licensor Marks and Licensor Materials, or any other intellectual property right of Licensor in any endeavor, except as otherwise provided in Section 2.3 of this Agreement. Except as specifically provided in this Agreement, Licensor makes no representation and gives no warranty of whatsoever nature or kind with respect to the validity of, or its rights, title, and interest in or to, the Licensor Marks and Licensor Materials, and expressly disclaims any implied warranty against infringement.

(c) Licensee Has No Right of Ownership in Licensor Marks and Licensor Materials. Except as provided herein, nothing contained in this Agreement shall be construed to confer upon Licensee any right to the Licensor Marks and Licensor Materials registered in the name of Licensee as proprietor of the Restaurant, or to vest in Licensee any right of ownership to the Licensor Marks and Licensor Materials, and Licensee shall not, directly or indirectly, register, cause to be registered, or use any trademark, trade name, service mark, or other intellectual property right consisting of, confusingly similar to, and/or deceptively similar to, any of the Licensor Marks and Licensor Materials.

(d) Licensee Will Not Challenge Licensor's Ownership of the Licensor Marks and Licensor Materials. During the Term and thereafter, Licensee will not, and will not assist any Person to: (i) challenge the validity of Licensor's ownership of, or right to license, the Licensor Marks and Licensor Materials, or any registration or application for registration therefor; (ii) contest the fact that Licensee's rights under this Agreement are solely those of a licensee and terminate upon termination or expiration of this Agreement; or (iii) represent in any manner that it has any title or right to the ownership, registration or use of the Licensor Marks and Licensor Materials in any manner, except as set forth in this Agreement.

(e) Licensee to Cooperate Where Requested. In the event that at any time during the Term of this Agreement, Licensor or any Affiliate of Licensor applies or decides to apply for registration of a trademark, trade name, service mark or other intellectual property right that is or may become a part of the Licensor Marks and Licensor Materials, Licensee will, at Licensor's cost to the extent of any out-of-pocket costs of Licensee, render to them all requested reasonable assistance in obtaining and thereafter maintaining registration thereof (including, without limitation, the execution of all necessary registered user or similar agreements) with applicable Governmental Authorities.

(f) Licensee's Covenants. Licensee shall use the Licensor Marks and Licensor Materials only in compliance with applicable Laws as permitted by this Agreement. Licensee shall not have any right to assign, sublicense, or franchise any of the Licensor Marks and Licensor Materials to any other Persons; provided, however, that Licensee's Affiliates may utilize the Licensor Marks and Licensor Materials to perform any obligations of the Licensee under this Agreement where the Licensee has delegated those obligations to that

Affiliate. Licensor and its Affiliates shall retain the sole right to apply for the registration or renewal of trademarks and service marks or other proprietary rights for the Licensor Marks and Licensor Materials anywhere in the world.

(g) Restaurant Name. Licensee will operate the Restaurant only under the Licensor Marks and Licensor Materials and under the name "Old Homestead Steakhouse," or a similar name if proposed by Licensee and approved in advance by Licensor, in Licensor's sole, reasonable discretion.

(h) Licensee's Duties Regarding Infringement. Licensee will immediately notify Licensor in writing of any actual or suspected infringement of the Licensor Marks and Licensor Materials, any claim in the nature of infringement against Licensor, any claim that the Licensor Marks or Licensor Materials are invalid, infringe third party rights, cause deception, confusion, or otherwise attack the Licensor Marks, Licensor Materials, Licensee, or any Affiliate thereof involving the Licensor Marks or Licensor Materials, or any use thereof by Licensor, Licensee, or any Affiliate thereof (collectively, all of the foregoing shall be referred to in this Section 1.3(h) as an "Infringement Claim"), of which Licensee becomes aware. Licensee will, where requested by Licensor at Licensor's cost to the extent of any out-of-pocket expenses incurred by Licensee and any other costs or expenses approved by Licensor, lend all reasonably necessary assistance in any such action Licensor or any Affiliate thereof may institute against any Person involved or suspected of being involved in the infringement of the Licensor Marks or Licensor Materials, or any Infringement Claim action Licensor or any Affiliate thereof may defend. Licensee shall not make any admissions in respect of such matters and shall provide Licensor with all relevant information in its possession regarding any Infringement Claim. All damage or settlement awards, if any, received in connection with any Infringement Claim action, after reimbursement (pro rata) to Licensor and Licensee of their respective attorney's fees and other costs of maintaining any such action, shall be for the account of Licensor. Licensor shall, at all times, in its discretion have full control over the conduct of any Infringement Claim action and the settlement thereof, except in the case where Licensee or its Affiliate is a named defendant in any such action as it relates to Licensee, in which event Licensor and Licensee shall have joint control of such action, but neither Party shall, in connection with any such action, assert any legal position or effect any settlement which would be in contravention of the other Party's rights under this Agreement or to Licensor's and its Affiliates' rights to the Licensor Marks and Licensor Materials. Licensor shall have the right to join or intervene in any action commenced or defended by Licensee hereunder with respect to the Licensor Marks or the Licensor Materials.

(i) Licensor Marks and Licensor Materials. Licensee shall not use or exploit the Licensor Marks, the Licensor Materials, or any confusingly similar variation thereof except in connection with the operation of the Restaurant within the Restaurant Premises, as provided in this Agreement. Without limiting the generality of the foregoing and notwithstanding any other provision of this Agreement to the contrary, Licensee shall not use the Licensor Marks, the Licensor Materials, or any confusingly similar variation thereof outside the Restaurant Premises, including, without limitation, in connection with any delivery services, room service, or catering services, except the Licensee may engage in, and use the Licensor Marks and Licensor Materials for, the promotion, advertising, or marketing of the Restaurant anywhere in the world.

1.4 Indemnification of Licensee. Licensor covenants and agrees to defend, indemnify and save and hold harmless Licensee and its Affiliates and their respective stockholders, directors, officers, agents and employees from and against all claims, losses, expenses, obligations, liabilities, liens, demands, charges, litigation and judgments, including court costs and reasonable attorney's fees, arising directly or indirectly from any claim by any third Person alleging that the use by Licensee or its Affiliates of the Licensor Marks or Licensor Materials (including in or as part of the Licensee Marks and Materials as approved by Licensor) violates, infringes or otherwise conflicts with any intellectual property or other rights of a third Person. Licensee promptly shall notify Licensor of any such claim and Licensor may and, upon Licensee's request, shall, at Licensor's sole cost and expense, defend such claim or cause such claim to be defended by counsel designated by Licensor and reasonably acceptable to Licensee.

1.5 Licensor Monitoring; Prosecution. Licensor shall monitor industry developments for possible infringement of the Licensor Marks and Licensor Materials and shall immediately inform Licensee in writing if they become aware of any actual or potential infringement of the Licensor Marks or Licensor Materials. Licensor shall use and shall cause its Affiliates to use commercially reasonable efforts to prosecute infringement of the Licensor Marks or Licensor Materials. Licensee shall use commercially reasonable efforts to assist Licensor, upon Licensor's reasonable request and at Licensor's sole cost and expense, in taking such action, if any, as Licensor

may deem appropriate to halt any infringement of the Licensor Marks or Licensor Materials, but shall take no action nor incur any cost or expense on Licensor's behalf except upon Licensor's request or with Licensor's prior written approval. If Licensor shall not prosecute in a reasonable and timely manner an infringement of the Licensor Marks or Licensor Materials, or shall cease such prosecution once commenced, then Licensee may, but shall not be required to, prosecute such infringement. In such event, Licensor shall cooperate with Licensee, at Licensee's sole cost and expense, and shall execute such instruments or take such other actions as Licensee may reasonably request in connection therewith, and Licensee shall be entitled to retain any amounts recovered. The Parties shall provide to one another such information and assistance as may reasonably be requested in the course of any prosecution of infringements as contemplated by this Section 1.5.

2. STANDARDS; SERVICES; CERTAIN RESTRICTIONS.

2.1 Standards.

(a) Brand Standards. Subject to all of the terms and conditions more particularly set forth herein, Licensee shall use its commercially reasonable efforts to comply with Licensor's brand standards as provided to Licensee in writing (the "Brand Standards"), including adherence to all recipes, ingredients, preparation and cooking methods.

(b) Menu Standards. Licensor agrees that the food and beverage menus of the Restaurant, and the recipes for the same, shall be of a nature and cost that is consistent and commensurate with the nature and cost of menu offerings of fine dining restaurants in Las Vegas, Nevada, and shall feature primarily beef steaks, with fish and chicken as ancillary offerings, and an array of complimentary dishes created by Licensor for the Old Homestead Steakhouses, subject to Licensee's ultimate final and reasonable approval of the food and beverage menus of the Restaurant. The foregoing notwithstanding, the Restaurant's menu shall feature the Old Homestead Steakhouse "Signature Dishes" (and related items), as set forth in Exhibit D hereto.

(c) Signage. Licensor shall supply the approved logo and signage renderings and plans upon request from Licensee. Licensee shall collaborate with Licensor on all items using the approved logo and signage, but Licensee shall have final approval rights.

(d) Quality Control.

(1) Subject to applicable Law, Licensor shall have the right to engage in regular surveillance of the management and operation of the Restaurant and compliance by Licensee with this Section 2.1, and Licensee shall permit duly authorized representatives of Licensor to have access to all areas of the Restaurant for such inspection purposes reasonably necessary to ensure compliance with this Agreement. Licensor shall comply with Licensee's policies and procedures during such inspections and shall not interfere with or disrupt Licensee's business operations. Licensee shall also cooperate with such representatives and provide all information requested by such representatives reasonably related to ensuring compliance with this Agreement in order for such representatives to complete the inspection. In the event Licensor's representatives reasonably determine that training is necessary, Licensor may, on reasonable notice to Licensee (but in any event no less than twenty (20) days from the date of its receipt of such notice), at Licensee's sole and reasonable cost, conduct training at the Casino, and Licensee will require its staff to cooperate and attend the training.

(2) In the event Licensor should note any failure by Licensee to maintain in any respect the Standards set forth in this Agreement, Licensor shall notify Licensee in writing as provided herein of the particular failure or deficiency noted, and Licensee shall promptly and in all events within twenty (20) days after such notice correct the same, provided that if the nature of such failure is such that more than twenty (20) days is required to correct such failure or deficiency, then Licensee shall be in compliance with this paragraph if within such twenty (20) day period it promptly takes appropriate steps to correct such failure or deficiency, and thereafter diligently pursues those steps to completion.

(3) All uses of the Licensor Marks and Licensor Materials, including all signs, advertisements, and promotional and packaging material, shall at all times bear appropriate trademark notices as approved in advance by Licensor.

2.2 Services. Licensee hereby appoints Licensor, and Licensor hereby agrees, to perform those services and fulfill those obligations set forth herein as to be performed or fulfilled by Licensor (the "Services"). In addition to the terms and conditions more particularly set forth in this Agreement, Licensor agrees to perform and cause to be performed the Services (a) in good faith and using commercially reasonable diligence and care, and (b) using, at a minimum, the same degree of skill and attention that Licensor or its Affiliates use in performing the same or similar services for its or their own accounts or the accounts of others (and in no event less than a reasonable degree of skill and attention).

(a) Promotion and Operational Presence. From and after the Effective Date, Greg Sherry or Marc Sherry shall visit and attend to the Restaurant during the Term upon the at the reasonable request of Licensee (the "Restaurant Visits"). During the Restaurant Visits, Greg Sherry or Marc Sherry, as applicable, shall, as reasonably requested by Licensee, engage in promotional activities for the Restaurant, which may include the commercial photography of Greg Sherry or Marc Sherry and review and provision of advice and recommendations with respect to the Restaurant's operational, efficiency and profitability issues, the food and beverage menu standards and implementation, and Employee training, evaluations and customer service, media interviews and such other promotional events as Licensee may reasonably require. Whenever scheduling any meeting or personal appearance contemplated by this Agreement, Licensee shall make commercially reasonable efforts to take into account the other then existing commitments of the individual whose appearance is required and give such individual prior notice as far in advance as is possible, of the contemplated date, time and place of each scheduled meeting or appearance. If advised of a conflict, Licensee shall make commercially reasonable efforts to reschedule such meeting or appearance to a date and time closest to the initially proposed scheduled appearance date, it being understood that all such scheduling shall he made by Licensee based upon the best interests of the Restaurant and Licensor shall endeavor to make commercially reasonable efforts to meet the appearance schedule proposed by Licensee subject to previously scheduled commitments.

(b) For each Restaurant Visit, Licensee shall reimburse Greg Sherry or Marc Sherry, as the case may be, for first class, round trip airfare between any airport in the metropolitan New York, New York area designated from time to time by Greg Sherry or Marc Sherry and Las Vegas McCarran International Airport. If a Restaurant Visit is cancelled for any reason, Licensee shall be entitled to the entire refund or credit, if any, resulting from the cancellation of a reimbursed airline ticket associated with same. During the duration of each Restaurant Visit and subject to availability, Caesars shall provide for Greg Sherry's or Marc Sherry's (as the case may be) use, at no cost or expense to Greg Sherry or Marc Sherry, of a deluxe room at the Casino, or at a property owned by an Affiliate of Caesars (room and all applicable taxes); provided, however, that Greg Sherry and Marc Sherry shall be responsible for all incidental room charges (subject to a 30% discount) and other expenses incurred during the occupancy of such rooms

(c) General Operating Services. Throughout the Term, Licensor shall provide general consulting to Licensee regarding the operating standards of the Restaurant, the operational and management policies in effect at the Restaurant, and more generally the operation and management of the Restaurant, including related to security, insurance, emergency procedures, marketing, customer service, purchase orders for food and beverages, menus, deliveries, interior design, collection processes, financial performance, pest control, waste disposal, rentals, special events and deposits. Notwithstanding the foregoing, Licensor shall have no control over such general operations matters, and Licensee shall have the right to make all determinations, in its reasonable, good faith discretion, regarding all such matters and implementation thereof.

(d) Subsequent Refurbishment. Redesign and Reconstruction of the Restaurant. If, after the Effective Date, Licensee determines that the Restaurant requires any additional capital expenditures, Licensee shall give consideration to all of Licensor's reasonable recommendations regarding the same; provided, however, that Licensee, after consulting with Licensor and considering all reasonable recommendations from Licensor, shall have final approval with respect to all aspects of same. Licensee solely shall be responsible for the cost of any such capital expenditures.

