

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(d) *Termination of the LLTQ Agreement.*

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

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

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

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

(e) *Termination of the GRB Agreement.*

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

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

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

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

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

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

(f) Termination of the FERG Agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

COUNT I

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

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

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

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

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

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

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.

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

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

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

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

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

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

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

and

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

Attorneys for Plaintiffs

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

EXHIBIT G

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

CAESARS ENTERTAINMENT OPERATING)
COMPANY, INC., et al.,) No. 15 B 01145
) Chicago, Illinois
) 10:00 a.m.
Debtor.) May 31, 2017

TRANSCRIPT OF PROCEEDINGS BEFORE THE
HONORABLE A. BENJAMIN GOLDFAR

APPEARANCES:

For the Debtors: Mr. William Arnault;

For FERG, LLC, LLTQ
Enterprises and MOTI
Partners: Mr. Nathan Rugg;

Court Reporter: Amy Doolin, CSR, RPR
U.S. Courthouse
219 South Dearborn
Room 661
Chicago, IL 60604.

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

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

7 (b) *The DNT Agreement.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 *(c) The TPOV Agreement.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 (d) *The LLTQ Agreement.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) *The GR Burgr Agreement.*

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

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

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

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

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

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

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

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

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

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

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

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

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

13 (f) *The FERG Agreement*

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

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

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

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

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

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

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

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

27 Any Person (a) whose association with CAC or its Affiliates could be anticipated to
28 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 of CAC or its Affiliates, or
(d) who is required to be licensed, registered, qualified or found suitable under any
United States, state, local, or foreign laws, rules or regulations relating to gaming or
the sale of alcohol under which CAC or any of its Affiliates is licensed, registered,
qualified or found suitable, and such Person is not or does not remain so licensed,
registered, qualified or found suitable.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

obligations, liabilities, liens, demands, charges, litigation and judgments, including court costs and reasonable attorneys' fees, incurred or suffered by them arising directly or indirectly from any claim, action, suit, demand, assessment, investigation, arbitration or other proceeding by or in respect of any third Person (a "Third-Party Claim") arising out of CAC's breach, performance or non-performance of its obligations under or in connection with this Agreement.

14.15.2 By Gordon Ramsay and GRH. Each of Gordon Ramsay (as to his breach, performance or non-performance) and GRH (as to its breach, performance and non-performance) covenants and agrees, severally to defend, indemnify and save and hold harmless CAC and its Affiliates and CAC's and CAC's Affiliates' 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 attorneys' fees, incurred or suffered by them arising directly or indirectly from any Third-Party Claim arising out of Gordon Ramsay's and/or GRH's breach, performance or non-performance of its obligations under or in connection with this Agreement.

14.15.3 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 Section 14.15, the Indemnified Person asserting a claim for indemnification under this Section 14.15 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 Indemnifying Person and reasonably acceptable to the Indemnified 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 such Third Party Claim in a timely manner or, in the case of CAC, if the Third Party Claim is asserted by any governmental authority, may defend such 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 Section 14.15 without the prior written consent of the other.

14.16 Withholding and Tax Indemnification.

14.16.1 If CAC is required to deduct and withhold from any payments or other consideration payable or otherwise deliverable pursuant to this Agreement to Gordon Ramsay or GRH any amounts under the Internal Revenue Code of 1986, as amended (the "Code"), or any provision of United States federal, state, local or foreign law, statute, regulation, treaty, administrative ruling, pronouncement or other authority or judicial opinion, CAC agrees that, prior to said deduction and withholding, it shall provide Gordon Ramsay and GRH with 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 CAC, GRH shall promptly deliver, or cause to be promptly delivered, to CAC all the appropriate Internal Revenue Service forms necessary for CAC, in its sole and absolute discretion deems necessary 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.

14.16.2 Notwithstanding anything to the contrary in this Agreement, GRH shall be responsible for and shall indemnify and hold harmless CAC and its Affiliates against (i) all Taxes (including, without limitation, any interest and penalties imposed thereon) payable by or assessed against CAC or any of its Affiliates with respect to all amounts payable by CAC to GRH pursuant to this Agreement and (ii) any and all claims, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) suffered or paid by CAC or any of its Affiliates as a result of or in connection with such Taxes. CAC shall have the right to reduce any payment payable by CAC to GRH

pursuant to this Agreement in order to satisfy any indemnity claim pursuant to this Section. For purposes of this Section, the term "Tax" or "Taxes" 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.

14.17 Confidentiality.

14.17.1 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 the Representatives 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 laws, regulation or legal process (but only after compliance with Section 14.17.2); and (iii) except as otherwise agreed by the party to which the Confidential Information belongs in writing. Each party receiving, or whose Representatives receive, Confidential Information of another party (a "Recipient") shall inform its 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).

14.17.2 In the event that a Recipient or any of its Representatives is requested or required by applicable law, regulation 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 sole 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.

14.18 Subordination. For the avoidance of doubt, this Agreement does not create in favor of Gordon Ramsay or GRH any interest in real or personal property or any lien or encumbrance on CAC or any ground or similar lease affecting all or any portion of CAC (as the same may be renewed, modified, consolidated, replaced or extended, a "Ground Lease"). Each of Gordon Ramsay and GRH acknowledges and agrees that CAC may from time to time assign or encumber all or any part of its interest in CAC 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 Gordon Ramsay and GRH hereunder whether with respect to CAC 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, neither Gordon Ramsay nor GRH shall have any right to encumber or

subject CAC or the Restaurant, or any interest of CAC therein, to any lien, charge or security interest, including any mechanic's or materialman's lien, charge or encumbrance of any kind. GRH, 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 CAC in its sole discretion) within ten (10) days after GRH first has notice thereof. If GRH fails to timely take such action, CAC may pay the claim relating to such lien, charge or security interest and any amounts so paid by CAC shall be reimbursed by GRH upon demand.

14.19 Comps and Reward Points. Gordon Ramsay shall be entitled to reasonable comp privileges to be reasonably agreed to by the parties. CAC shall cause the Restaurant to participate in CAC's 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 CAC. For purposes of this Agreement, one 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 hereto have executed this Agreement on the Effective Date first written hereinabove.