(e) Merchandise. Upon Licensee's reasonable request, Licensor shall use commercially reasonable efforts to arrange for Licensee to purchase, for use at the Restaurant, such fixtures and furnishings as Licensor is

then merchandising elsewhere and featuring the Licensor Marks or Licensor Materials. Licensor shall permit or cause its Affiliates to permit Licensee to purchase such products at their actual out of pocket cost of goods on products manufactured by Licensor or its Affiliates, or at cost not to exceed the wholesale cost if Licensor or its Affiliates are not the manufacturer for such products, plus the actually incurred cost for shipping and any applicable tax. Licensor or its Affiliates shall not receive any commission or apply any "mark-up" in connection with the placement of any order for, or purchase by, Licensee of such products. Licensee acknowledges and agrees that Licensor and its Affiliates may receive royalties or other benefit from such sale of merchandise as are generally applicable under the agreements entered into between them and such third parties from whom Licensee seeks to obtain product. Upon Licensee's reasonable request, Licensor shall use, without cost to Licensor, commercially reasonable efforts to arrange for Licensee to purchase, for retail sale at the Restaurant, such products as the Licensor and its Affiliates are then merchandising elsewhere and featuring Licensor Marks or Licensor Materials. Licensor shall permit or cause their Affiliates to permit Licensee to purchase such products at their actual out of pocket cost of goods on products manufactured by Licensor or its Affiliates, or at cost not to exceed the wholesale cost if Licensor or its Affiliates is not the manufacturer for such products, plus the actually incurred cost for shipping and any applicable tax. Licensor and its Affiliates shall not receive any commission or apply any "mark-up" in connection with the placement of any order for, or purchase by, Licensee of such products. Licensee acknowledges and agrees that Licensor and its Affiliates may receive royalties or other benefit from such sale of merchandise as are generally applicable under the agreements entered into between them and such third parties from whom Licensee seeks to obtain product.

(f) Refresher Training. As and if reasonably requested by Licensee from time to time during the Term, Licensor shall advise Licensee as to the training Licensor recommends be provided for refresher training of such appropriate kitchen and front-of-house employees as reasonably selected by Licensee, including, without limitation, training with respect to any new food and beverage menus and recipes therefore developed and implemented from time to time during the Term. After consulting with and giving consideration to all reasonable recommendations of Licensor, Licensee shall be responsible for, and shall have final approval with respect to such refresher training.

2.3 Exclusivity Provisions.

(a) Each of Licensor, Greg Sherry and Marc Sherry covenant and agree that, at all times during the Term, Licensor shall not, and shall cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with Licensee or any of its Affiliates: (i) use, or permit or license, or offer or agree to permit or license, any other Person to use any of the Licensor Marks or Licensor Materials within Clark County, Nevada (the "Restricted Area") in connection with the operation of a restaurant or bar (including any lounge, nightclub, ultra lounge or similar operation), excluding any operation for Licensee or its Affiliates. This Section 2.3 is referred to herein as the "Exclusivity Provision."

(b) If this Agreement is terminated by Licensee prior to the end of the Term pursuant to Section 4.2(f) of this Agreement, the Exclusivity Provision shall continue for a period of twelve (12) months following such termination.

(c) Notwithstanding the foregoing, owning the securities of any company if the securities of such company are listed for trading on a national stock exchange or traded in the over-the-counter market and Licensor's and its Affiliates' holdings therein represent less than five percent (5%) of the total number of shares or principal amount of other securities of such company outstanding shall not be deemed violative of this Section 2.3.

(d) Notwithstanding the foregoing: (i) nothing in this Section 2.3 shall preclude the sale by Licensor or its Affiliates of any products branded with any Licensor Marks; and (ii) Licensee shall have no rights with respect to the sale of any products (other than any food products actually used and/or sold in the Restaurant) branded with any Licensor Marks other than as specifically set forth in this Agreement.

(e) Licensee covenants and agrees that, at all times during the Term, Licensee will not, and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with Licensor or any of its Affiliates, open a new restaurant in the Casino with a menu featuring primarily beef steaks; provided, that this Section 2.3(e) shall not apply to the operation of any restaurant in any premises

located in the mall adjacent to the Casino known as the "Forum Shops," or in any addition to or expansion of the Casino after the date of this Agreement.

2.4 Licensee Right of First Refusal.

(a) Each of Licensor, Greg Sherry and Marc Sherry covenant and agree that, at all times during the Term, neither they, nor Licensor's Affiliates, shall, directly or indirectly, engage in or become affiliated or associated with, or offer or agree to become engaged in or affiliated or associated with, any business or operations involving any restaurant, bar or other food or beverage services that (a) utilizes the Licensor Marks or Licensor Materials and (b) operate, or are to be operated, within a casino or other gaming facility located within twenty-five (25) miles of any gaming establishment owned or operated by Licensee or any of its Affiliates, including as an owner, investor, operator, director, officer, manager, agent, consultant, licensor or employee of any such restaurant or food and beverage service (a "New Venture"), except after compliance with this Section 2.4; provided, that this Section 2.4 shall not apply to any Old Homestead Steakhouse restaurant owned by Licensor or its Affiliates as of the date of this Agreement in New York, New York, or in Atlantic City, New Jersey. Any New Venture that does not involve Licensee or any of its Affiliates shall not: (i) use the mark "Empire"; (ii) use the mark "Gotham;" or (iii) offer a "Filet on Bone" in connection with any of its food or beverage offerings. Additionally, should any new menu offering (an item first offered for sale following the Effective Date) in any category (i.e., appetizer, entree, etc.) at the Old Homestead Restaurant in New York comprise twenty (20%) or greater of the sales of the menu offerings in its category, said menu offering shall be considered a "Signature Item" and shall not be offered for sale except at the Old Homestead Restaurants located in New York, at Borgata in Atlantic City, New Jersey, at Caesars Palace and at the location of its Affiliate(s) then operating an Old Homestead Restaurant; it being understood that the prohibitions contained in (i), (ii) and (iii) shall not apply to any New Venture should Licensee (or its designated Affiliate) not timely exercise its rights described in Section 2.4(b) below.

(b) Before Licensor or any of its Affiliates engages in, or becomes affiliated or associated with, or offers or agrees to become engaged in or affiliated or associated with, any New Venture, Licensor shall provide Licensee and its Affiliates with an offer, in writing, to participate in such New Venture in a gaming casino or other gaming facility operated, or to be operated, by Licensee or any of its Affiliates within twenty-five (25) miles of the location of the proposed New Venture, which offer shall set forth reasonable detail regarding the proposed New Venture. If Licensee (or its designated Affiliate) indicates in writing within ten (10) days after receipt of such offer its interest in considering such opportunity, Licensor shall, or shall cause its applicable Affiliates to, enter into exclusive discussions, negotiations and due diligence with Licensee (or its designated Affiliate) for the succeeding twenty (20) days to determine if mutually agreeable terms of participation in the New Venture can be reached. During such period, Licensor shall, or shall cause its applicable Affiliates to, provide Licensee (or its designated Affiliate) with all supporting or other documents it may reasonably request with respect to the New Venture.

(c) If Licensee (or its designated Affiliate) does not timely exercise such right within the aforesaid ten (10) day period, or if the Parties fail to reach agreement on mutually agreeable terms within the aforesaid twenty (20) day period, Licensor shall be free to proceed with the New Venture without Licensee (or its designated Affiliate), it being understood that Licensor shall not enter into an agreement for any New Venture with any other party on terms that are more favorable than those offered by Licensor to Licensee (or its designated Affiliate).

2.5 Licensee Responsibilities.

(a) General Operation of the Restaurant. Unless expressly provided herein to the contrary, Licensee shall be solely responsible for: (i) managing the operations, business, finances and Employees of the Restaurant on a day-to-day basis; (ii) maintaining the Restaurant; (iii) developing and enforcing employment and training procedures, marketing plans, pricing policies and quality standards of the Restaurant; and (iv) supervising the use of the recipes provided by Licensor under this Agreement.

(b) Employees. All employees of the Restaurant shall be employees of Licensee. Licensor acknowledges and agrees that all of Licensee's agreements, covenants and obligations and all of Licensor's rights, authorities and agreements contained herein are subject to the provisions of any and all collective bargaining agreements and related union agreements to which Licensee or any of its Affiliates is or may become a party and that are or may be applicable to the employees of the Restaurant (as the same may be amended or supplemented from time to time, collectively, the "Union Agreements"). Licensor agrees that all of its agreements,

authorities, covenants and obligations hereunder, including those obligations to train employees, shall be undertaken in such manner as to be in accordance with and to assist and cooperate with Licensee's obligation to fulfill its obligations contained in the Union Agreements. Licensor acknowledges and agrees that from time to time during the Term, Licensee and its Affiliates may negotiate and enter into amendments and supplements to the Union Agreements. Each Union Agreement, as so amended or supplemented, may include those provisions agreed to by and between the applicable union and Licensee or its Affiliates, in their discretion, including provisions for (i) notifying then-existing employees of Licensee in the bargaining units represented by the applicable union of employment opportunities in the Restaurant, (ii) preferences in training opportunities for such then-existing employees, (iii) preferences in hiring of such then-existing employees, if such then-existing employees are properly qualified, and (iv) other provisions concerning matters addressed in this Section 2.5(b). In the event any agreement, covenant, obligation or right of a Party contained herein is, or at any time during the Term shall be, prohibited pursuant to the terms of any Union Agreement, the applicable Party shall be relieved of such agreement, covenant, obligation or right, with no continuing or accruing liabilities of any kind, and such agreement, covenant, obligation or right shall be deemed to be separate and severable from the other portions of this Agreement, and the other portions shall be given full force and effect. In the event any agreement, covenant, obligation or right under this Agreement is severed from this Agreement pursuant to this Section 2.5(b), Licensor and Licensee shall thereafter cooperate in good faith to modify this Agreement to provide the Parties with continuing agreements, covenants, obligations and rights that are consistent with the requirements and obligations of this Agreement, such Union Agreement and applicable Law.

(c) Menus. Licensee shall develop the food and beverage menus of the Restaurant, utilizing the recipes provided by Licensor for same, and in keeping with the overall Brand Standards. Licensor shall have a reasonable opportunity to review any updates to the food and beverage menus prior to their implementation and to make reasonable recommendations to same based upon the Brand Standards. After consulting with and giving consideration to all reasonable advice and reasonable recommendations from Licensor, Licensee shall establish the food and beverage menus and pricing, in its discretion and as otherwise provided in this Agreement.

(d) Advertising. Licensee will after the Effective Date and at Licensee's sole expense, carry out, or cause to be carried out, advertising and promotion of the Restaurant. Licensee, at all times during the Term, shall utilize all reasonable commercial efforts to diligently advertise and promote the Restaurant.

3. LICENSOR'S COMPENSATION.

3.1 License Fee. Licensor shall be paid a "License Fee" equal to five percent (5%) of Gross Restaurant Sales on a calendar quarter basis, no later than thirty (30) days after the end of the quarter to which they relate by check, money order or wire transfer in lawful funds of the United States of America to such address or account located within the United States of America as directed by Licensor from time to time.

3.2 Calculations. Subject to Section 3.4 of this Agreement, Licensee shall be solely responsible for maintaining, and shall maintain, consistent with GAAP, all books and records necessary to calculate the amounts due and payable to Licensor pursuant to this Article 3; and within thirty (30) days after the end of each quarter during each Fiscal Year, Licensee shall deliver notice to Licensor reasonably detailing the calculation of all such amounts. Licensee's calculations shall be conclusive and binding unless, within ninety (90) calendar days' of Licensee's delivery of such notice, Licensor notifies Licensee in writing that it elects to audit such calculations under Section 3.4 of this Agreement. Absent such timely notification, Licensee's calculations shall be binding on the Parties.

3.3 Daily Reports. In addition to the quarterly reports set forth in Section 3.2 of this Agreement, Licensee shall transmit to Licensor via email and on a nightly basis a daily report of the Restaurant's food, liquor and wine sales, and other comments on the Restaurant's operations, as generated by Licensee's Avero Slingshot reporting system.

3.4 Audit. Subject to the remaining provisions of this Section 3.4, Licensor shall be entitled at any time and at its sole cost and expense, upon ten (10) calendar days' notice to Licensee, but not more than one (1) time per Fiscal Year, to cause an audit to be made, during normal business hours, by any Person designated by Licensor and approved by Licensee (which approval may not be unreasonably withheld, conditioned, or delayed), of the books, records, accounts and receipts required to be kept for the calculation of the amounts payable pursuant to Section 3.1 of this Agreement, which audit shall be conducted without disruption or disturbance to

Licensee's operations. Licensor shall deliver to Licensee the results of such audit as promptly as practicable after completion thereof. If such audit discloses that any amount payable to Licensor was calculated in error, Licensee shall be entitled to review such audit materials and to conduct its own audit related to such period. If Licensee does not dispute the result of Licensor's audit within sixty (60) days after conclusion and presentation by Licensor to Licensee of Licensor's findings, Licensee shall (in the next quarterly allocation) pay to Licensor such additional monies necessary to compensate Licensor (or offset against any payment then due to Licensor such monies necessary to reimburse Licensee). Licensee may condition any audit under this Section 4 on the receipt of a confidentiality undertaking from any Person to whom information will be disclosed in connection with such audit, in form and substance reasonably satisfactory to Licensor.

4. TERM; TERMINATION.

4.1 Term. The initial term of this Agreement shall commence on the Effective Date and shall expire September 20, 2021 unless extended by Licensee, or unless earlier terminated, in either case, pursuant to the terms hereof (the "Initial Term"). Provided Licensee is not then in default hereunder, Licensee shall have the right, but not the obligation, upon written notice given to Licensor not less than one hundred eighty (180) calendar days prior to the expiration of the Initial Term, to extend the term of this Agreement for one additional five (5) year term (together with the Initial Term, the "Term"), which shall be on all of the same terms and conditions as contained herein. Thereafter, there shall he no additional extensions of the Term of this Agreement.

4.2 Termination.

(a) Termination Without Cause. This Agreement may be terminated by Licensee upon ninety(90) days' prior written notice to Licensor for any reason or no reason at all, but only upon the payment by Licensee to Licensor of a termination payment equal to the lesser of (i) six (6) months' License Fees based on the average monthly License Fee over the trailing twelve (12) months' prior to termination; or (ii) the amount of time remaining in this Agreement (the "Liquidated Damages"). The Parties acknowledge and agree it would be extremely difficult, if not impossible, to determine Licensor's damages resulting from a termination of this Agreement pursuant to this Section 4.2(a)(1), including, without limitation, damage to the economic value of the Licensor Marks and Licensor Materials. The Parties agree the Liquidated Damages is not a penalty, but a reasonable estimate of the damages Licensor is likely to incur in the event of a termination of this Agreement by Licensee pursuant to this Section 4.2(a). In the event of termination pursuant to this Section 4.2(a), neither Party shall have any further liability to the other,except for then outstanding obligations and obligations that expressly survive the early termination or expiration of this Agreement.

(b) Breach of Standards. This Agreement may be terminated by Licensee upon written notice to Licensor having immediate effect if, following a breach of Section 5.1 of this Agreement, Licensee sends written notice of such breach to Licensor and Licensor fails to cure such material breach within thirty (30) days after receipt of such notice.

(c) Unsuitability. This Agreement may be terminated by Licensee upon written notice to Licensor having immediate effect as contemplated by Section 5.2 of this Agreement.

(d) Condemnation and Casualty. This Agreement may be terminated by Licensee upon written notice to Licensor having immediate effect as contemplated by Section 6.2(a) of this Agreement or by Licensor upon written notice to Licensee having immediate effect as contemplated by Section 6.2(b) of this Agreement.

(e) Change of Control. This Agreement may be terminated by Licensee upon written notice to Licensor having immediate effect if there is a Licensor Change of Control.