Boardwalk Regency Corporation
d/b/a Caesars Atlantic City

By:

Name:

Its:

Date:



Kevin O'Rourke

Senior Vice President and General Manager

June 4, 2014

Legal
Department

Digitally signed by Legal Department
DN: cn=Legal Department, o=ca,
email=asabo@caesars.com, c=US
Date: 2014.05.15 22:48:03 -07'00'

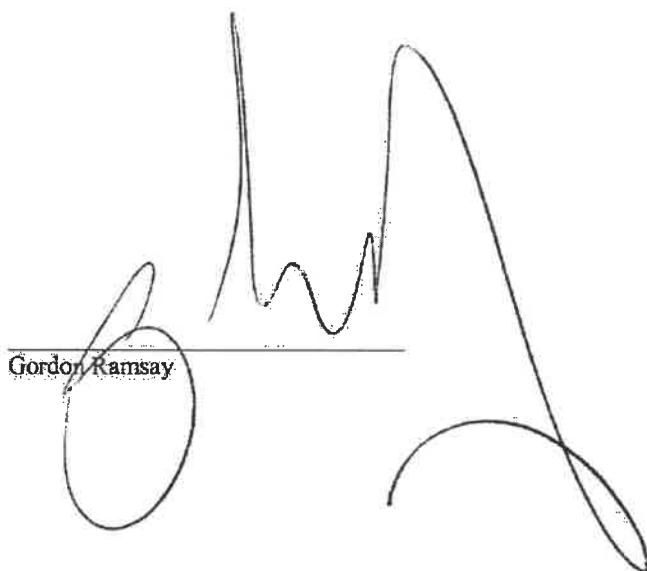
GORDON RAMSAY HOLDINGS LIMITED

By: 

Name: Stuart Gillies

Its: _____

Date: _____



Gordon Ramsay

EXHIBIT A

RESTAURANT PREMISES

(SEE ATTACHED)

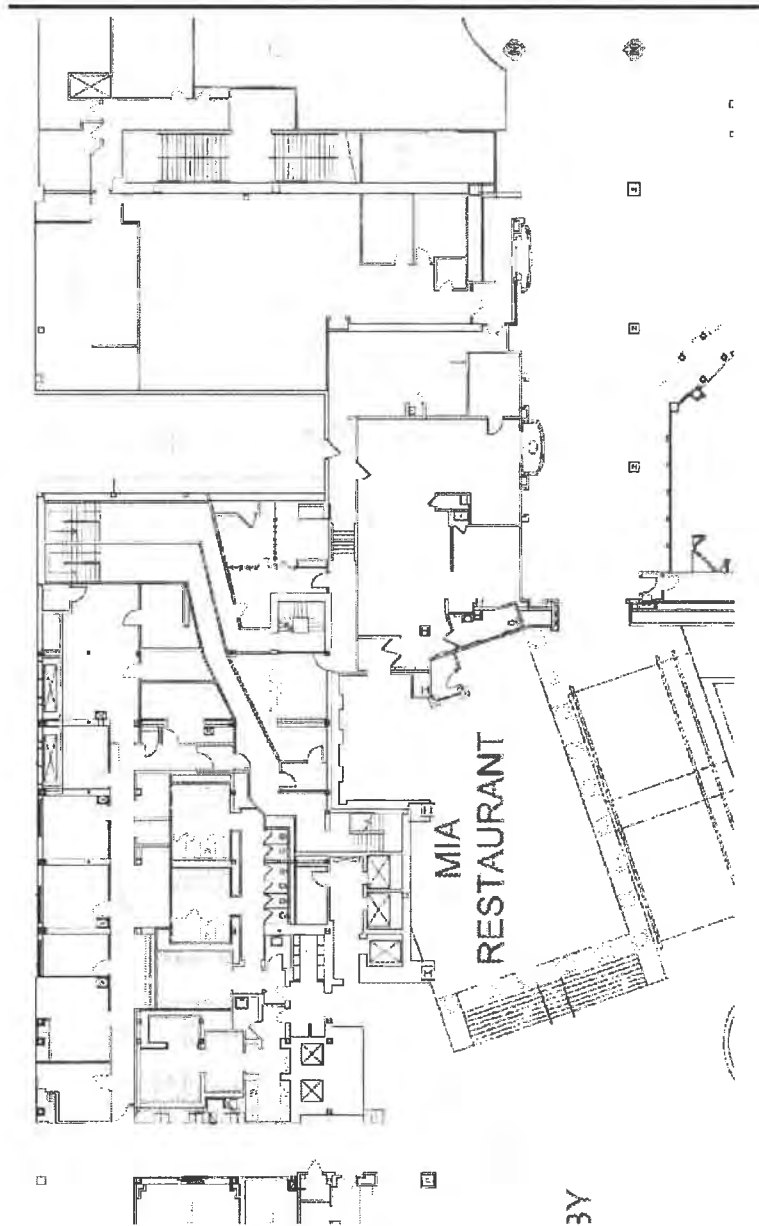


EXHIBIT B

GR MARKS

GORDON RAMSAY PUB & GRILL

Word Mark	GORDON RAMSAY PUB & GRILL
Goods and Services	IC 043. US 100 101. G & S: RESTAURANT AND BAR SERVICES. FIRST USE: 20121200. FIRST USE IN COMMERCE: 20121200
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	86030705
Filing Date	August 6, 2013
Current Basis	1A
Original Filing Basis	1A
Published for Opposition	November 12, 2013
Owner	(APPLICANT) Gordon Ramsay Holdings Limited LIMITED LIABILITY COMPANY UNITED KINGDOM 1 Catherine Place London UNITED KINGDOM SW1E6DX
Attorney of Record	Evan M. Kent
Prior Registrations	3480629;3664523;4311511;4360141
Disclaimer	NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "PUB & GRILL" APART FROM THE MARK AS SHOWN
Type of Mark	SERVICE MARK
Register	PRINCIPAL
Other Data	The name "GORDON RAMSAY" identifies a living individual whose consent is of record in Registration Nos. 4360141, 4311511, 3480629 and 3664523.
Live/Dead Indicator	LIVE
Type of Mark	TRADEMARK. SERVICE MARK
Register	PRINCIPAL
Other Data	The name "GORDON RAMSAY" identifies a living individual whose consent is of record.
Live/Dead Indicator	LIVE

EXHIBIT C

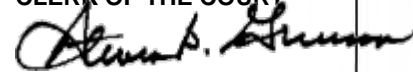
MIA PROFIT AND LOSS STATEMENT

(SEE ATTACHED)