(f) Material Breach. This Agreement may be terminated: (i) by Licensee upon written notice to Licensor having immediate effect if, following a material breach of this Agreement by Licensor, Licensee sends written notice of such material breach to Licensor setting forth the specific facts constituting the breach and the section of this Agreement claimed to be breached, and Licensor fails to cure such material breach within thirty (30) days after receipt of such notice; or (ii) by Licensor upon written notice to Licensee having immediate effect if, following a material breach of this Agreement by Licensee, Licensor sends written notice of such material breach to Licensee setting forth the specific facts constituting the breach and the section of this Agreement claimed to be breached, and Licensee fails to cure such material breach within thirty (30) days after receipt of such notice.

4.3 Effect of Expiration or Termination.

(a) Termination of Obligations. Upon expiration or termination of this Agreement, there shall be no liability or obligation on the part of any Party with respect to this Agreement, other than that such expiration or termination shall not (i) relieve any Party of any liabilities resulting from any breach hereof by such Party on or prior to the date of such expiration or termination, (ii) relieve any Party of any payment obligation arising prior to the date of such expiration or termination, or (iii) affect any rights or payment obligation arising as a result of such breach or termination or expiration, as provided in this Agreement.

(b) Certain Rights of Licensee Upon Expiration or Termination. Upon expiration or termination of this Agreement: (i) Licensee shall cease operation of the Restaurant; provided, that, in the event of an early termination of this Agreement for any reason, Licensee shall be entitled to operate the Restaurant and use the License upon the terms and conditions herein for that reasonable period of time required to orderly and properly wind-up operations of the Restaurant not to exceed one hundred and twenty (120) days; (ii) Licensee shall retain all right, title and interest in and to the Restaurant Premises, all FF&E, Operating Supplies and other tangible and intangible assets used or held for use in connection with the Restaurant; (iii) Licensee shall have the right, but not the obligation, immediately or at any time after such expiration or termination, to operate a restaurant in the Premises; and (iv) Licensee may continue to serve food items described in the menus and operate in accordance with the then existing theme of the Restaurant (or any prior theme) following such expiration or termination, so long as it does not use the Licensor Marks, the Licensor Materials, or any confusingly similar variations thereof, or the marks "Empire" or "Gotham," or offer a "Filet on Bone."

5. LICENSEE'S STANDARDS; PRIVILEGED LICENSE.

5.1 Licensee's Standards. Licensor acknowledges that the Casino is an exclusive first-class resort hotel casino and that the Restaurant shall be an exclusive first-class restaurant and that the maintenance of Licensee's, the Casino's and the Restaurant's reputation and the goodwill of all of Licensee's, the Casino's and the Restaurant's guests and invitees is absolutely essential to Licensee, and that any impairment thereof whatsoever will cause great damage to Licensee. Licensor therefore covenants and agrees that: (a) it shall not, and shall cause its Affiliates not to, use or license the Intellectual Property in a manner that is inconsistent with, or take any action that dilutes or denigrates, the current level of quality, integrity and upscale positioning associated with the Intellectual Property; and (b) it shall and 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 Licensee, the Casino 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 casino and an exclusive, first-class restaurant. Licensor shall 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. If, at any time during the Term of this Agreement, Licensee determines (after application of its policies in good faith and on a consistent basis), that Licensor or any of its agents, employees, servants, contractors, licensees or Affiliates fails, refuses, or neglects to conduct itself in accordance with public standards of morals, honesty, integrity, decency and/or quality or is involved in any manner in any situation or occurrence which (i) subjects Licensor, Licensee or any of Licensee's parents, subsidiaries or Affiliates to public hatred, scandal, disrepute, contempt or ridicule, (ii) will tend to shock, insult or offend the community, public morals or decency, or (iii) materially prejudices Licensee or Licensee's parents, subsidiaries or Affiliates, then Licensee shall have the right, in its sole discretion (applied in good faith), to terminate this Agreement pursuant to Section 4.2(b) of this Agreement.

5.2 Suitability or Licensure by Gaming Regulatory Agency

(a) Privileged Gaming License. As a holder of privileged gaming licenses, Licensee and its affiliates are required to adhere to strict laws and regulations regarding vendor and other business relationships or associations. If at any time Licensee determines, in its sole discretion, that its association with Licensor could violate any statutes and/or regulations regarding prohibited relationships with gaming companies, or if Licensee determines in its sole discretion, that it would be in its best interest to terminate its relationship with Licensor in order to protect any pending licensing applications or any of its privileged gaming licenses, Licensee may immediately terminate this Agreement. Licensor agrees to cooperate with Licensee if requested, to undergo a background investigation to comply with Licensee's compliance policies and to continue to cooperate with Licensee throughout the term of this Agreement to establish and maintain Licensor suitability. During the term of

this Agreement, to the extent any prior disclosures become inaccurate, including, but not limited to the initiation of any criminal proceeding or any civil or administrative proceeding or process which alleges any violations of law, involving Licensor or any of Licensor's owners or key principals, Licensor shall disclose information to Licensee within ten (10) calendar days from that event. Licensor agrees to comply with any background investigation conducted in connection with the disclosure of this updated information. Under this paragraph, for privately held companies, "owner" shall mean any holder of an interest Licensor's company, and for publicly-traded entities shall mean any holder of a 5% or greater interest unless that interest meets the definition of an institutional investor as that term is defined in the gaming laws of Nevada. If Licensor is or becomes required to be licensed by any federal, state, and/or local gaming regulatory agency, Licensor shall secure said licensing at its sole cost and expense, or if it fails to become so licensed, or, once licensed, fails to maintain such license or fails to continue to be suitable by the governmental licensing agency, Licensee may immediately terminate this Agreement. Notwithstanding any other terms of this Agreement, in the event of termination of this Agreement pursuant to this Section 5.2(a), Licensee shall have no further liability to Licensor, except for any obligations pursuant to any work performed prior to the date such termination becomes effective, unless otherwise prohibited by a gaming regulatory agency. Licensor agrees to notify Licensee of any change of control in its ownership which is defined as any change of ownership on twenty percent (20%) or more of its common stock, or any change of ownership of any of its three largest holders holding five percent (5%) or more of the outstanding common stock.

(b) Compliance. Licensor agrees to comply with, all federal, state, local, provincial or other laws or regulations applicable to countries outside of the United States, including but not limited to laws and regulations governing anti-corruption, anti-bribery, foreign corrupt practices, and anti-money laundering laws and regulations applicable to its business. Failure to do so could result in termination of this Agreement pursuant to this Section 5.2.

6. CONDEMNATION; CASUALTY; EXCUSABLE DELAY.

6.1 Condemnation. In the event that during the Term the whole of the Restaurant shall be taken under power of eminent domain by any Governmental Authority or conveyed by Licensee to any Governmental Authority in lieu of such taking, then this Agreement shall terminate as of the date of such taking. In the event that during the Term a substantial portion of the Restaurant shall be taken under power of eminent domain by any Governmental Authority or conveyed by Licensee to any Governmental Authority in lieu of such taking (as determined by Licensee in its discretion), Licensee may, in the exercise of its discretion, terminate this Agreement upon written notice give not more than thirty (30) calendar days after the date of such taking. All compensation awarded by any such Governmental Authority shall be the sole property of Licensee and Licensor shall have no right, title or interest in and to same.

6.2 Casualty.

(a) Permanent and Substantial Damage. If the Casino or the Restaurant experiences any Permanent Damage or any Substantial Damage, in each case Licensee shall have the right to terminate this Agreement upon written notice having immediate effect delivered to Licensor within one hundred twenty (120) days after the occurrence of the Permanent Damage or Substantial Damage, as the case may be. All insurance proceeds recovered in connection with any damage or casualty to the Casino or the Restaurant shall be the sole property of Licensee and Licensor shall have no right, title or interest in and to same.

(b) Obligation in Connection With a Casualty. If (i) Licensee does not terminate this Agreement in the event of Substantial Damage to the Casino or the Restaurant within the time periods provided in Section 6.2(a) of this Agreement, (ii) restoration and repair of the damage is permitted under applicable Law and the terms of any agreement to which Licensee or any of its Affiliates is a party and (iii) Licensee has received net insurance proceeds sufficient to complete restoration and repair, Licensee shall use commercially reasonable efforts to restore and repair the Casino or the Restaurant, as applicable, to its condition and character immediately prior to the damage. If all such restoration and repair is not completed within one (1) year following the occurrence of the damage, Licensor shall have the right to terminate this Agreement upon written notice having immediate effect delivered to Licensee within one hundred twenty (120) days after the first anniversary of the damage and Licensee shall have no liability related to the failure of such completion to have occurred.

6.3 Excusable Delay. In the event that during the Term either Party shall be delayed in or prevented from the performance of any of such Party's respective agreements, covenants or obligations hereunder by

reason of strikes, lockouts, unavailability of materials, failure of power, fire, earthquake or other acts of God, restrictive applicable Law, riots, insurrections, the act, failure to act or default of the other Party, war, terrorist acts or other reasons wholly beyond its control and not reasonably foreseeable (each, an "Excusable Delay"), then the performance of such act shall be excused for the period of the delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. Notwithstanding the foregoing, lack of funds shall not be deemed an Excusable Delay. Any claim for an extension of time due to an Excusable Delay must be made in writing and received by the other party not more than fifteen (15) calendar days after the commencement of such delay, otherwise, such party's rights under this Section 6.3 shall be deemed waived.

6.4 No Extension of Term. Nothing in this Article 6 shall extend the Term and no other payments shall accrue during any period during which the Restaurant is closed by reason of such condemnation, casualty or Excusable Delay.

7. REPRESENTATIONS AND WARRANTIES.

7.1 Licensee's Representations and Warranties. Licensee hereby represents and warrants to Licensor that: (a) Licensee is a corporation duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization; (b) Licensee has the valid corporate or similar power to execute and deliver, and perform its obligations under, this Agreement and such execution, delivery and performance has been authorized by all necessary corporate or similar action on the part of Licensee; (c) no Approval of any Governmental Authority or other Person is required in connection with Licensee's execution and delivery, and performance of its obligations under, this Agreement; (d) there are no actions, suits or proceedings pending or, to the best knowledge of Licensee, threatened against Licensee in any court or administrative agency that would prevent Licensee from completing the transactions provided for herein; (e) this Agreement constitutes the legal, valid and binding obligation of Licensee, enforceable in accordance with its terms; and (f) as of the Effective Date, no representation or warranty made herein by Licensee contains any untrue statement of material fact, or omits to state a material fact necessary to make such statements not misleading.

7.2 Licensor's Representations and Warranties. Licensor hereby represents and warrants to Licensee that: (a) Licensor is a limited liability company duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization; (b) Licensor has the valid corporate or similar power to execute and deliver, and perform its obligations under, this Agreement and such execution, delivery and performance has been authorized by all necessary corporate or similar action on the part of Licensor; (c) no Approval of any Governmental Authority or other Person is required in connection with the execution and delivery by Licensor of, and performance by Licensor of its obligations under, this Agreement; (d) there are no actions, suits or proceedings pending or, to the best knowledge of Licensor, threatened against Licensor in any court or before any administrative agency that would prevent Licensor from completing the transactions provided for herein; (e) this Agreement constitutes the legal, valid and binding obligation of Licensor, enforceable in accordance with its terms; and (f) as of the Effective Date, no representation or warranty made herein by Licensor contains any untrue statement of a material fact, or omits to state a material fact necessary to make such statements not misleading.

8. INDEMNIFICATION AGAINST THIRD-PARTY CLAIMS.

8.1 By Licensee. Licensee covenants and agrees to defend, indemnify and save and hold harmless Licensor, its Affiliates and their respective stockholders, members, directors, officers, agents and employees from and against all claims, losses, expenses, obligations, liabilities, liens, demands, charges, litigation and judgments, including court costs and reasonable attorney's fees, incurred or suffered by them arising, directly or indirectly, from any claim, action, adversary proceeding, suit, demand, assessment, investigation, arbitration or other proceeding by or in respect of any third Person (a "Third-Party Claim") arising out of Licensee's breach of, or negligence or willful misconduct under or in connection with, this Agreement, except to the extent of any contributing breach, negligence or willful misconduct by Licensor. For purposes hereof, the acts of any director, officer, employee or member of Licensee, or of any Person acting under the control or direction of Licensee, shall be imputed to Licensee.

8.2 By Licensor. In addition to its indemnification obligations under Section 1.4 of this Agreement, Licensor covenants and agrees to defend, indemnify and save and hold harmless Licensee and its Affiliates and their respective stockholders, directors, officers, agents and employees from and against all claims, losses,

expenses, obligations, liabilities, liens, demands, charges, litigation and judgments, including court costs and reasonable attorney's fees, incurred or suffered by them arising, directly or indirectly, from any Third-Party Claim and arising out of Licensor's breach of, or negligence or willful misconduct under or in connection with, this Agreement, except to the extent of any contributing breach, negligence or willful misconduct by Licensee. For purposes hereof, the acts of any director, officer, employee or member of Licensor, or any Person acting under the control or direction of Licensor, shall be imputed to Licensor.

8.3 Procedures. In connection with any Third-Party Claim for which a Person (any of such Persons, an "Indemnified Person") is entitled to indemnification under this Article 8, the Indemnified Person asserting a claim for indemnification under this Article 8 promptly shall notify the Party from which indemnification is being sought (the "Indemnifying Person") of such Third-Party Claim and the Indemnifying Person shall, at its sole cost and expense, defend such Third-Party Claim, or cause the same to be defended by counsel designated by the Indemnified Person and reasonably acceptable to the Indemnifying Person. Notwithstanding the foregoing, the Indemnified Person, at the Indemnifying Person's expense, if the Indemnifying Person does not undertake and duly pursue the defense of any such Third-Party Claim in a timely manner or, in the case of Licensee, if the Third-Party Claim is asserted by any Governmental Authority, may defend the action, suit or proceeding, or cause the same to be defended by counsel designated by the Indemnified Person. Neither the Indemnified Person nor the Indemnifying Person shall settle or compromise any Third-Party Claim that is the subject of a claim for indemnification under this Article 8 without the prior written consent of the other Party.

8.4 Licensee's and Licensor's Limitations. No Person other than the Licensor or Licensee, as the case may be (including no disclosed or undisclosed, direct or indirect, partner, member, shareholder, officer, director, employee, agent or principal in or of the Licensor or Licensee) shall be personally liable for the performance of any of the Licensor's or Licensee's obligations (as applicable), or for the satisfaction of any of Licensor's or Licensee's liabilities (as applicable), under this Agreement. Notwithstanding the foregoing, or any other provision in this Agreement, the liability of the Licensee for Licensee's obligations under this Agreement shall be limited to the Licensee's interest in the Casino, and Licensor shall not look to any of Licensee's other assets or properties in seeking either to enforce Licensee's obligations under this Agreement or to satisfy a judgment for Licensee's failure to perform such obligations or for any other liability or obligation of Licensee. Licensor shall not enter into any written agreement relating to the Restaurant with third parties without the inclusion of an exculpatory clause similar to that set forth herein, limiting Licensee's obligations and liabilities to Licensee's interest in the Casino.

9. MISCELLANEOUS.

9.1 Authorized Representative. Licensee hereby designates Sean McBurney as the individual who shall have full power and authority to act on behalf of and to bind Licensee. Licensee may from time to time, by written notice to Licensor, designate a different named individual to act as Licensee's representative, or alter the scope of authority of such representative. Licensee shall be bound by the decisions of its designated representative. Licensor hereby designates Greg Sherry and Marc Sherry as the individuals who shall have full power and authority to act on behalf of and to bind Licensor. Licensor may from time to time, by written notice to Licensee, designate a different named individual to act as Licensor's representative, or alter the scope of authority of such representative. Licensor shall be bound by the decisions of its designated representatives.

9.2 No Partnership or Joint Venture. Nothing expressed or implied by the terms of this Agreement shall make or constitute any Party hereto the partner or joint venturer of the other Party. Accordingly, the Parties acknowledge and agree that all payments made to Licensor under this Agreement shall be for services rendered as an independent contractor and, unless otherwise required by Law, Licensee shall report as such on IRS Form 1099, and both Parties shall report this for financial and tax purposes in a manner consistent with the foregoing.

9.3 No Franchise. The Parties acknowledge and agree this Agreement is a license agreement and not a franchise agreement. The Parties do not intend the provisions of this Agreement to create or evidence a franchisor/franchisee relationship between the Parties. Nothing expressed or implied by the terms of this Agreement shall make, constitute, or evidence a franchisor/franchisee relationship between the Parties.

9.4 Entire Agreement. This Agreement, together with the exhibits attached hereto and the Brand Standards, constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written.

9.5 Amendment and Modification. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the Parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

9.6 Severability. If any part of this Agreement is determined to be void, invalid or unenforceable, such void, invalid, or unenforceable portion shall be deemed to be separate and severable from the other portions of this Agreement, and the other portions shall be given full force and effect, as though the void, invalid or unenforceable portions or provisions were never a part of this Agreement.

9.7 Successors, Assigns and Delagees. No Party may assign (including by operation of law or otherwise) this Agreement, or any right, benefit or obligation hereunder, or delegate any obligation hereunder, without the prior written consent of the other Party (which consent may be withheld in such other Party's discretion); provided, that Licensee may (a) assign or delegate all or any portion of this Agreement to an Affiliate of Licensee and (b) assign this Agreement in whole to any purchaser or other acquirer of the Casino or to any entity to which Licensee assigns management or operational responsibility of the Casino. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the Parties and their respective permitted successors, assigns and delagees.

9.8 Waiver of Rights. Failure to insist on compliance with any of the agreements, obligations and covenants hereof shall not be deemed a waiver of such agreements, obligations and covenants, nor shall any waiver or relinquishment of any right or power hereunder at any one or more time or times be deemed a waiver or relinquishment of such rights or powers at any other time or times. The exercise of any right or remedy shall not impair Licensee's or Licensor's right to any other remedy.

9.9 Notices. Any notice or other communication required or permitted to be given by a Party hereunder shall be in writing, and shall be deemed to have been given by such Party to the other Party or Parties (a) on the date of personal delivery, (b) on the next business day following any facsimile transmission to a Party at its facsimile number set forth below (if confirmation of transmission is received), (c) three (3) calendar days after being given to an international delivery company for overnight delivery to the following addresses, (d) five (5) calendar days after being placed in the mail, as applicable, registered or certified, postage prepaid addressed to the following addresses, or (e) on the next business day if sent by first class overnight, nationally known delivery or courier service, prepaid in a sealed envelope or package addressed to the following addresses (each of the Parties shall be entitled to specify a different address by giving notice as aforesaid):

If to Licensee:

Desert Palace, Inc.
3570 Las Vegas Boulevard South
Las Vegas, Nevada 89109

With a copy (which shall not constitute notice) to:

Caesars Enterprise Services, LLC
One Caesars Palace Drive
Las Vegas, Nevada 89109
Attention: Legal Department

If to Licensor:

Mr. Greg Sherry
c/o The Old Homestead Steakhouse
56 9th Avenue
New York, New York 10011-4901

With a copy (which shall not constitute notice) transmitted simultaneously to:

Alan M. Lebensfeld, Esq.

Lebensfeld Sharon & Schwartz P.C.40 Broad Street
Red Bank, New Jersey 07701
(732) 530-4601 (fax)

9.10 Governing Law: Submission to Jurisdiction; Specific Performance.

(a) The laws of the State of Nevada applicable to agreements made in that State shall govern the validity, construction, performance and effect of this Agreement.

(b) Licensor and Licensee each agree to submit to the exclusive jurisdiction of the United States District Court for the District of Nevada (the "Chosen Court") for any court action or proceeding arising out of or from this Agreement, provided the action or proceeding meets the subject matter jurisdictional requirements of said Court. In the event the subject matter jurisdictional requirements of the Chosen Court cannot be met, then the action or proceeding shall be brought and heard by a State Court located within Clark County, Nevada. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding in a Chosen Court (or State Court, if applicable) arising out of this Agreement, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

(c) Notwithstanding any other provision of this Agreement, the Parties acknowledge and agree that monetary damages would be inadequate in the case of any breach by Licensor or Licensee of the covenants contained in Sections 2.3, 9.15, 9.16 or Article 5 of this Agreement. Accordingly, Licensee or Licensor (as applicable) shall be entitled, without limiting its other remedies and without the necessity of proving actual damages or posting any bond, to equitable relief, including the remedy of specific performance or injunction, with respect to any breach or threatened breach of such covenants, and Licensee and Licensor (on behalf of itself and their Affiliates, as applicable) consents to the entry thereof. In the event that any proceeding is brought in equity to enforce the provisions listed in this Section 9.10, neither Licensor, nor Licensee (as applicable), shall allege, and hereby waives, the defense or counterclaim that there is an adequate remedy at law.

9.11 Third Persons. Nothing in this Agreement, expressed or implied, is intended to confer upon any Person, other than the Parties and the Indemnified Persons, any rights or remedies under or by reason of this Agreement.

9.12 Withholding and Tax Indemnification.

(a) Licensor represents that no amounts due to be paid to Licensor hereunder are subject to withholding. If Licensee is required to deduct and withhold from any payments or other consideration payable or otherwise deliverable pursuant to this Agreement to Licensor any amounts due under the Internal Revenue Code of 1986, as amended (the "Code"), or any provision of United States federal, state, local or foreign Law, treaty, administrative ruling, pronouncement or other authority or judicial opinion, Licensee agrees that, prior to said deduction and withholding, it shall provide Licensor with prompt written notice of same. To the extent such amounts are so deducted or withheld, such amounts shall be treated for all purposes under this Agreement as having been paid to the person to whom such amounts would otherwise have been paid. If requested by Licensee, Licensor shall promptly deliver to Licensee all the appropriate Internal Revenue Service forms deemed necessary by Licensee, in its discretion, to make a determination as to its responsibility to make any such U.S. federal withholding with respect to any payment payable pursuant to this Agreement.

(b) Notwithstanding anything to the contrary in this Agreement, Licensor shall be responsible for and shall indemnify and hold harmless Licensee and its Affiliates against (i) all Taxes (including any interest and penalties imposed thereon) payable by or assessed against Licensee or any of its Affiliates with respect to all amounts payable by Licensee to Licensor pursuant to this Agreement and (ii) any and all claims, losses, damages, liabilities, costs and expenses (including reasonable attorney's fees and expenses) suffered or paid by Licensee or any of its Affiliates as a result of or in connection with such Taxes. Licensee shall have the right to reduce any payment payable by Licensee to Licensor pursuant to this Agreement in order to satisfy any indemnity claim pursuant to this Section 9.12.

9.13 Expenses. Except to the extent otherwise provided herein, each Party will bear its own costs, expenses, and fees, including, without limitation, the fees and expenses of their respective legal counsel, in

connection with the negotiation, preparation, and execution of this Agreement, and in connection with all due diligence reviews and investigations conducted by such Party prior to the execution of this Agreement.

9.14 Payments. Licensee shall be entitled to setoff or offset any and all claims by Licensee under this Agreement against any amounts due Licensor under the terms of this Agreement.

9.15 Confidentiality.

(a) Each Party agrees that it shall not use, nor shall it induce or permit others to use, any of the Confidential Information of another Party for any purpose other than to further the purpose of this Agreement consistent with the terms hereof, or as otherwise contemplated hereby. Each Party further agrees that it shall not reveal, nor shall it permit or induce others to reveal, any of the Confidential Information of another Party to any other Person: (i) except to employees, agents, attorneys, accountants, independent contractors and representatives or Affiliates of the receiving Party to the extent such Persons require knowledge of the same in connection with the transactions contemplated in this Agreement; (ii) except as required to comply with applicable Law or legal process (but only after compliance with Section 9.15(b) of this Agreement); and (iii) except as otherwise agreed by the Party to which the Confidential Information belongs in writing. Each Party receiving Confidential Information of another Party (a "Recipient") shall inform its employees, agents, attorneys, accountants, independent contractors, representatives and Affiliates ("Representatives") of the proprietary nature of such Confidential Information and shall be responsible for any further disclosure of such Confidential Information by any such Representative unless the Recipient would have been permitted to make such disclosure hereunder. Each Recipient, upon written request following termination of this Agreement, shall destroy any Confidential Information of another Party in its or any of its Representative's possession (and certify to the destruction thereof).

(b) In the event that a Recipient or any of its Representatives is requested or required by applicable Law or legal process to disclose any of the Confidential Information of another Party, the Recipient will notify the other Party promptly in writing so that the other Party may seek a protective order or other appropriate remedy, or, in the other Party's discretion, waive compliance with the terms of this Agreement. The Recipient agrees not to, and agrees to cause its Representatives not to, oppose any action by the other Party to obtain a protective order or other appropriate remedy. In the event that no such protective order or other remedy is obtained, or that the other Party waives compliance with the terms of this Agreement, the Recipient and its respective Representatives will furnish only that portion of the Confidential Information of the other Party which the Recipient is advised by its counsel is legally required to be disclosed at that time, and the Recipient will exercise its reasonable best efforts to obtain confidential treatment, to the extent available, for such Confidential Information so disclosed.

9.16 No Publicity. Each Party agrees to submit to the other Party all press releases and other public statements relating to the transactions contemplated hereunder wherein the name or mark of the other Party is mentioned, or containing language from which the connection of said names or marks may be inferred or implied. Each Party further agrees not to publish or use such press releases or other public statements before receiving the prior written approval from the other Party (not to be unreasonably withheld, conditioned, or delayed). The Parties agree that this Section 9.16 is intended to apply to public statements regarding the establishment or terms of the relationship between the Parties contemplated by this Agreement and not to apply to the advertising, promotion, marketing, or publicity for the Restaurant (which are addressed elsewhere herein).

9.17 Subordination. For the avoidance of doubt, this Agreement does not create in favor of Licensor any interest in real or personal property, or any lien or encumbrance on the Casino, or any ground or similar lease affecting all or any portion of the Casino (as the same may be renewed, modified, consolidated, replaced or extended, a "Ground Lease"). Licensor acknowledges and agrees that Licensee may from time to time assign or encumber all or any part of its interest in the Casino or any Ground Lease by way of any one or more mortgages, deeds of trust, security agreements or similar instruments (as the same may be renewed, modified, consolidated, replaced or extended, "Mortgages"), assign or encumber all or any part of its interest in this Agreement as security to any holder of a Mortgage, or a landlord under a Ground Lease, or enter into a Ground Lease. The rights of Licensor hereunder, whether with respect to the Casino and the revenue thereof or otherwise, shall be inferior and subordinate to the rights and remedies of the holder of any Mortgage and the landlord under any Ground Lease. For the avoidance of doubt, Licensor shall not have any right to encumber or subject the Casino or the Restaurant, or any interest of Licensee therein, to any lien, charge or security interest, including any mechanic's or materialman's lien, charge or encumbrance of any kind. Licensor, at its sole cost and expense,

shall promptly cause any and all such liens, charges or security interests to be released by payment, bonding or otherwise (as acceptable to Licensee in its discretion) within thirty (30) days after Licensor first has notice thereof. If Licensor fails to timely take such action, Licensee may pay the claim relating to such lien, charge or security interest and any amounts so paid by Licensee shall be reimbursed by Licensor upon demand.

9.18 Estoppel Certificates. Each Party shall deliver to the other Party or any person designated by such Party, within ten (10) days after delivery of written request therefor, an estoppel certificate respecting such matters concerning this Agreement and the provisions hereunder as the requesting Party or such designee shall reasonably require, including that this Agreement is unmodified and in full force and effect (or if there have been modifications or qualifications, that the same is in full force and effect as modified and stating the modifications or other qualifications), that the requesting Party is not in default of any covenant contained herein, and that the delivering Party does not have any rights of setoff or defenses against the enforcement of any right or remedy of the requesting Party under this Agreement.

9.19 Attorney's Fees. The prevailing Party in any action or proceeding arising out of or from the making or enforcement of the terms of this Agreement shall be entitled to receive an award of its expenses incurred in pursuit or defense of said claim, including reasonable attorney's fees and costs, incurred in such action or proceeding.

9.20 Interpretation.

(a) Article or Section headings are not to be considered part of this Agreement and are included solely for convenience and reference and shall not be held to define, construe, govern or limit the meaning of any term or provision of this Agreement. References in this Agreement to an Article or Section shall be reference to an Article or Section of this Agreement unless otherwise stated or the context otherwise requires.

(b) This Agreement is to be deemed to have been prepared jointly by the Parties hereto, and if any inconsistency or ambiguity exists herein, it shall not be interpreted against either Party but according to the application of rules of the interpretation of contracts. Each Party has had the availability of legal counsel with respect to its execution of this Agreement.

(c) The use of the terms "includes" or "including" shall in all cases herein mean "includes, without limitation" and "including, without limitation", respectively. The use of the masculine, feminine or neuter gender or the singular or plural form of words herein shall not limit any provision of this Agreement. Reference to any agreement (including this Agreement), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof. The use of the terms "hereunder," "hereof," "hereto" and words of similar import shall refer to this Agreement as a whole and not to any particular Article, Section, paragraph or clause of, or Exhibit or Schedule to, this Agreement. The words "day" and "days" refer to calendar days unless otherwise stated. The words "month" and "months" refer to calendar months unless otherwise stated. The words "hereof", "hereto" and "herein" refer to this Agreement, and are not limited to the article, section, paragraph or clause in which such words are used. If any decision, approval or other determination is required or permitted to be made hereunder in a Party's "discretion", the word "discretion" shall be interpreted to mean such Party's sole and absolute discretion.

9.21 Insurance. The Parties will maintain at all times during the Term, insurance for claims which may arise from, or in connection with, services performed/products furnished by the Parties and their agents, representatives, employees, or subcontractors, with coverage at least as broad and with limits of liability not less than those stated in Exhibit C in accordance therewith.

9.22 Counterparts and Admissibility of Electronic Copies. This Agreement and any amendment or addendum thereto may be executed in counterparts, each of which when executed by the requisite Parties shall be deemed to be a complete original document. An electronic or facsimile copy thereof shall be deemed, and shall have the same legal force and effect as, an original document.

9.23 No Representations as to Potential Revenues or Profits. Neither Party makes any representation or warranty express or implied as to the potential success of the business venture contemplated hereby. Each Party expressly disclaims the making of, and the other Party acknowledges that it has not received or relied upon,

any warranty or guarantee, express or implied, as to the potential revenues, profits, or success of the business venture contemplated by this Agreement.