Mia's AC TTM P&L	TTM
3200-000-FOOD REVENUE	685,481
3210-000-COMP FOOD REVENUE	646,367
3299-000-FOOD REVENUE ALLOWANCE	(6,561)
3300-000-BEVERAGE REVENUE	294,936
3310-000-COMP BEVERAGE REVENUE	187,391
3399-000-BEVERAGE REVENUE ALLOWANCE	(36)
Total Revenue	1,807,578
% Comp	46%
4200-000-FOOD COSTS	428,147
4300-000-BEVERAGE COSTS	151,826
Total COGS	579,972
5000-000-SALARIES	110,749
5100-000-WAGES	10,453
5100-002-WAGES-UNION	346,780
5100-024-TRAINING	367
5110-000-OT WAGES	197
5110-002-OT WAGES-UNION	5,016
5100-182-LABOR ALLOCATION IN	82,743
5100-183-LABOR ALLOCATION OUT	(8,354)
5200-000-VACATION/PTO	16,255
5300-000-LONG TERM DISABILITY	271
5300-001-SHORT TERM DISABILITY	55
5620-010-MAJOR MEDICAL	18,835
5620-020-DENTAL BENEFITS	809
5620-030-LIFE BENEFITS	113
5620-040-VISION BENEFITS	16
5630-000-SAVINGS & RETIREMENT (401k)	1,337
5500-000-FEDERAL FICA	44,497
5510-000-FEDERAL UNEMPLOYMENT TAX	717
5530-000-STATE UNEMPLOYMENT TAX	23,803
5210-005-UNION HOLIDAY PAY	4,587
5600-590-UNION BENEFITS	2,238
5620-015-MEDICAL INSURANCE-UNION	156,542
5650-020-PENSION FUND UNION	61,669
5700-010-BONUS PLAN	1,000
5700-050-QUARTERLY PERFORMANCE PAYOUT	3,947
5700-055-EMPLOYEE INCENTIVE PROGRAM	591
5450-000-LABOR ALLOCATION IN	64,083
5450-005-LABOR ALLOCATION OUT	(2,506)
Total Payroll	946,810

6600-100-CREDIT CARD CHARGEBACKS	0
7920-000-PROFESSIONAL SERVICES	94,843
7920-400-PROF SVCS-CONSULTING	723
7930-000-SUPPLIES	12,857
7930-470-SUPPLIES-PRINTED FORMS/STATION	533
8008-000-CASH OVER/SHORT	(419)
8010-000-CHINA/GLASS/SILVER	8,137
8021-000-DUES/MEMBERSHIP/SUBSCRIPTIONS	6,885
8029-000-LAUNDRY	6,239
8066-000-UNIFORMS	1,836
7998-200-ALLOCATION IN	9,838
Total OpEx	1,088,280
Operating Income	139,325

EXHIBIT F



James J. Pisanelli, Esq., Bar No. 4027
JJP@pisanellibice.com
Debra L. Spinelli, Esq., Bar No. 9695
DLS@pisanellibice.com
M. Magali Mercera, Esq., Bar No. 11742
MMM@pisanellibice.com
Brittnie T. Watkins, Esq., Bar No. 13612
BTW@pisanellibice.com
PISANELLI BICE PLLC
400 South 7th Street, Suite 300
Las Vegas, Nevada 89101
Telephone: 702.214.2100
Facsimile: 702.214.211

Jeffrey J. Zeiger, P.C., Esq. (*pro hac vice forthcoming*)
William E. Arnault, IV, Esq. (*pro hac vice forthcoming*)
KIRKLAND & ELLIS LLP
300 North LaSalle
Chicago, IL 60654
Telephone: 312.862.2000

Attorneys for Plaintiffs

DISTRICT COURT

CLARK COUNTY, NEVADA

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

Plaintiffs,
vs.

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

Defendants.

Case No.: A-17-760537-B

Dept. No.: Department 27

COMPLAINT

**(Exempt from Arbitration –
Declaratory Relief Requested)**

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

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

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

Caesars alleges as follows:

PRELIMINARY STATEMENT

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

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

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

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

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

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

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

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

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

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

16 **PARTIES, JURISDICTION, AND VENUE**

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

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

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

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

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

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

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

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

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

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

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. The Business Relationship Between Caesars and Mr. Seibel.

(a) *The MOTI Agreement.*

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

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.

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

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

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

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

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

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, then immediately following notice by CAC to FERG, (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) herein, 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 absolute 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 11.2 shall not be subject to dispute by FERG and shall not be the subject of any proceeding under Article 13.

12. CONDEMNATION; CASUALTY; FORCE MAJEURE.

12.1 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 CAC 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 (thirty percent (30%) or more) shall be taken under power of eminent domain by any governmental authority or conveyed by CAC to any governmental authority in lieu of such taking (as determined by CAC in its sole and absolute discretion), CAC may, in the exercise of its sole 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 CAC and neither Gordon Ramsay nor FERG shall have any right, title or interest in and to same except that Gordon Ramsay and FERG may pursue their own separate claim provided, that any such claim will not reduce the award granted to CAC.

12.2 Casualty.

(a) Permanent and Substantial Damage. If the Hotel or the Restaurant experiences any Permanent Damage or any Substantial Damage, in each case CAC shall have the right to terminate this Agreement and the GR Agreement upon written notice having immediate effect delivered to Gordon Ramsay and FERG 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 CAC or Restaurant shall be the sole property of CAC and neither Gordon Ramsay nor FERG shall have any right, title or interest in and to same.

(b) Obligation in Connection With a Casualty. If (i) CAC does not terminate this Agreement and the GR Agreement in the event of a Substantial Damage to CAC or Restaurant within the time periods provided in Section 12.2(a), (ii) restoration and repair of the damage is permitted under applicable Law and the terms of any agreement to which CAC or any of its Affiliates is a party and (iii) CAC has received net insurance proceeds sufficient to complete restoration and repair, CAC shall use commercially reasonable efforts to restore and repair CAC 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 hundred eighty (180) days following the occurrence of the damage, FERG shall have the right to terminate this Agreement upon written notice having immediate effect delivered to CAC within one hundred twenty (120) days after one hundred eighty (180) days following the date of the damage and CAC shall have no liability related to the failure of such completion to have occurred.

12.3 Excusable Delay. In the event that during the Term any 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 laws, 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 parties not more than fifteen (15) calendar days after the commencement of such delay, otherwise, such party's rights under this Section 12.3 shall be deemed waived.

12.4 No Extension of Term. Nothing in this Article 12 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.

13. ARBITRATION.

13.1 Dispute Resolution. Except for a breach by CAC of Article 6 or Section 14.18 or by Gordon Ramsay or FERG of Section 2.3, 2.3(a), or 14.18(a) or Article 6, as applicable, in the event of any other dispute, controversy or claim arising out of or relating to this Agreement between the parties to this Agreement ("Dispute"), any party may serve written notice (a "Dispute Notice") upon the other parties setting forth the nature of the Dispute and the relief sought, and the parties shall attempt to resolve the Dispute by negotiation. If the Dispute has not been resolved within thirty (30) days of receipt of a Dispute Notice, any party may serve on the other parties a request to resolve the Dispute by arbitration. All Disputes not resolved by the foregoing negotiation shall be finally settled by binding arbitration. Such arbitration shall be held in Atlantic City, New Jersey in accordance with the Commercial Rules of Arbitration of the American Arbitration Association ("AAA"), in effect on the date of the Dispute Notice (the "Rules") by one or more arbitrators appointed in accordance with Section 13.2 hereof.

13.2 Arbitrator(s). If the claim in the Dispute Notice does not exceed Two Hundred Thousand and 00/100 Dollars (\$200,000.00), there shall be a single arbitrator nominated by mutual agreement of Gordon Ramsay and/or FERG (as the case may be) and CAC and appointed according to the Rules. If the claim in the Dispute Notice exceeds Two Hundred Thousand and 00/100 Dollars (\$200,000.00), the arbitration panel shall consist of three (3) members unless FERG and CAC agree to use a single arbitrator. One of the arbitrators shall be nominated by CAC, one of the arbitrators shall be nominated by FERG and the third, who shall serve as chairman, shall be nominated by the two (2) party-arbitrators within thirty (30) days of the confirmation of the nomination of the second arbitrator. If either FERG, on the one hand, or CAC, on the other hand, fails to timely nominate an arbitrator in accordance with the Rules, or if the two (2) arbitrators nominated by FERG and CAC fail to timely agree upon a third arbitrator, then such arbitrator will be selected by the AAA Court of Arbitration in accordance with the Rules. The arbitral award shall be final and binding on the parties and may be entered and enforced in any court having jurisdiction over any of the parties or any of their assets.

14. MISCELLANEOUS.

14.1 No Partnership or Joint Venture. Nothing expressed or implied by the terms of this Agreement shall make or constitute any party hereto the agent, partner or joint venturer of and with any other party. Accordingly, the parties acknowledge and agree that all payments made to FERG under this Agreement shall be for services rendered as an independent contractor and, unless otherwise required by law, CAC shall report as such on IRS Form 1099, and all parties shall report this for financial and tax purposes in a manner consistent with the foregoing.

14.2 Successors, Assigns and Delagees. CAC may assign or delegate all or any portion of this Agreement. FERG and/or the Persons holding an interest in FERG, without the consent of but with notice to CAC, shall be permitted to issue, sell, assign or transfer interests in FERG to any Person or assign this Agreement, so long as: (i) such receiving Person or assignee or any of such Person's or assignee's Affiliates are not a Competitor of CAC or any of its Affiliates; and (ii) each receiving Person holding and/or proposed to hold any interest in FERG or assignee shall be subject to the internal compliance process of CAC and/or its Affiliates by (A) submitting written disclosure regarding all of the proposed transferee's or assignee's Associates, (B) submitting all information reasonably requested by CAC regarding the proposed transferee's or assignee's Associates, (C) CAC being satisfied, in its sole reasonable discretion, that neither the proposed transferee or assignee nor any of their respective Associates is an Unsuitable Person and (D) the Compliance Committee's reasonable approval of the proposed transferee and the proposed transferee not being deemed by CAC, its Affiliates or any Gaming Authority as an Unsuitable Person. Additionally, any obligations and/or duties of FERG and/or Rowen Seibel that are specifically designated to be performed by Rowen Seibel are assignable or delegable by FERG and/or Rowen Seibel without the consent of but with notice to CAC, as applicable, so long as the Person to whom such obligations and/or duties are assigned or delegated is reasonably qualified to carry out such obligations and/or duties. 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.

14.3 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 anyone 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 CAC's, Gordon Ramsay's or FERG's right to any other remedy.

14.4 Intentionally omitted.

14.5 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, (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 CAC:

Boardwalk Regency Corporation
d/b/a Caesars Atlantic City
2100 Pacific Avenue
Atlantic City, New Jersey 08401

With a copy (which shall not constitute notice) to:

Caesars Entertainment Corporation
One Caesars Palace Drive
Las Vegas, Nevada 89109

Attention: General Counsel

If to FERG:

200 Central Park South
19th Floor
New York, NY 10019
Attention: Rowen Seibel

With a copy (which shall not constitute notice) to:

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

14.6 Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written. For the avoidance of doubt, nothing in this Agreement shall supersede or in any way amend or modify that certain Development and Operation Agreement between LLTQ Enterprises, LLC and Desert Palace, Inc. dated as of April 4, 2012 (including, without limitation, Section 13.22 thereof), or that certain Development and Operation Agreement between TPOV, LLC and Paris Las Vegas Operating Company, Inc. dated as of November, 2011, or that certain that certain Development, Operation and License Agreement by and among Gordon Ramsay, GR BURGR, LLC and PHW Manager, LLC on behalf of PHW Las Vegas, LLC dated December 13, 2012, all of which shall remain in full force and effect and binding on the Parties or their Affiliates, as applicable.

14.7 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.

14.8 Amendment and Modification. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound. 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.

14.9 Headings. 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.

14.10 Governing Law; Submission to Jurisdiction; Specific Performance.

(a) The laws of the State of New Jersey applicable to agreements made in that State shall govern the validity, construction, performance and effect of this Agreement.

(b) 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 CAC of Section 14.18 or FERG of the covenants contained in Section 2.3, 2.3(a), or 14.19 or Article 6 of this Agreement. Accordingly, each party 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 each party (on behalf of itself and its Affiliates) consents to the entry thereof in any affected jurisdiction. In the event that any proceeding is brought in equity to enforce the provisions of this Agreement, no party hereto shall allege, and each party hereto hereby waives the defense or counterclaim that there is an adequate remedy at law.

(c) Subject to the provisions of Sections 13.1 and 14.10(a), FERG and CAC each agree to submit to the exclusive jurisdiction of any state or federal court within the Atlantic County, New Jersey (the "New Jersey Courts") for any court action or proceeding to compel or in support of arbitration or for provisional remedies in aid of arbitration, including any action to enforce the provisions of Article 13 (each an "Arbitration Support Action") or for any action or proceeding contemplated by Section 14.10(b). Each of the parties hereto irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding in a New Jersey Court arising out of this Agreement including, but not limited to, an Arbitration Support Action or action or proceeding contemplated by Section 14.10(b) 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.