9.24 Further Assurances. The Parties shall execute such further documents and do any and all such further things as may be reasonably necessary to implement and carry out the intent of this Agreement.

9.25 Survival. Any covenant, representation, warranty, term, or provision of this Agreement which, in order to be effective, must survive the termination or expiration of this Agreement, shall survive any such termination or expiration.

9.26 No Third Party Beneficiary. Except as provided herein, no provision of this Agreement is intended or shall be construed to provide or create any third party beneficiary right, or any other right of any kind in any client, customer, affiliate, insurer, lender, shareholder, partner, member, officer, director, employee, or agent of any Party hereto, or in any other Person, and all terms and provisions hereof shall be personal solely among the Parties to this Agreement and their proper successors and assigns.

9.27 No Solicitation. The Parties and their Affiliates shall not, directly or indirectly, solicit the employment of any individual who has an active management position with the other Party or any of its Affiliates, without the prior written consent of the other Party, which consent may be granted or withheld in the other Party's sole discretion.

9.28 Comps and Reward Points. Marc Sherry and Greg Sherry shall be entitled to reasonable comp privileges as approved in advance by Licensee. Licensee shall cause the Restaurant to participate in Caesars reward points system and the Restaurant shall be entitled to receive the point redemption thresholds in place as of the date of this Agreement for other first class, gourmet restaurants in the Casino. For purposes of this Agreement, one (1) reward point shall entitle the holder thereof to $1.00 of food or beverage in the Restaurant.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as of the day and year first above written.

LICENSOR:

THE ORIGINAL HOMESTEAD RESTAURANT, INC.

By:_____

Name: _____

Title: _____

LICENSEE:

DESERT PALACE, INC.

By:_____

Name: Thomas Jenkin

Title: Global President

Solely with respect to Sections 1.1, 2.3 and 2.4 only.

_____
Greg Sherry
Date: _____

_____
Marc Sherry
Date: _____

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as of the day and year first above written.

LICENSOR:

THE ORIGINAL HOMESTEAD RESTAURANT, INC.

By: Greg Sherry

Name: Marc Sherry

Title: President

LICENSEE:

DESERT PALACE, INC.

By: _____

Name: _____

Title: _____

Solely with respect to Sections 1.1, 2.3 and 2.4 only.

Marc Sherry

Greg Sherry
Date: 3/1/2017

_____
Marc Sherry
Date: _____

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as of the day and year first above written.

LICENSOR:

THE ORIGINAL HOMESTEAD RESTAURANT, INC.

By:_____

Name: _____

Title: _____

LICENSEE:

DESERT PALACE, INC.

By:_____

Name: _____

Title: _____

Solely with respect to Sections 1.1, 2.3 and 2.4 only.

_____
Greg Sherry
Date: _____

Marc Sherry
Marc Sherry
Date: 03/01/2017

Exhibit A

DEFINED TERMS

The following capitalized terms, when used in this Agreement, including the Preamble, shall, except where the context otherwise requires, have the following meanings (such meanings to be equally applicable to the singular and plural forms thereof):

"Affiliate" means, with respect to a specified Person, any other Person who or which is directly or indirectly controlling, controlled by or under common control with the specified Person, or any member, stockholder, director, officer, manager or comparable principal of, or Relative of, the specified Person or such other Person or any Relative of such Person. For purposes of this definition, (i) "control", "controlling", "controlled" mean the right to exercise, directly or indirectly, at least ten percent (10%) of the voting power of the stockholders, members or owners of any entity and, with respect to any individual, partnership or trust, the possession, directly or indirectly, of the power to direct or cause the direction of the management of the controlled Person, and (ii) with respect to Licensee, the term "Affiliate" shall only include Caesars Entertainment Corporation, a Delaware corporation ("CEC") Caesars Acquisition Company, a Delaware corporation ("CAC"), and their respective direct and indirect controlled subsidiaries and shall not include any shareholder or director of CEC, CAC or any Affiliate of such shareholder or director (other than CEC, CAC and their respective direct and indirect controlled subsidiaries).

"Agreement" has the meaning set forth in the Preamble.

"Brand Standards" has the meaning set forth in Section 2.1(a).

"Caesars" means Caesars Enterprise Services, LLC, a Delaware limited liability company.

"Casino" has the meaning set forth in Recital A.

"Chosen Courts" has the meaning set forth in Section 9.10(b).

"Code" has the meaning set forth in Section 9.12(a).

"Confidential Information" means, as to a Party, information about that Party and its Affiliates that another party would reasonably believe to be proprietary and to have value due to its non-public nature, including, without limitation, information about its recipes, business plans, strategies, costing information, prospects and locations, that (i) is furnished by the Party to a Recipient, or (ii) otherwise becomes known to a Recipient or its Representatives as a result of the transactions contemplated hereby; provided, that "Confidential Information" shall not include any information which the Recipient can clearly show (a) is or has become openly known to the public through no fault of the Recipient or its Representatives, (b) was lawfully obtained by the Recipient from a source other than the disclosing Party or its Representatives, who the Recipient reasonably believes (after due inquiry) is not subject to any obligation of confidentiality or restriction on use or disclosure to the disclosing Party or its Affiliates or any other Person or (c) was developed independently by the Recipient or its Affiliates.

"Effective Date" means September 21, 2016.

"Exclusivity Provisions" has the meaning set forth in Section 2.3(a).

"Excusable Delay" has the meaning set forth in Section 6.3.

"FF&E" means complementary furnishings, built-in serving or service furniture, carpeting, decorative millwork, decorative lighting, audio and television receivers and other electronic equipment, interior plantings, artifacts and artwork, interior and exterior graphics and signage, glassware, linens, silverware, uniforms and menus.

"Fiscal Year" means (i) the period commencing on the Effective Date and ending on December 31 of the calendar year in which the Effective Date occurs and (ii) each subsequent period of twelve months commencing

on January 1 and ending on December 31 of any calendar year (or such earlier date on which this Agreement expires or is terminated).

"GAAP" means United States generally accepted accounting principles, as applied on a consistent basis by Licensee.

"Gaming Business" means the ownership, operation or management of one or more casinos, video lottery terminal facilities, racetracks, on-line gaming businesses or other business involving gaming or wagering.

"Governmental Authority" means any United States, state, local, or non-United States government or subdivision thereof, any governmental agency and any other board, bureau, commission, department, instrumentality, public body, court, tribunal or other entity exercising legislative, judicial, regulatory or administrative functions of or pertaining to any United States, state, local or non-United States government.

"Gross Restaurant Sales" means all receipts or revenues of the Restaurant from all sources of any kind (subject to the limitations set forth in this Agreement), including the sale of food and beverage, door charges and sale of merchandise, computed on an accrual basis in accordance with generally accepted accounting principles consistently applied by Licensee, excluding only (i) federal, state and local excise, sales, use or rent taxes collected from customers from receipts which are included in Gross Restaurant Sales, (ii) gratuities paid to the employees of the Restaurant (or paid to Licensee and paid by Licensee to such employees) by patrons with respect to functions which generate Gross Restaurant Sales, (iii) amounts collected by Licensee from patrons for the account of, and for direct payment to, unrelated third parties providing services specifically for a patron's function which generate Gross Restaurant Sales, such as flowers, music and entertainment, (iv) proceeds paid as a result of an insurable loss (unless paid for the loss or interruption of business and representing payment for damage for loss of income and profits of those Restaurant operations which are intended to generate Gross Restaurant Sales), (v) proceeds of condemnation and eminent domain awards, litigation awards and settlement payments, (vi) any proceeds or other economic benefits of any borrowings or financings of Licensee, (vii) any proceeds or other economic benefit from any sale, exchange or other disposition of all or any part of CaesarsPalace or the Restaurant, including any furniture, furnishings, decorations, and equipment, or any other similar items, (viii) funds provided by Licensee, (ix) payments made under any warranty or guaranty and (x) any other receipts or payments that are not standard or typical in the ordinary course of operating a restaurant or that are excluded by Licensee in a manner consistent with the determination of gross revenues of operations of Licensee and its Affiliates similar to the Restaurant. Gross Restaurant Sales shall be reduced by the amount of credit card fees and over-rings, refunds and credits given, paid or returned by Licensee in the course of obtaining Gross Restaurant Sales. In addition to receipts from transactions occurring at the Restaurant, Gross Restaurant Sales shall include, without limitation, all receipts for food, beverages or merchandise delivered from the Restaurant in satisfaction of orders therefor received away from the Restaurant and receipts for food, beverages and merchandise delivered away from the Restaurant in satisfaction of orders received at the Restaurant and receipts for food, beverages and merchandise delivered away from the Restaurant in satisfaction of orders received away from the Restaurant but sold, transferred or solicited with reference to the Restaurant. Notwithstanding the foregoing, Gross Restaurant Sales shall include the menu price of all food, beverages and merchandise delivered on a complimentary or discounted basis by Licensee to its customers and, unless the promotion and alternative pricing was made with the prior written consent of Licensor, Gross Restaurant Sales shall include the full menu price of all food, and beverages and merchandise so provided on a complimentary or discounted basis to its customers (except that employees of Licensee or its Affiliates shall be entitled to a twenty percent (20%) discount off the full menu price and such twenty percent (20%) discount amount shall not be included in Gross Restaurant Sales).

"Ground Lease" has the meaning set forth in Section 9.17.

"Indemnified Person" has the meaning set forth in Section 8.3.

"Indemnifying Person" has the meaning set forth in Section 8.3.

"Infringement Claim" has the meaning set forth in Section 1.3(h).

"Law" means any statute, ordinance, promulgation, law, treaty, rule, regulations, code, judicial precedent or order enacted, promulgated or imposed by any Governmental Authority, including any constitution.

"License" has the meaning set forth in Section 1.2.

"License Fee" has the meaning set forth in Section 3.1.

"Licensee" has the meaning set forth in the Preamble.

"Licensee Marks and Materials" has the meaning set forth in Section 1.3(a).

"Licensor" has the meaning set forth in the Preamble.

"Licensor Associates" means Licensor, its Affiliates and the directors, officers, employees, agents and other associates of Licensor or any of its Affiliates.

"Licensor Change of Control" means (i) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) to any Person or group of related Persons (a "Group") as determined under Section 13(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), of all or substantially all of the direct and indirect assets of Licensor, (ii) the approval by the holders of the capital stock of Licensor of any plan or proposal for the liquidation or dissolution of such Person or (iii) any Person or Group becoming the beneficial owner (as determined under Section 13(d) under the Exchange Act), directly or indirectly, of ten percent (10%) or more of the aggregate voting power represented by the issued and outstanding capital stock of Licensor entitled to vote generally or in the election of directors (or Persons performing similar functions), except for any Person or Group who is such a beneficial owner as of the date hereof.

"Licensor Marks" means all trade names, trademarks, designs, trade dress, service names, service marks and domain names identified in Exhibit E, together with all registrations thereof and applications for registration thereof, and such other trade names, trademarks, designs, trade dress, service names, service marks and domain names of Licensor or any of its Affiliates as may be provided from time to time by Licensor to Licensee in connection with the transactions contemplated by this Agreement

"Licensor Materials" means all copyrights, works of authorship, programs, patents, techniques, recipes, processes, formulas, ideas, developmental or experimental work, work-in-process, methods or trade secrets used by Licensor or any of its Affiliates in the operation of food or beverage establishments similar to the Restaurant and such other works of authorship, programs, patents, techniques, processes, formulas, ideas, developmental or experimental work, work-in-process, methods or trade secrets of Licensor or any of its Affiliates as may be provided from time to time by Licensor to Licensee in connection with the transactions contemplated by this Agreement.

"Liquidated Damages" has the meaning set forth in Section 4.2(a)4.2(a).

"Mortgages" has the meaning set forth in Section 9.17.

"Effective Date" means the date on which the Restaurant first opens to the general public for business.

"Operating Supplies" means: (i) china, glassware, linens and silverware; (ii) uniforms; (iii) utensils, bowls, containers, pots, pans and similar items of personal property; (iv) flowers and decorations; (v) menus, stationery, pens, pencils, checks and office supplies; (vi) paper and plastic products; and (vii) other inventories, items and supplies (other than food and beverage) necessary or appropriate for the efficient operation of a restaurant.

"Party" and "Parties" have the meanings set forth in the Preamble.

"Permanent Damage" means any damage by fire or other casualty to the Casino or the Restaurant (i) where the net insurance proceeds are not sufficient to restore and repair the damaged portion of the Casino or the Restaurant substantially to its condition and character just prior to the occurrence of such casualty, or (ii) where it is not reasonably practicable to restore and repair the Casino or the Restaurant due to restrictions under applicable Law, or for other reasons beyond Licensee's reasonable control, in each case as determined by Licensee in its discretion.

"Person" means any individual, corporation, proprietorship, firm, partnership, limited partnership, limited liability company, trust, association or other entity, including any Governmental Authority.

"Recipient" has the meaning set forth in Section 9.15(a).

"Relative" means, with respect to any Person, such Person's mother, father, spouse brother, sister, children, son-in-law, daughter-in-law, mother-in-law, father-in-law, step-parents, step-children, grandmother, grandfather, grandchildren and any relative or other person residing in the place of residence of such Person.

"Representatives" has the meaning set forth in Section 9.15(a).

"Restaurant" has the meaning set forth in Recital C.

"Restaurant Premises" has the meaning set forth in Recital C.

"Restricted Area" has the meaning set forth in Section 2.3(a).

"Services" has the meaning set forth in Section 2.2.

"Substantial Damage" means any damage, other than a Permanent Damage, by fire or other casualty to the Casino or the Restaurant (i) that results in more than ten percent (10%) of the area of the Casino or the Restaurant, as applicable, being rendered unusable, (ii) where the estimated length of time required to restore the Casino or the Restaurant, as applicable, substantially to its condition and character just prior to the occurrence of such casualty shall be in excess of ninety (90) days, or (iii) if the estimated cost of restoration and repair of the damage exceeds ten percent (10%) of the then current replacement cost of the Casino or the Restaurant, as applicable, in each case as determined by Licensee in its discretion.

"Tax" means all taxes, assessments, charges, duties, fees, levies or other governmental charges, including all federal, state, local and foreign income, franchise, profits, capital gains, capital stock, transfer, sales, use, value added, occupation, property, excise, severance, windfall profits, stamps, license, payroll, social security, withholding and other taxes, or other governmental assessments, duties, fees, levies or charges of any kind whatsoever, all estimated taxes, deficiency assessments, additions to tax, penalties and interest.

"Term" has the meaning set forth Section 4.1.

"Third-Party Claim" has the meaning set forth in Section 8.1.

"Union Agreements" has the meaning set forth in Section 2.5(b).

Exhibit B

Restaurant Premises

Exhibit C

Insurance

(a) Insurance Coverage. The Parties will maintain at all times during the Term, insurance for claims which may arise from, or in connection with, services performed/products furnished by the Parties, their agents, representatives, employees, or subcontractors with coverage at least as broad and with limits of liability not less than those stated below.

(i) Workers Compensation and Employers Liability Insurance: Statutory workers compensation coverage, Employers liability insurance - $1,000,000 each accident, $1,000,000 disease, each employee, $1,000,000 disease, policy limit.