14.11 Interpretation. 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 any 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. 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 terms "FERG" or words of similar import shall in all cases herein mean FERG shall "cause one or more members of its team to," and the requirement of CAC to obtain any consent or approval from FERG shall be satisfied upon the consent or approval of any team member of FERG designated by FERG in writing and CAC shall be entitled to rely on all communications from any such team member.

14.12 Third Persons. Except as provided in Section 14.15 and 14.16, nothing in this Agreement, expressed or implied, is intended to confer upon any Person other than the parties hereto any rights or remedies under or by reason of this Agreement.

14.13 Attorneys' Fees. The prevailing party in any dispute that arises out of or relates to 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, without limitation, attorneys' fees and costs, incurred in such action.

14.14 Counterparts and Admissibility of Electronic Copies. This Agreement may be executed in counterparts, each one of which so executed shall be deemed an original, and all of which shall together constitute one and the same agreement. An electronic or facsimile copy thereof shall be deemed, and shall have the same legal force and effect as, an original document.

14.15 Indemnification Against Third Party Claims.

(a) By CAC. CAC covenants and agrees to defend, indemnify and save and hold harmless Gordon Ramsay, FERG and their respective Affiliates and their and their respective Affiliates' 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 attorneys' fees, incurred or suffered by them arising directly or indirectly from any claim, action, suit, demand, assessment, investigation, arbitration or other proceeding by or in respect of any third Person (a "Third-Party Claim") arising out of CAC's breach, performance or non-performance of its obligations under or in connection with this Agreement.

(b) By FERG. FERG covenants and agrees to defend, indemnify and save and hold harmless CAC and its Affiliates and CAC's and CAC's Affiliates' 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 attorneys' fees, incurred or suffered by them arising directly or indirectly from any Third-Party Claim arising out of FERG's breach, performance or non-performance of its obligations under or in connection with this Agreement.

(c) 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 Section 14.15, the Indemnified Person asserting a claim for indemnification under this Section 14.15 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 Indemnifying Person and reasonably acceptable to the Indemnified 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 such Third Party Claim in a timely manner or, in the case of CAC, if the Third Party Claim is asserted by any governmental authority, may defend such 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 Section 14.15 without the prior written consent of the other.

14.16 Insurance. FERG will maintain at all times during the Term, insurance for claims which may arise from, or in connection with, services performed/products furnished by FERG, its agents, representatives, employees or subcontractors with coverage at least as broad and with limits of liability not less than those stated below. Notwithstanding FERG's obligation to maintain the coverage described herein, CAC shall pay for the policy premium related to said coverage, with said premium payment not being treated as an Operating Expense as such is defined herein.

- 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

Evidence of Insurance: Before the Effective Date, immediately upon the renewal of any policy required above, and upon request, FERG shall provide CAC and Caesars Entertainment Operating Company, Inc. ("Caesars") with a Certificate of Insurance in accordance with the foregoing and referencing the services to be provided. Such certificate of insurance is to be delivered to CAC and in electronic format to jfrederick@Caesars.com.

General Terms: All policies of insurance shall (1) provide for cancellation of not less than thirty (30) days prior written notice to CAC and Caesars, (2) have a minimum A.M. Best rating of A+, (3) be primary and non-contributory with respect to any other insurance or self-insurance program of CAC or Caesars, and (4) provide a waiver of subrogation in favor of CAC and Caesars. FERG further agrees that any subcontractors engaged by FERG will carry like and similar insurance with the same additional insured requirements.

Additional Insured. Insurance required to be maintained by FERG pursuant to this Section 14.16 (excluding workers compensation) shall name CAC and Caesars, including their Affiliates (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 FERG even if those limits of liability are in excess of those required by this contract.

Failure to Maintain Insurance. Failure to maintain the insurance required in this Section 14.16 will constitute a material breach and may result in termination of this Agreement at CAC's option except if failure to maintain such insurance is caused by CAC's acts or omissions.

Representation of Insurance. By requiring the insurance as set out in this Section 14.16, CAC does not represent that coverage and limits will necessarily be adequate to protect FERG, and such coverage and limits shall not be deemed as a limitation on FERG's liability under the indemnities provided to CAC in this Agreement, or any other provision of the Agreement.

14.17 Withholding and Tax Indemnification.

(a) If CAC is required to deduct and withhold from any payments or other consideration payable or otherwise deliverable pursuant to this Agreement to FERG any amounts under the Internal Revenue Code of 1986, as amended (the "Code"), or any provision of United States federal, state, local or foreign law, statute, regulation, treaty, administrative ruling, pronouncement or other authority or judicial opinion, CAC agrees that, prior to said deduction and withholding, it shall provide FERG with 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 CAC, FERG shall promptly deliver, or cause to be promptly delivered, to CAC all the appropriate Internal Revenue Service forms necessary for CAC, in its sole and absolute discretion deems necessary 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, FERG shall be responsible for and shall jointly and severally indemnify and hold harmless CAC and its Affiliates against (i) all Taxes (including, without limitation, any interest and penalties imposed thereon) payable by or assessed against CAC or any of its Affiliates with respect to all amounts payable by CAC to FERG pursuant to this Agreement and (ii) any and all claims, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) suffered or paid by CAC or any of its Affiliates as a result of or in connection with such Taxes. CAC shall have the right to reduce any payment payable by CAC to FERG pursuant to this Agreement in order to satisfy any indemnity claim pursuant to this Section 14.17. For purposes of this Section, the term "Tax" or "Taxes" 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.

14.18 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 the Representatives 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 laws, regulation or legal process (but only after compliance with Section 14.18(b)); and (iii) except as otherwise agreed by the party to which the Confidential Information belongs in writing. Each party receiving, or whose Representatives receive, Confidential Information of another party (a "Recipient") shall inform its 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, regulation 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 sole 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.

14.19 Subordination. For the avoidance of doubt, this Agreement does not create in favor of FERG any interest in real or personal property or any lien or encumbrance on CAC or any ground or similar lease affecting all or any portion of CAC (as the same may be renewed, modified, consolidated, replaced or extended, a "Ground Lease"). FERG acknowledges and agrees that CAC may from time to time assign or encumber all or any part of its interest in CAC 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 FERG hereunder whether with respect to CAC 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, FERG shall not have any right to encumber or subject CAC or the Restaurant, or any interest of CAC therein, to any lien, charge or security interest, including any mechanic's or materialman's lien, charge or encumbrance of any kind. FERG, 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 CAC in its sole discretion) within ten (10) days after FERG first has notice thereof. If FERG fails to timely take such action, CAC may pay the claim relating to such lien, charge or security interest and any amounts so paid by CAC shall be reimbursed by FERG upon demand.

14.20 Comps and Reward Points. FERG shall be entitled to reasonable comp privileges to be reasonably agreed to by the parties. CAC shall cause the Restaurant to participate in CAC's 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 CAC. For purposes of this Agreement, one reward point shall entitle the holder thereof to \$1.00 of food or beverage in the Restaurant.

14.21 Intellectual Property Rights. Except with respect to the GR Marks and GR Materials, FERG acknowledges and agrees that CAC shall own: (a) any works, trade names, trademarks, designs, trade dress, service names and service marks, and registrations thereof and applications for registration thereof, and all works of authorship, programs, techniques, processes, formulas, 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 any party for use in association with the Restaurant or otherwise pursuant to this Agreement; (b) any materials that are created by any party pursuant to this Agreement in which any intellectual property rights of FERG or any of its Affiliates are embodied or incorporated, including all photographic or video images, all promotional materials and all marketing materials produced in accordance with this Agreement; and (c) any other works, designs, trademarks, trade names, services marks and registrations thereof, programs, techniques, processes, formulas, developmental or experimental work, work-in-process, plans and specifications and any other materials or work product that were created by CAC. FERG acknowledges and agrees that FERG shall not have or obtain any right, title or interest in or to any of such marks or materials.

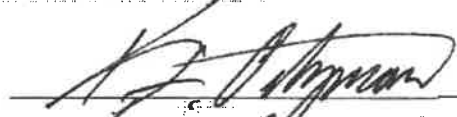
14.22 Submission of Agreement. Submission of this Agreement to FERG does not constitute an offer to contract; this Agreement shall become effective only upon execution and delivery thereof by CAC to FERG. FERG acknowledges, understands and agrees that CAC's willingness to enter into this Agreement is predicated upon successful approval of this Agreement by CAC's capital committee (the "Capital Committee") (a definition and determination of which shall be in the Capital Committee's sole and exclusive discretion).

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the Effective Date first written hereinabove.

**BOARDWALK REGENCY CORPORATION
D/B/A CAESARS ATLANTIC CITY**

By:



Name:

KEVIN O'LEARY

Its:

Senior Vice President and General Manager

Date:

June 4, 2014

Legal
Department

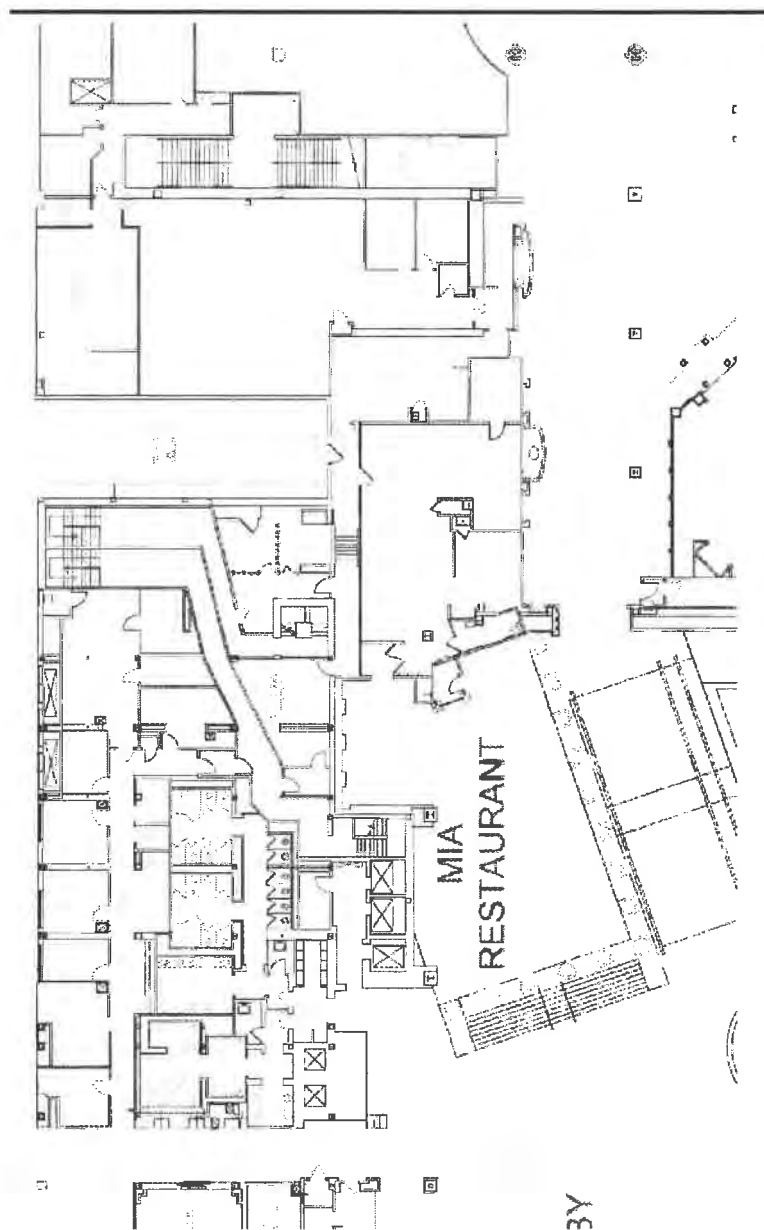
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email=asab@caesars.com, c=US
Date: 2014.05.15 22:39:02 -0700

FERG, LLC

By: Ronen Seibel
Name: Ronen Seibel
Its: Managing Member
Date: 5/30/14

EXHIBIT A
RESTAURANT PREMISES

(SEE ATTACHED)



32

2591657.10
7348 CAC - Rowen GR PUBConsulting Agree Final

EXHIBIT B

MIA PROFIT AND LOSS STATEMENT

(SEE ATTACHED)