(ii) General Liability Insurance: Limits: $1,000,000 per occurrence, $2,000,000 aggregate / include - Products / Completed Operations, Blanket Contractual Liability, Independent Contractor Liability, Broad form property damage, Cross liability, severability of interests, Personal and advertising injury, Medical Expense Coverage, Fire Legal Liability / Damage to Rented Premises.

(iii) Automobile Liability Insurance (if applicable): Liability limits: $1,000,000 combined single limit, $1,000,000 uninsured and underinsured motorist, Covers owned, hired and non-owned Vehicles.

(iv) Umbrella Liability Insurance: Limits: $3,000,000 per occurrence and aggregate, Provides excess limits over General Liability, Automobile Liability, and Employers Liability coverages, Coverage shall be no more restrictive than the applicable underlying policies.

(b) Evidence of Insurance: Before the Effective Date, immediately upon the renewal of any policy required above, and upon request, (1) Licensor shall provide Licensee and Caesars with a Certificate of Insurance in accordance with the foregoing and referencing the services to be provided, such certificate of insurance to be delivered to Licensee and in electronic format to corprisk@caesars.com; and (2) Licensee shall provide Licensor with a Certificate of Insurance in accordance with the foregoing and referencing the services to be provided.

(c) General Terms: All policies of insurance shall (i) provide for cancellation of not less than thirty (30) days prior written notice to the other Party and Caesars, (ii) have a minimum A.M. Best rating of A+, (iii) be primary and non-contributory with respect to any other insurance or self-insurance program of the Parties or Caesars and (iv) provide a waiver of subrogation in favor of the Parties and Caesars. Each of the Parties further agrees that any subcontractors engaged by the Party will carry like and similar insurance with the same additional insured requirements.

(d) Additional Insured.

(i) Insurance required to be maintained by Licensor pursuant to this Exhibit C (excluding workers compensation) shall name Licensee and Caesars, including their parent, affiliated or subsidiary corporations, and their respective agents, officers, members, directors, employees, successors, and assigns as additional insureds. The coverage for an additional insured shall apply on a primary basis and shall be to the full limits of liability purchased by Licensor even if those limits of liability are in excess of those required by this Agreement.

(ii) Insurance required to be maintained by Licensee pursuant to this Exhibit C (excluding workers compensation) shall name Licensor and its agents, officers, members, directors, employees, successors, and assigns as additional insureds. The coverage for an additional insured shall apply on a primary basis and shall be to the full limits of liability purchased by Licensee even if those limits of liability are in excess of those required by this Agreement.

(e) Failure to Maintain Insurance. Failure to maintain the insurance required in this Exhibit C will constitute a material breach and may result in termination of this Agreement pursuant to Article 4.

(f) Representation of Insurance. By requiring the insurance as set out in this Exhibit C, no Party represents that coverage and limits will necessarily be adequate to protect the other Party, and such coverage and limits shall not be deemed as a limitation on liability under the indemnities provided in this Agreement, or any other provision of the Agreement.

Exhibit D

Signature Dish List

Appetizers

- Maryland Lump Crabmeat Cocktail
- Colossal Crab Cake
- Chefs Special Bread Preparation
- Raw Bar (Shellfish Platter)

Salads

- Classic Caesar Salad
- Wedge of Iceberg Lettuce Salad
- Mozzarella Di Buffala & Tomato Salad
- Vine Ripened Tomato and Red Onion Salad

Sides

- Truffle Mac & Cheese
- Creamed Spinach
- Slab Bacon

Steaks

- Prime Grade New York Sirloin (various sizes)
- Sirloin Steak Au Poivre
- The Gotham Rib Steak on the Bone (various sizes)
- The Empire Cut of Prime Rib on the Bone
- Steak Filet Mignon on the Bone
- Filet Mignon on the Bone Au Poivre
- Filet Mignon (various sizes)

  w/ hashed brown potato cake, bordelaise

  w/ wrapped in applewood smoked bacon , hashed brown potato cake, bordelaise sauce

- Porterhouse Steak for Two

Burger

- American Kobe Burger

Seafood

- 2 ½ LB. & 4 ½ Whole Lobsters

Dessert

- NY Style Cheese Cake
- Big Fat Chocolate Cake

Exhibit E

Licensor Marks

OLD HOMESTEAD STEAK HOUSE

Word Mark	**OLD HOMESTEAD** STEAK HOUSE
Goods and Services	IC 042. US 100 101. G & S: RESTAURANT SERVICES. FIRST USE: 18680000. FIRST USE IN COMMERCE: 18680000
Mark Drawing Code	(1) TYPED DRAWING
Serial Number	76274931
Filing Date	June 21, 2001
Current Basis	1A
Original Filing Basis	1A
Published for Opposition	October 16, 2001
Registration Number	2527517
Registration Date	January 8, 2002
Owner	(REGISTRANT) Original Homestead Restaurant, Inc. CORPORATION NEW YORK 56 9th Avenue New York NEW YORK 10011
Attorney of Record	DONNA MIRMAN BROOME
Disclaimer	NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "STEAK HOUSE" APART FROM THE MARK AS SHOWN
Type of Mark	SERVICE MARK
Register	PRINCIPAL
Affidavit Text	SECT 15. SECT 8 (6-YR). SECTION 8(10-YR) 20120305.
Renewal	1ST RENEWAL 20120305
Live/Dead Indicator	LIVE

OLD HOMESTEAD STEAK HOUSE STEAK SAUCE

Word Mark	**OLD HOMESTEAD** STEAK HOUSE STEAK SAUCE
Goods and Services	IC 030. US 046. G & S: STEAK SAUCE. FIRST USE: 19980000. FIRST USE IN COMMERCE: 19980000
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	76616827
Filing Date	October 20, 2004
Current Basis	1A
Original Filing Basis	1A
Published for Opposition	September 20, 2005
Registration Number	3026050
Registration Date	December 13, 2005
Owner	(REGISTRANT) Original Homestead Restaurant, Inc. CORPORATION NEW YORK 56 9th Avenue New York NEW YORK 10011
Attorney of Record	George Gottlieb
Prior Registrations	2527517
Disclaimer	NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "STEAK HOUSE STEAK SAUCE" APART FROM THE MARK AS SHOWN
Type of Mark	TRADEMARK
Register	PRINCIPAL
Affidavit Text	SECT 8 (6-YR). SECTION 8(10-YR) 20160310.
Renewal	1ST RENEWAL 20160310
Live/Dead Indicator	LIVE

Exhibit F

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	)	Chapter 11
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et. al.,[1]	)	Case No. 15-01145 (ABG) (Jointly Administered)
Reorganized Debtors	)	
	)	Hearing Date: December 13, 2017
	)	Hearing Time: 1:30 p.m. (CT)

THE OLD HOMESTEAD RESTAURANT, INC.'S PRELIMINARY OBJECTIONS TO REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSES FILED BY R SQUARED GLOBAL SOLUTIONS, LLC AND DNT ACQUISITION LLC

The Old Homestead Restaurant, Inc., d/b/a The Old Homestead Steakhouse ("OHR" or "Restaurant"), a party in interest pursuant to 11 U.S.C. § 1109(b),[2] submits these preliminary objections to the *Request For Payment of Administrative Expense* ("Motion;" Dkt. No. 7607) filed by R SQUARED GLOBAL SOLUTIONS, INC. ("RSG") derivatively filed on behalf of DNT Acquisition LLC ("DNT"). For the reasons set forth below, the Court should abstain from determining or deny the Motion.

1. **Failure to Join Indispensable Party**. Notwithstanding the breadth of the contractual, non-bankruptcy issues which first must be determined prior to characterizing the relief sought in the Motion as "administrative expenses," RSG has failed to join a party (OHR) who is indispensable to the resolution of its claims. The members of DNT are RSG and OHR, each controlling a fifty (50%) percent ownership interest therein. Pursuant to a sub-license agreement between the Debtor Desert

[1] A complete list of the Reorganized Debtors and the last four digits of their federal tax identification numbers may be obtained at https://cases.primeclerk.com/CEOC.
[2] OHR is a creditor of the Debtor, and/or a person who has a legally protected, pecuniary interest in the estate and the various related contracts that will be affected by the Motion. See In re Ulz, 401 B.R. 321,
{000 OBJ A0492758.DOC}

Palace, Inc. ("Caesars"), DNT and OHR dated June 21, 2011 ("Sublicense;" Motion Exhibit A) and until September 21, 2016 when it terminated the Sublicense, Caesars had operated an Old Homestead Steakhouse in Caesars Palace Las Vegas, utilizing OHR's intellectual property and propriety materials. RSG now seeks a determination, under the guise of an administrative expense application, that Caesars' post-petition termination of the Sublicense was improper, entitling it to breach damages measured by the royalties to which it would have been entitled from the date of termination through the Plan's Effective Date. Alternatively, RSG claims that even if Caesars properly terminated the Sublicense based on RSG's principal's (Rowen Seibel) Federal tax fraud conviction (see Motion, ¶¶ 14-16), Caesars' entry into a new license agreement with OHR ("New License") constituted a breach of the Sublicense; RSG contending that Caesars and OHR were not permitted to continue to operate the Restaurant using "food and beverage menus and recipes developed by DNT ...." (Motion, ¶3) OHR, a 50% member of DNT, asserts that Caesars' termination of the Sublicense was proper based on Seibel's (a DNT Manager) post-petition felony conviction (see, infra), as was OHR's entry into the New License and Caesars' continued operation of the Restaurant using OHR's proprietary assets, including its - not DNT's - menu. Pursuant to DNT's Limited Liability Company Operating Agreement ("DNT Agreement;" Exhibit 1), upon termination of the Sublicense, OHS's license to DNT to utilize the Old Homestead Mark, Old Homestead Materials and Old Homestead System (see Motion Exhibit A, Recitals B-E and definitional sections) automatically terminated. (see Exhibit 1, Section 6.1(b))

In all events, the issues raised by RSG cannot be determined without OHR being joined as a party. In the absence of OHR's joinder, this Court will not be in a position to accord complete relief among the existing parties, and OHR's rights and ability to protect its interests will be irreparably

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327-28 (Bankr. N.D. Ill.), aff'd sub nom., C&R Mortg. Corp. v. Ulz, 419 B.R. 793 (N.D. Ill. 2009).

impaired. Indeed, as further described below, a determination of the contractual issues raised by RSG without OHR's joinder will subject not only DNT and OHR, but Caesars as well, to the substantial risk of multiple and/or otherwise inconsistent obligations. See Fed. R. Civ. P. 19(a)(1) and Fed. R. Bank. P. 7019. Accordingly, should the Court determine not to abstain from or to deny the Motion, it should direct RSG to file an adversary proceeding naming all necessary parties, wherein the underlying contractual issues and related relief sought can be fully determined.

2. **Prior Action Pending**. On August 25, 2017, Caesars filed a Complaint against Seibel, DNT and other Siebel-affiliated entities ("Siebel Defendants") in the Nevada District Court, Clark County, Case No. A-17-760537-B ("Nevada Action;" Exhibit 2 hereto). In the Nevada Action, Caesars has sought a declaratory judgment that it: (i) properly terminated the Sublicense with DNT, as well as other, similar agreements with Seibel-affiliated restaurant entities, based upon Seibel's felony conviction and his status as an "unsuitable person" under the Sublicense; and (ii) does not owe any current or future obligations to the Siebel Defendants, including to DNT under the terminated Sublicense. As in the instant Motion, Seibel (RSG) is "claiming that Caesars wrongfully terminated those agreements." The Court should note that the Sublicense provides that Caesars' termination of the Sublicense based on its finding of unsuitable status "shall not be subject to dispute by the DNT Parties [including RSG] and shall not be the subject of any proceeding" challenging that determination. (Motion Exhibit A, §11.2)

The Sublicense provides that Nevada law "shall govern [its] validity, construction, performance and effect," and that RSG, Siebel, OHR and DNT "each agree to submit to the exclusive jurisdiction of any state or federal court within Clark County Nevada ... for any court action ...." (see Motion Exhibit A, §14.10(a) and (c)(emphasis supplied))

Instead of properly contesting Caesars' claims in the Nevada Action, RSG, ostensibly on behalf of DNT, has brought this "derivative" motion in an attempt to avoid a full exposition of the facts and a determination of its claims by the court to which it previously had agreed would decide them. Most of the material witnesses to the agreements and facts in issue reside and work in Nevada, wherein many of the critical events occurred. The Clark County District Court thus is in the best position to assess and determine the identical claims belatedly and strategically interposed here by RSG. This Court should abstain in the interests of justice and judicial comity. See 28 U.S.C. § 1334(c)(1); In re Chicago, Milwaukee, St. Paul & Pac. R.R. Co., 6 F.3d 1184, 1189 (7th Cir. 1993).

3. **RSG's Claims Are Devoid of Merit**. In the Nevada Action, Caesars has described in detail the fraudulent and criminal behavior in which Seibel, then as the owner of RSG and a Manager of DNT, engaged, asserting: "Caesars is not required under the Seibel Agreements or otherwise to do business with a convicted felon. ... Seibel ... concealed material facts from Caesars that [he] had a duty to disclose . . . . Had Caesars been aware of Mr. Seibel's wrongdoings when the relationship first began, it would not have entered into the Seibel Agreements. And, if Mr. Seibel had properly disclosed his wrongdoings, Caesars would not have continued doing business with Mr. Seibel and would have terminated its relationship with Mr. Seibel and his companies." (Exhibit 2, ¶7) For identical reasons, OHS was not required pursuant to the DNT Agreement to continue to do business with a convicted felon, who for many years fraudulently had concealed material facts from OHS and who, during the pendency of these bankruptcy proceedings, further failed to disclose his surreptitious transfer of ownership in RSG

to a "family trust," and his secret resignation as a Manager of DNT, this despite the fact that the DNT Agreement expressly prohibited such actions.[3]

Section 6.1(b) of the DNT Agreement provided that "[t]he term of the rights and licenses granted to [DNT] hereunder [by OHR] shall be identical to the Term of the Sublicense [with Caesars]. Upon ... final termination of the Sublicense ..., the rights and licenses granted by OHR to the LLC hereunder shall terminate." Thus, upon Caesars' termination of the Sublicense, DNT no longer possessed the right or authority to license the operation of the Restaurant to Caesars, and OHR had every right to enter into the New License, unbridled to an admitted fraudfeaser and admitted criminal, Seibel.

Dated: December 6, 2017

Respectfully submitted,

The Old Homestead Restaurant, Inc., d/b/a
The Old Homestead Steakhouse

By: /s/ Gordon E. Gouveia
One of its Attorneys

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[3] For example, Section 8.2 of the DNT Agreement provided that "[s]o long as Rowen is alive and not permanently disabled, Rowen shall serve as one of the RSG Managers (unless OHR shall otherwise agree)."