Mia's AC TTM P&L	TTM
3200-000-FOOD REVENUE	685,481
3210-000-COMP FOOD REVENUE	646,367
3299-000-FOOD REVENUE ALLOWANCE	(6,561)
3300-000-BEVERAGE REVENUE	294,936
3310-000-COMP BEVERAGE REVENUE	187,391
3399-000-BEVERAGE REVENUE ALLOWANCE	(36)
Total Revenue	1,807,578
% Comp	46%
4200-000-FOOD COSTS	428,147
4300-000-BEVERAGE COSTS	151,826
Total COGS	579,972
5000-000-SALARIES	110,749
5100-000-WAGES	10,453
5100-002-WAGES-UNION	346,780
5100-024-TRAINING	367
5110-000-OT WAGES	197
5110-002-OT WAGES-UNION	5,016
5100-182-LABOR ALLOCATION IN	82,743
5100-183-LABOR ALLOCATION OUT	(8,354)
5200-000-VACATION/PTO	16,255
5300-000-LONG TERM DISABILITY	271
5300-001-SHORT TERM DISABILITY	55
5620-010-MAJOR MEDICAL	18,835
5620-020-DENTAL BENEFITS	809
5620-030-LIFE BENEFITS	113
5620-040-VISION BENEFITS	16
5630-000-SAVINGS & RETIREMENT (401k)	1,337
5500-000-FEDERAL FICA	44,497
5510-000-FEDERAL UNEMPLOYMENT TAX	717
5530-000-STATE UNEMPLOYMENT TAX	23,803
5210-005-UNION HOLIDAY PAY	4,587
5600-590-UNION BENEFITS	2,238
5620-015-MEDICAL INSURANCE-UNION	156,542
5650-020-PENSION FUND UNION	61,669
5700-010-BONUS PLAN	1,000
5700-050-QUARTERLY PERFORMANCE PAYOUT	3,947
5700-055-EMPLOYEE INCENTIVE PROGRAM	591
5450-000-LABOR ALLOCATION IN	64,083
5450-005-LABOR ALLOCATION OUT	(2,506)
Total Payroll	946,810

6600-100-CREDIT CARD CHARGEBACKS	0
7920-000-PROFESSIONAL SERVICES	94,843
7920-400-PROF SVCS-CONSULTING	723
7930-000-SUPPLIES	12,857
7930-470-SUPPLIES-PRINTED FORMS/STATION	533
8008-000-CASH OVER/SHORT	(419)
8010-000-CHINA/GLASS/SILVER	8,137
8021-000-DUES/MEMBERSHIP/SUBSCRIPTIONS	6,885
8029-000-LAUNDRY	6,239
8066-000-UNIFORMS	1,836
7998-200-ALLOCATION IN	9,838
Total OpEx	1,088,280
Operating Income	139,325

EXHIBIT E

DEVELOPMENT, OPERATION AND LICENSE AGREEMENT

AMONG

GORDON RAMSAY,

GORDON RAMSAY HOLDINGS LIMITED

AND

BOARDWALK REGENCY CORPORATION

DBA CAESARS ATLANTIC CITY

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Exhibit A – Restaurant Premises

Exhibit B – GR Marks

DEVELOPMENT, OPERATION AND LICENSE AGREEMENT

THIS DEVELOPMENT, OPERATION AND LICENSE AGREEMENT (the "Agreement") shall be deemed made, entered into and effective as of this 16th day of May, 2014 by and among Boardwalk Regency Corporation d/b/a Caesars Atlantic City having its principal place of business at 2100 Pacific Avenue, Atlantic City, New Jersey 08401 ("CAC") and Gordon Ramsay Holdings Limited, a UK limited company having its principal place of business located at 1 Catherine Place London SW1E 6DX ("GRH") and to the limited extent specifically provided herein, Gordon Ramsay, an individual with an address at 1 Catherine Place London SW1E 6X United Kingdom.

RECITALS

A. CAC owns or operates a hotel/casino resort complex located at 2100 Pacific Avenue, Atlantic City, New Jersey 08401, currently known as Caesars Atlantic City ("Hotel"), which is depicted on Exhibit A attached to this Agreement;

B. GRH has the exclusive rights to use and exploit the GR Marks and General GR Materials and also has certain qualifications, expertise and reputation in development and operation of first-class restaurants;

C. CAC in consultation with GRH to the extent set forth herein, desires to design, develop, construct and operate a restaurant featuring primarily pub-style food and beverages known as "Gordon Ramsay Pub & Grill" (collectively, the "Restaurant") in those certain premises within the Hotel more particularly shown on Exhibit A attached hereto (the "Restaurant Premises"); and

D. CAC desires to obtain a license to use certain GR Marks and General GR Materials from GRH and to retain GRH, Gordon Ramsay and/or his team to perform certain services and fulfill certain obligations with respect to consultation concerning the design, development, construction and operation of the Restaurant, and GRH desires to grant a license to use certain GR Marks and General GR Materials to CAC and GRH and Gordon Ramsay desire to be retained by CAC to perform (and/or cause his team to perform) such services and fulfill such obligations, and the parties desire to enter into this Agreement to set forth their respective rights and obligations with respect thereto, all as more particularly set forth herein.

NOW THEREFORE, in consideration of the promises 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 hereto agree that the foregoing recitals are true and correct and further agree as follows:

1. DEFINITIONS

As used herein, the following terms have the meanings set forth or referenced below. Other terms may be defined in other Articles and Sections of this Agreement.

"Additional GR Restaurant Visits" has the meaning set forth in Section 7.2.

"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 or comparable principal of, the specified Person or such other Person. For purposes of this definition, "control", "controlling", "controlled" mean the right to exercise, directly or indirectly, at least five percent (5%) of the voting power of the stockholders, members or owners and, with respect to any individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the

power to direct or cause the direction of the management or policies of the controlled Person. Notwithstanding the foregoing, with respect to CAC, the term "Affiliate" shall only include CAC's Parent and its direct and indirect controlled subsidiaries and shall not include any shareholder or director of CAC's Parent or any Affiliate of any such shareholder or director of CAC's Parent other than an Affiliate that is CAC's Parent or its direct or indirect controlled subsidiaries.

"Arbitration Support Action" has the meaning set forth in Section 14.10.3.

"Available Restaurant Proceeds" means, for any period, the amount, if any, by which Total Restaurant Sales for such period exceeds the Operating Expenses for such period.

"Base License Fee" has the meaning set forth in Section 8.1.1.

"Baseline Amount" means, the Restaurant Sales for Mia, the restaurant that occupied the Premises prior to the Restaurant, during the trailing twelve (12) month period beginning March 1, 2013 and ending February 28, 2014. A copy of the profit and loss statement for Mia for such twelve (12) month period is attached as Exhibit C hereto. For the avoidance of doubt, the Baseline Amount shall exclude the Comp Sales of Mia.

"CAC Marks and Materials" has the meaning set forth in Section 6.2.2.

"CAC's Parent" means Caesars Entertainment Corporation, a corporation organized under the laws of the State of Delaware, and its successors and assigns.

"Capital Expenditures" has the meaning set forth in Section 8.1.2.

"Capital Reserve" has the meaning set forth in Section 8.1.2.

"Capital Reserve Account" has the meaning set forth in Section 8.1.2.