EXHIBIT 1

LIMITED LIABILITY COMPANY AGREEMENT

OF

DNT ACQUISITION, LLC

LIMITED LIABILITY COMPANY AGREEMENT ("Agreement"), entered into as of this 19 day of July 2011, by and between R SQUARED GLOBAL SOLUTIONS, LLC, a Nevada limited liability company with an address c/o Rowen Seibel at 200 Central Park South, 19th Floor, New York, New York 10019 (hereinafter "RSG") and THE ORIGINAL HOMESTEAD RESTAURANT INC. ("OHR") with an address at 56 9th Avenue, New York, New York 10011-4901. RSG and OHR, are sometimes hereinafter individually referred to as a "Member" and collectively, with any additional or substitute members, as the "Members." ROWEN SEIBEL ("Rowen") with an address at 200 Central Park South, 19th Floor, New York, New York 10019, BRIAN ZIEGLER ("Brian") with an address at 90 Merrick Avenue, 9th Floor, East Meadow, New York 11554, GREG SHERRY ("Greg") with an address at 56 9th Avenue, New York, New York 10011-4901 and MARC SHERRY ("Marc") with an address at 56 9th Avenue, New York, New York 10011-4901 are also parties to this Agreement each, in his capacity as a Manager of DNT Acquisition, LLC as hereinafter more fully described. Rowen, Greg and Marc are also parties with respect to certain applicable provisions.

W I T N E S S E T H:

WHEREAS, the Members desire to conduct business as a limited liability company pursuant to the laws of the State of Delaware, such company to be known as DNT Acquisition, LLC (the "Company or the "LLC");

WHEREAS, the Members desire that the Company shall be managed by four

managers (each a "Manager" and collectively, the "Managers") as more specifically hereinafter provided;

WHEREAS, Rowen, the principal of RSG, has significant experience in the restaurant business and has developed favorable relationships with, among others, Desert Palace, Inc. ("Caesars"), the operator of Caesars Palace Hotel and Casino ("Caesars Palace") located in Las Vegas, Nevada.

WHEREAS, Rowen, the principal of RSG, has utilized his relationships to secure a location (the "Location") in the premises of Caesars Palace for the operation of a first-class steakhouse restaurant;

WHEREAS, in accordance with the terms hereof, RSG is willing to agree to the operation of an Old Homestead Steakhouse Restaurant at the Location (the "Restaurant");

WHEREAS, OHR is the developer and owner of a distinctive proprietary system for operating steakhouses under the "Old Homestead Steakhouse" trade name, which system includes, without limitation, signature products, unique menus and menu items, ingredients, recipes, methods of preparation, specifications for food products and beverages, methods of inventory, operations control, equipment and design, all of which may be improved, furthered and developed from time to time by OHR and its principals (collectively, the "Old Homestead System");

WHEREAS, OHR is also the owner of certain distinctive trade names, service marks, trademarks, designs, trade dress, service names, logos, emblems and indicia of origin, including, but not limited to, a mark for the "Old Homestead Steakhouse," together with all registrations thereof and applications for registration thereof, and such other trade names, service marks, trademarks, designs, trade dress, service names, logos, emblems and indicia of origin as

may be developed from time to time by OHR and its principals (collectively, the "Old Homestead Marks");

WHEREAS, OHR possesses certain copyrights, works of authorship, programs, techniques, processes, formulas, developmental and experimental work, work in process, methods and trade secrets used or available in connection with the Old Homestead System, Old Homestead Marks and the restaurants utilizing the Old Homestead System and Old Homestead Marks, as the same may be hereafter improved, furthered and further developed (collectively, the "Old Homestead Materials");

WHEREAS, OHR desires to license to the Company the Old Homestead System, the Old Homestead Marks and the Old Homestead Materials in accordance with the terms hereof and the Company desires to license from OHR the Old Homestead System, the Old Homestead Marks and the Old Homestead Materials in accordance with the terms hereof;

WHEREAS, the Company desires to sublicense to Caesars the Old Homestead System, the Old Homestead Marks and the Old Homestead Materials for the operation by Caesars of the Restaurant at the Location in accordance with the terms of the Development, Operation and License Agreement between the Company, OHR and Caesars (the "Sublicense Agreement"), a copy of which is annexed hereto as Exhibit "A";

WHEREAS, OHR desires to consent to the sublicense by the Company of the Old Homestead System, the Old Homestead Marks and the Old Homestead Materials to Caesars pursuant to the terms of the Sublicense Agreement; and

WHEREAS, RSG, OHR and the Managers desire that this Agreement serve as the operating agreement for the Company, its Members and its Managers, setting for the relative rights, responsibilities, benefits and obligations of each.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and representations set forth herein the parties hereto hereby agree as follows:

1. **Recitals.** The above recitals are incorporated herein by reference.

2. **Name**. The name of the limited liability company is DNT Acquisition, LLC. The Company has filed with the Secretary of State of the State of Delaware a Certificate of Formation for the LLC and shall hereafter satisfy all other requirements of the Delaware Limited Liability Company Act Law, as amended (the "LLCA") with respect to the business and affairs of the LLC.

3. **Office**. The principal offices of the LLC shall be located at 56 9th Avenue, New York, New York 10014 and at 200 Central Park South, 19th Floor, New York, New York 10019 or at such other place or places as the Managers shall determine.

4. **Business**. The business of the LLC shall be to engage in any lawful activity for which a limited liability company may be organized under the LLCA, including, but not limited to, the following:

(a) To sublicense to Caesars the Old Homestead System, the Old Homestead Marks and the Old Homestead Materials and in connection therewith enter into the Sublicense Agreement and carry out the obligations of the Company thereunder and obtain the benefits to the Company therefrom;

(b) To engage in such other activities ancillary to and in furtherance of the foregoing business as may be necessary, advisable, or appropriate as hereafter determined by the Managers, including, but not limited to entering into, performing and carrying out contracts, including joint venture agreements, leases, or take action of any kind necessary to, in connection with, or incidental to, the accomplishment of the foregoing purposes;

(c) from time to time, to do any one or more of the things and acts set forth herein.

5. **Term**. The term of the LLC shall continue until terminated as hereinafter provided.

6. **Contributions to the LLC**.

6.1 Nature and Amount of Capital Contribution.

(a) Each Member shall make a one time cash contribution to the Company of One Hundred Dollars ($100.00).

(b) As an additional contribution to the LLC (in addition to its cash contribution) and in exchange for its membership interest described herein, OHR hereby grants to the LLC the exclusive right and license to use the Old Homestead System, the Old Homestead Marks and the Old Homestead Materials only in connection with the operation of the Restaurant and the right and license to sell therefrom merchandise bearing the Old Homestead Marks. OHR acknowledges and agrees that the right and license granted to the LLC hereby will be further sublicensed to Caesars pursuant to the Sublicense Agreement, the terms of which Sublicense Agreement are hereby deemed to be acceptable to OHR. OHR further acknowledges and agrees that the rights and licenses granted to the LLC hereunder shall be no less than the rights and licenses granted to Caesars pursuant to the Sublicense Agreement and OHR further represents and warrants that the LLC shall always possess the rights necessary to provide the sublicense to Caesars in accordance with the Sublicense Agreement, as the same may be amended. OHR acknowledges and agrees that the LLC is authorized to grant Caesars all rights and licenses provided to it pursuant to the Sublicense Agreement. The term of the rights and licenses granted to the LLC hereunder shall be identical to the Term of the Sublicense

Agreement (as the word "Term is defined in the Sublicense Agreement). Upon expiration of the Term (as the same may be extended) or other final termination of the Sublicense Agreement, the rights and licenses granted by OHR to the LLC hereunder shall terminate. Should the Term of the Sublicense Agreement be extended beyond the period currently contemplated by the Sublicense Agreement, the term of the rights and licensed granted to the LLC by OHR shall be extended for a like period.

(c) The Members acknowledge and agree that RSG has contributed to the LLC the opportunity and right to operate a first-class steakhouse restaurant at the Location and the opportunity for the LLC to enter into the Sublicense Agreement and do business with Caesars.

6.2 The Members shall be required to contribute additional amounts to the LLC to pay the expenses of the LLC as set forth in Article 7 of this Agreement. The Members are not obligated to make any contributions other than as previously set forth in this Article 6 or as set forth in Article 7 of this Agreement.

7. **Fiscal Year; Profits and Losses; Distributions**.

7.1 Fiscal Year. The fiscal year of the LLC shall be the calendar year.

7.2 Receipts and Distributions. Subject to Section 7.3, all amounts received by, or payable to, the LLC pursuant to the Sublicense Agreement shall be distributed to the Members as follows:

(a) The License Fee payable to the LLC pursuant to Section 8.1.1(a) of the Sublicense Agreement (i.e. four percent (4%) of Gross Restaurant Sales up to and including $7,735,755.00 for each Fiscal Year as such terms are defined in the Sublicense Agreement) shall be distributed 62.5% to OHR and 37.5% to RSG (i.e. such that OHR and RSG

are receiving two and one-half percent (2.5%) and one and one-half percent (1.5%), respectively, of the four percent (4%) License Fee payable to the LLC).

(b) The License Fee payable to the LLC pursuant to Section 8.1.1(b) of the Sublicense Agreement (i.e. eight percent (8%) of Gross Restaurant Sales exceeding $7,735,755.00 for each Fiscal Year) shall be distributed 50% to OHR and 50% to RSG (i.e. such that OHR and RSG are each receiving four percent (4%) of the eight percent (8%) License Fee payable to the LLC).

(c) Any Net Profits payable to the LLC pursuant to Section 8.1.5 of the Sublicense Agreement shall be distributed 50% to OHR and 50% to RSG.

(d) Any distribution of a Capital Reserve (as such term is defined in the Sublicense Agreement) to the LLC pursuant to Section 8.1.2 of the Sublicense Agreement and any payment to the LLC of an Early Termination pursuant to the Sublicense Agreement shall be distributed to OHR and RSG in the same ratio that the aggregate of all amounts due the LLC pursuant to the entire Section 8.1 of the Sublicense Agreement for the twelve complete months ended at the end of the calendar month immediately prior to the effective date of termination of the Sublicense Agreement were distributable pursuant to this Section 7.2.

(e) Any other amounts received by the LLC and not provided for above, shall be distributed 55% to OHR and 45% to RSG.

7.3 Expenses. All expenses incurred by the LLC shall be shared by the Members in proportion to the same ratio in which the Members shared all distributions of receipts, in the aggregate, for the prior year. For example, if as a result of the application of Sections 7.2(a), 7.2(b) and 7.2(c) above (assuming no receipts by the LLC pursuant to Section

7.2(d) or 7.2(e) above), OHR received 57% of all distributions and RSG received 43% of all distributions pursuant to Section 7.2 above for a given year, then for the next year, LLC expenses shall be paid in the same ratio, i.e. 57% by OHR and 43% by RSG. All expenses incurred by the LLC prior to the opening of the Restaurant and any expenses incurred by the LLC in any year when there were no distributions in the prior year shall be paid 56.5% by OHR and 43.5% by RSG. The Members intend that the LLC shall have minimum expenses, as the Members do not contemplate that the LLC shall maintain an office, incur overhead expenses or have any employees. However, the LLC has incurred and hereafter will incur, expenses in the nature of organizational costs, professional fees, filing fees, franchise taxes and/or minimum taxes, etc. No Member or Manager shall incur any travel or entertainment expenses on behalf of the LLC without the written approval of all Managers. Any expenses incurred by any Member or Manager in furtherance of the "Promotion and Operational Presence" contemplated by Article 7 of the Sublicense Agreement and that are not required to be paid for or reimbursed by Caesars pursuant to Article 7 of the Sublicense Agreement shall be borne by such Member or Manager and shall not be considered an expense of the LLC.

7.4 Method of Receipt of Distributions and Payment of Expenses.

(a) Pursuant to the terms of the Sublicense Agreement, Caesars has agreed to pay the LLC the amounts to which the LLC is entitled pursuant to the Sublicense Agreement, by issuing two (2) checks, one payable to OHR and one payable to Rowen or his designee (such designee being RSG) in accordance with the allocations set forth in Section 7.2 above. In the event that Caesars hereafter refuses or fails to make separate payments to OHR and RSG as aforesaid, but makes payments to the LLC, all such amounts will be deposited in an

LLC bank account and be released therefrom, in accordance with Article 7, only upon the signature or written authorization of (i) one RSG Manager and (ii) one OHR Manager.

(b) To the extent the LLC incurs expenses in the nature contemplated by Section 7.3 or as otherwise approved by all Managers, each Member shall contribute to the LLC its proportionate share of such expenses, within seven (7) days of receipt of a written request therefor by any Manager and if the LLC does not receive the proportionate contribution for such expenses from a Member (a "Defaulting Member") within such seven (7) day period, any Manager may notify Caesars in writing that the next payment(s) that Caesars would otherwise make to such Defaulting Member should instead by payable to the LLC so as to allow the LLC to recoup the proportionate share of such expenses from such Defaulting Member (and interest as hereinafter described). A Defaulting Member shall be obligated to pay interest to the LLC at the rate of ten percent (10%) per annum to the extent that it has not paid its proportionate contribution for expenses within such seven (7) day period.

7.5 Allocation of Profits and Losses. All net profits (income less expenses) of the LLC, for each year, shall be allocated to the Members in the same ratio that the aggregate distributions were made to the Members pursuant to all subparagraphs of Section 7.2 for such year (i.e. total distributions payable to a Member for such Fiscal Year divided by the total distributions payable to all Members for such Fiscal Year). In the event of a year in which there are no net profits, but there are net losses, then the net losses shall be allocated to the members in the same ratio that expenses were required to be contributed by the Members pursuant to Section 7.3 for such year. For purposes of this Article 7, amounts payable to the LLC pursuant to the Sublicense Agreement that result from operations in a particular Fiscal Year shall be treated as if received for such Fiscal Year, notwithstanding that the Members of the LLC

may not actually receive such amounts until the following year due to the right of Caesars to remit amounts thirty (30) days after the end of each calendar quarter.

7.6 Tax Matters Members. Notwithstanding anything contained herein to the contrary, the Managers are hereby authorized to act as the "Tax Matters Members" of the Company as that term is defined in Section 6231(a)(7) of the Code and in such regulations as may be promulgated pursuant thereto, and to take such action and exercise such rights, powers and duties as "Tax Matters Member" of the Company as contemplated by the Code (all at the cost and expense of the Company), including, without limitation, keeping all Members informed of, and forwarding copies of, notices with respect to all administrative and judicial proceedings for the adjustment at the Company level of Company items; consenting to extensions relating to the tax returns filed for the Company; participating in administrative and judicial proceedings, including appeals, relating to the Company's tax returns or its tax liabilities; and entering into settlement agreements with respect to tax proceedings involving the Company's tax returns which will bind those Members who are parties to this Agreement.

8. **Management**.

8.1 Generally. Subject to the balance of this Article 8, the full and exclusive right, power and authority to manage all of the affairs and the business of the Company, with all the rights and powers generally conferred by law, or necessary, advisable or consistent in connection therewith shall be vested in the Managers as hereinafter set forth. Unless otherwise provided for herein, among the Managers, all decisions shall require the unanimous approval of all of the then serving Managers. Once a decision is reached amongst the Managers, it shall be carried out in accordance with Section 8.4. Once a unanimous decision has been reached by the Managers to enter into a particular agreement, such agreement may be

signed on behalf of the LLC by any of the Managers.

8.2 Initial Managers. The Company shall have four (4) Managers. OHR shall have the right to designate two Managers (the "OHR Managers") and RSG shall have the right to designate two Managers (the "RSG Managers"). The initial designation of Managers is as follows:

OHR Managers:	1. Greg 2. Marc
RSG Managers:	1. Rowen 2. Brian

Anything to the contrary hereinabove set forth notwithstanding, so long as Rowen is alive and not permanently disabled, Rowen shall serve as one of the RSG Managers (unless OHR shall otherwise agree).

8.3 Reasonable Efforts. The Managers, in their capacity as Managers, shall devote such time and effort to the Company as they deem necessary and reasonable in their discretion to carry out their responsibilities consistent with the terms of this Agreement.

8.4 Manager Responsibilities. (a) While it is acknowledged that, in accordance with the terms of the Sublicense Agreement, the Restaurant will be operated exclusively by Caesars, with respect to any action required of, or to be taken by, the LLC which involves the day to day operations of the Restaurant, although the Managers shall consult with one another and attempt to arrive at a mutually agreeable decision, to the extent they are unable to agree, the OHR Managers shall have the right to make the final decision on behalf of the LLC. However, once a decision has been made, consistent with Section 8.4(b), but subject to Article 7 of the Sublicense Agreement, all communications to Caesars relating to such decision shall be carried out by Rowen.

(b) Notwithstanding any other provision herein, but subject to Article 7 of the Sublicense Agreement, Rowen shall be solely responsible for all interaction and/or communication with Caesars on behalf of the LLC, although Rowen shall keep the OHR Managers and Brian apprised concerning his communications with Caesars relating to the LLC or the Restaurant. Additionally, with respect to all decisions and/or actions to be taken by the LLC that relate to the casino operated by Caesars or its affiliates and/or the concept of getting more "customers in the door" of the Restaurant, although he shall consult with the OHR Managers and Brian and they shall attempt to arrive at a mutually agreeable decision, if they are unable to agree, Rowen shall have the right to make the final decision on behalf of the LLC.

8.5 Managers as Agent. It is acknowledged that the Managers may act as an agent of the LLC for the purpose of its business, and the acts of the Managers, including the execution in the name of the Company of any instrument, for apparently carrying on in the usual way the business of the LLC, binds the LLC, unless such Manager has in fact no authority to act for the Company in the particular matter.

8.6 Term. The Managers of the Company are being selected in accordance with the terms hereof. Each Manager shall hold office indefinitely from and after the date hereof unless he or she shall sooner resign or be removed pursuant to Section 8.7.

8.7 Removal of Managers. In the event a Manager shall cease to be a Manager for any reason, including death or disability (so as to render such person incapable of performing his or her managerial duties on a daily basis), his or her replacement shall be designated by the Member who designated such Manager, provided that any such replacement Manager shall be approved by all of the Members, such approval not to be unreasonably withheld, conditioned or delayed. Any replacement Manager must agree to be bound by the

terms of this Agreement. No Member or Manager shall have the right to change the Manager designations of the other Member. Notwithstanding the foregoing, or anything contained in the LLCA, a Manager can be removed on the demand of all of the Members, but only if the Manager sought to be removed has (a) committed theft, gross negligence or fraud with respect to the operation of the Company, (b) declared bankruptcy or been declared a "bankrupt", (c) pleaded guilty to, or been found guilty of, a criminal act constituting a felony or involving a crime of moral turpitude (excluding any crimes or criminal acts primarily classified as the operation of a motor vehicle while ability impaired or under the influence of alcohol) or (d) been determined to be an Unsuitable Person (as such term is defined in the Sublicense Agreement). In the event of the foregoing, such Manager shall be replaced by the Member who designated such Manager provided that such replacement Manager shall be approved by all of the Members, such approval not to be unreasonable withheld, conditioned or delayed.

8.8 Meetings of Managers. Any Manager may call a meeting of the Managers by providing the other Managers written notice of such meeting stating the date, place, hour, and the purposes thereof not less than two (2) nor more than sixty (60) days before the date fixed for such meeting. The presence of four Managers shall constitute a quorum at any meeting of the Managers. Meetings may be held telephonically, by video-conference, or by other similar means if so determined by the Managers. Any action by the Managers that could be taken at a meeting of the Managers may be taken by unanimous written consent of the Managers.

8.9 Annual Meetings. Each of the Members hereby further agrees that there shall be no required annual meetings of the Members or the Managers.

8.10 Manager/Member Liability. No Manager or Member shall be liable, responsible or accountable in damages to the Company or to any of the other Members or

to the other Managers for any errors in judgment or for any act or omission performed or omitted by him in good faith pursuant to the authority granted by this Agreement, other than acts of fraud, bad faith or willful misconduct. The doing of an act or the failure to do any act by the Managers, resulting in loss or damage to the Company, if done pursuant to advice of legal or accounting counsel employed on behalf of the Company, shall not subject the Managers to any liability to the Members or to the Company or to the Managers.

9. **Books and Records**.

9.1 Generally. Proper accounting records of all LLC business shall be kept by the LLC's accountant and shall remain open to inspection of any of the Members, or their designees or legal representatives, at all reasonable times. At the end of each calendar year, a complete accounting of the affairs of the LLC shall be furnished to each Member by the LLC's accountant, together with such appropriate information as may be required by each Member for the purpose of preparing his, her or its income tax return for that year (the "Annual Statement") within sixty (60) days of the end of the fiscal year. All matters of accounting for which there is no provision in this Agreement are to be governed by generally accepted principles of accounting applied on a consistent basis. The Members consent to the appointment of Alan Gross as the initial accountant for the LLC.

9.2 Location. The books and records of the LLC shall be kept at a principal place of business of the LLC, or in such other place as designated by the Managers, provided that the LLC's accountant may maintain copies of the LLC's financial and accounting records.

9.3 Transfer and Internal Revenue Code. In the event of (i) a transfer of any interest in the LLC, or (ii) any other circumstance in which an election under Section 754

of the Internal Revenue Code, as amended, may be appropriate, the transferee shall have the right to cause the LLC to make the election permitted by Section 754 of the Internal Revenue Code, as amended, provided that such election shall be allowable at the time and provided further there is no detriment to the other Members.

10. **Exclusivity and Certain Rights**.

10.1 All Members and Managers acknowledge the provisions of Article 2 of the Sublicense Agreement and agree to act in full compliance with such provisions.

10.2 In the event that (A) OHR, Greg, Marc and/or any of their Affiliates (collectively, the "Sherry Group") should, directly or indirectly, open or operate, or cause or license the opening or operation of a restaurant, bar or lounge anywhere in the world that is (i) introduced or brought to the Sherry Group or any member of the Sherry Group by Rowen or his Affiliates or (ii) introduced or brought to the Sherry Group or any member of the Sherry Group by Caesars or any of its Affiliates and, for the purposes of this clause (ii) only, is for the location of a restaurant, bar or lounge within a property owned or operated by Caesars or its Affiliate, or (B) an Additional Venture is opened or operated with the participation of Caesars and/or any of its Affiliates, then in each such event, unless otherwise agreed to in writing, Rowen or his designee shall be entitled to receive, and OHR, Greg and Marc shall jointly and severally be obligated to pay Rowen, twenty percent (20%) of all amounts received by[1] any member of the Sherry Group, or his or its Affiliates, with respect to such restaurant, bar or lounge or Additional Venture (as the case may be), including without limitation, twenty percent (20%) of all profits, license fees, royalties, management fees, etc. With respect to each such restaurant, bar or lounge

[1] For purposes hereof, the Sherry Group and its Affiliates shall not be permitted to barter, defer payments and/or direct payments of any amounts due any one of them to a third party so as to reduce, delay or avoid making payments that would otherwise be due to Rowen hereunder and in the event any such action is taken, OHR, Greg and Marc shall nonetheless be obligated to pay Rowen all 20% payments to which he is entitled to hereunder as if all such amounts had been received in full by a member of the Sherry Group or its Affiliates.

and/or Additional Venture, unless otherwise agreed in writing, the interest of Rowen, or his designee, shall be strictly financial and neither Rowen nor his designee shall have any role, participation or involvement in the operations of such restaurant, bar or lounge and/or Additional Venture, provided however Rowen and/or his designee shall have reasonable access (and audit rights) to the books and records of such restaurant, bar or lounge and/or Additional Venture to ensure that all amounts due Rowen are properly calculated and paid. For the purpose of this Agreement, the terms "Affiliates" and "Additional Venture" shall have the meaning ascribed to them in the Sublicense Agreement. This Section shall survive the term and termination of this Agreement. The foregoing notwithstanding, with respect to subpart "(A)(i)" herein above, the restaurant, bar or lounge shall not be considered to have been introduced or brought to the Sherry Group or any member of the Sherry Group by Rowen or his Affiliates, unless Rowen has provided OHR with written notice (the "Rowen 10.2 Notice") of the same (which such Rowen 10.2 Notice may be sent via email notwithstanding Section 13 of this Agreement) within forty-eight hours of Rowen's discussion with a representative of the business controlling or making decisions for such prospective restaurant, bar or lounge opportunity specifying the name and location of the prospective restaurant, bar or lounge opportunity and the name and position of business representative with whom he spoke; provided further however that should OHR (W) identify a prospective restaurant, bar or lounge opportunity, (X) have a discussion with a representative of the business controlling or making decisions for such prospective restaurant, bar or lounge opportunity, (Y) provide written notice (the "OHR 10.2 Notice") to Rowen (which such OHR 10.2 Notice may be sent via email notwithstanding Section 13 of this Agreement) within forty-eight hours of such discussion with the representative of the business controlling or making decisions for such prospective restaurant, bar or lounge opportunity specifying the name

and location of the prospective restaurant, bar or lounge opportunity and the name and position of the business representative with whom OHR spoke and (Z) at the time that OHR provides such OHR 10.2 Notice to Rowen, OHR has not previously been provided a Rowen 10.2 Notice with respect to the same prospective restaurant, bar or lounge opportunity, then that particular restaurant, bar or lounge opportunity shall not be considered to have been introduced or brought to the Sherry Group or any member of the Sherry Group by Rowen or his Affiliates.

11. **Transfer of Member's Interest**.

11.1 General Restriction. Except as otherwise provided in this Article, a Member shall not be entitled to, directly or indirectly, sell, assign, transfer, gift, pledge, mortgage or otherwise encumber (each a "Transfer") its interest in this LLC or in its assets or enter into any agreement of any kind that would result in any person, firm, corporation or other entity becoming interested with it in the LLC, without the prior written consent of all Members, which consent may be given or withheld, conditioned or delayed, as the Members may determine in their sole and absolute discretion. Similarly, except as otherwise provided herein, the owners of OHR and RSG shall not transfer their interests in OHR and RSG, respectively, without the prior written consent of all Members, which consent may be given or withheld, conditioned or delayed, as the Members may determined in their sole and absolute discretion. Additionally, no Member may Transfer or allow a Transfer, directly or indirectly, that would be in violation of the Sublicense Agreement or result in a DNT Change of Control involving any Prohibited Person (as such terms are defined in the Sublicense Agreement). Moreover, Rowen agrees not to cause or allow RSG to undergo a DNT Change of Control that would give rise to DNT losing its rights to receive payments under Section 8.1.5 of the Sublicense Agreement.

11.2 Improper Transfers. The LLC shall not recognize as valid or give

effect to any disposition of any interest in the LLC upon the books of the LLC unless and until the Member desiring to make such disposition shall have complied with each of the provisions of this Agreement.

11.3 Permitted Transfers. Notwithstanding the foregoing and without the consent of any Member, (a) Marc and Greg shall be allowed to Transfer their interests in OHR and (b) Rowen shall be allowed to Transfer his interest in RSG, so long as a result of a Transfer pursuant to (a) or (b) above, as the case may be, there is no DNT Change of Control (as such term is defined in the Sublicense Agreement).

11.4 Death of a Member. Notwithstanding any other provision of this Article 11, if a Member, or a person holding an interest in a Member, dies or is adjudged by a court of competent jurisdiction to be incompetent to manage such person's person or property, such person's executor, administrator, guardian, conservator, or other legal representative may exercise all such person's rights relative to the LLC, if any, for the purpose of settling the his estate or administrating his property. Such representative shall have the right to Transfer the affected person's interest in the LLC and/or in the Member to (a) the affected person's parents, spouse, siblings, children, grandchildren and/or spouse of a sibling, child or grandchild and/or a trust for the benefit (exclusively) of any of the foregoing (each a "Family Member") and/or (b) any other person(s) not a Family Member so long as the Transfer to the person(s) that are not Family Members does not result in a DNT Change of Control. The affected person's interest in the LLC and/or in the Member may not be transferred to any other party unless all Members consent to a transfer to such other party(ies), such consent not to be unreasonably withheld or delayed.

12. **Dissolution and Termination**.

12.1 Upon the occurrence of the following events, the LLC shall be dissolved:

(a) the LLC ceases its business operations on a permanent basis following the expiration or termination of the Sublicense Agreement;

(b) the sale or transfer of all or substantially all of the assets of the LLC;

(c) the entry of a decree of judicial dissolution; or

(d) as otherwise provided in the Certificate of Formation of the LLC or as otherwise unanimously agreed upon by the Members.

12.2 The bankruptcy, death, disability or dissolution of any Member shall not cause the dissolution of the LLC.

12.3 In the event of the dissolution of the LLC, the business and affairs of the LLC shall continue to be governed by this Agreement during the winding up of the LLC's business and affairs.

13. **Notices**. Except as provided in Section 10.2, any notice required or given with respect to this Agreement shall be valid and effective and deemed given and received five (5) days after deposit for mailing with the United States Postal Service if sent by certified mail, return receipt requested, postage prepaid, or one (1) day after deposit for delivery if sent by reputable overnight carrier for overnight delivery (postage prepaid and provided confirmation of delivery is obtained) to the address hereinabove set forth in the opening paragraph of this Agreement. Any notice provided hereunder to be given to or received by a Member shall be given by or to the legal representative of any Member who is deceased, and, further, any notice provided to be given to or received by a Member may be given by or to the current legal counsel

of such Member. Any notice sent as provided for herein shall be valid and effective as provided for above, or, if applicable, when such notice is refused by such party or when returned to the sender of such notice as undeliverable if sent pursuant to the provisions hereof. Any party hereto may change such address by notice given to the LLC and the other parties hereto in accordance with this Section 13. Additionally with respect to any notice given to RSG and/or Rowen, a copy shall also be provided to Brian K. Ziegler, Esq., c/o Certilman Balin Adler & Hyman, LLP, 90 Merrick Avenue, East Meadow, New York 11554, and with respect to any notice given to OHR, Greg and/or Marc a copy shall also be provided to Alan Lebensfeld, Esq., Lebensfeld Borker, 140 Broad Street, Red Bank, New Jersey 07701.

14. **Miscellaneous**.

14.1 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. Any party that receives an assignment of the interest of a Member in accordance with the terms hereof shall be required to execute and deliver to each other Member a legally enforceable agreement expressly assuming all of the terms, conditions and covenants of this Agreement and such other documents as the Managers shall reasonably require prior to such assignment becoming effective.

14.2 Conflict of Laws, Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflicts of laws principles. All parties consent to the personal jurisdiction of the State of New York and agree that any action, suit or proceeding arising out of or relating to this Agreement shall be brought in a State Supreme Court located in New York.