"Competing Concepts" has the meaning set forth in Section 2.3.1.

"Comp Sales" means the menu price of all food, beverages and merchandise offered at or from the Restaurant on a complimentary basis by CAC to its customers. For the avoidance of doubt, the term customer does not include employees of CAC or its Affiliates.

"Confidential Information" means, as to a party, information about that party and its Affiliates, including information such as business plans, strategies, costing information, prospects and locations, that (i) is furnished by or on behalf of the party to a Recipient or its Representatives, 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.

"Dispute" has the meaning set forth in Section 13.1.

"Dispute Notice" has the meaning set forth in Section 13.1.

"Early Termination Payment" means an amount equal to one hundred percent (100%) of the amount paid or payable to GRH pursuant to Article 8 for the twelve (12) complete months ended at the end of the calendar month immediately prior to the effective date of termination of this Agreement.

"Effective Date" means the later of the date of this Agreement and the date on which CAC determines, in its sole discretion, that none of the GR Associates is an Unsuitable Person.

"Exchange Act" has the meaning set forth the definition of GR Change of Control.

"Exclusivity Provisions" has the meaning set forth in Section 2.3.1.

"Excusable Delay" has the meaning set forth in Section 12.3.

"Existing Restaurants" has the meaning set forth in Section 2.4.3.

"Fiscal Year" means (a) for the first Fiscal Year the period commencing on the Opening Date and ending on December 31 of the calendar year in which the Opening Date occurs and (b) each subsequent period of twelve months commencing on January 1 and ending on December 31 of any calendar year (or, if earlier, ending on the date of termination of this Agreement).

"Gaming Authority" or "Gaming Authorities" has the meaning set forth in Section 11.2.

"General GR Materials" means the concept, system, menus and recipes designed for use in connection with the Restaurant that are (a) created by or for Gordon Ramsay or GRH or containing trade secrets of Gordon Ramsay or GRH as of the Effective Date and (b) as are provided from time to time by Gordon Ramsay or GRH to CAC for the purposes of this Agreement.

"Gordon Ramsay Pub & Grill" has the meaning set forth in Recital C.

"GR Associates" has the meaning set forth in Section 2.2.

"GR Marks" means any trademark owned by GRH utilizing the "Gordon Ramsay Pub & Grill" name or otherwise used to identify the Restaurant as set forth on Exhibit B, and ancillary design, menu, uniforms and overall Gordon Ramsay Pub & Grill concept.

"GR Promotional Visits" has the meaning set forth in Section 7.1.

"Ground Lease" has the meaning set forth in Section 14.18.

"GR Restaurant Visits" has the meaning set forth in Section 7.2.

"GR US Entities" has the meaning set forth in Section 10.2.7.

"Incentive License Fee" has the meaning set forth in Section 8.1.4.

"Initial Term" has the meaning set forth in Section 4.1.

"License" has the meaning set forth in Section 6.3.

"Menu Development Services" has the meaning set forth in has the meaning set forth in Section 3.4.1.

"Mortgages" has the meaning set forth in Section 14.18.

"New Jersey Courts" has the meaning set forth in Section 14.10.3.

"Opening Date" has the meaning set forth in Section 4.1.

"Operating Expenses" means, for any period, (a) the actual expenses incurred during such period in operating the Restaurant in those categories listed on the Profit and Loss Statement for the Restaurant (utilizing the same categories utilized on the profit and loss statement for Mia), in each case computed on an accrual basis in accordance with generally accepted accounting principles consistently applied by CAC, plus (b) the actual expenses incurred by CAC during such period for operation of the Restaurant for variable expenses not reflected on such Profit and Loss Statement (including outside hood cleaning, EVS, utilities, accounting, warehouse, receiving and maintenance services) up to \$9,200 per annum, which such limit shall increase by two percent (2%) per annum. All credits and rebates received by CAC or its Affiliates from sponsors and/or vendors in connection with product or services used at the venue (collectively, "Credits") shall be a credit against (i.e. reduce) Operating Expenses.

"Permanent Damage" means any damage by fire or other casualty to the Hotel or the Restaurant (a) where the net insurance proceeds are not sufficient to restore and repair the damaged portion of the Hotel or the Restaurant substantially to its condition and character just prior to the occurrence of such casualty or (b) where it is not reasonably practicable to restore and repair the Hotel or the Restaurant due to restrictions under applicable Law or for other reasons beyond CAC's reasonable control within three hundred sixty five (365) days from the damage, in each case as reasonably determined by CAC.

"Person" means any individual, corporation, proprietorship, firm, partnership, limited partnership, limited liability company, trust, association or other entity, including any governmental authority.

"Project Costs" means all reasonable costs and expenses incurred by CAC or its Affiliates prior to the Opening Date to accomplish the effective and efficient commencement of operations at the Restaurant on the Opening Date in accordance with the project budget and as set forth in this Agreement, including all hard and soft construction costs, the cost of all furniture, equipment and furnishings, inventories of food and beverages and other operating supplies acquired in preparation for the opening of the Restaurant, all expenses incurred by CAC or any of its Affiliates in performing pre-opening services and other pre-opening functions, including expenses of business entertainment and reimbursable expenses (but excluding salary, compensation and benefits of the employees of CAC or its Affiliates) and any related taxes, the cost of recruitment and related expenses for all employees of the Restaurant and the cost of pre-opening sales, marketing, advertising, promotion and publicity for the Restaurant, including all losses, expenses and reasonable attorneys' fees arising directly or indirectly from any dispute with any third party engaged to design, develop, construct or outfit the Restaurant solely.

"Recipient" has the meaning set forth in Section 14.17.1.

"Relative" means, with respect to any Person, such Person's mother, father, spouse, brother, sister and children.

"Representatives" means, with respect to any Person, such Person's employees, agents, independent contractors, representatives and Affiliates.

"Restaurant" has the meaning set forth in the Recitals of this Agreement.

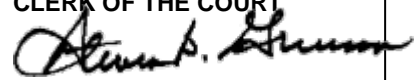
"Restaurant Development Services" has the meaning set forth in Section 3.2.1.

"Restaurant Sales" means all cash 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, room rental fees and sale of merchandise computed on an accrual basis in accordance with generally accepted accounting principles consistently applied by CAC, excluding only (i) federal, state and local excise, sales, use or rent taxes collected from customers from receipts which are included in Restaurant Sales, (ii) gratuities paid to the employees of the Restaurant (or paid to CAC and paid by CAC to such employees) by patrons with respect to functions which generate Restaurant Sales, (iii) Comp Sales, (iv) amounts collected by CAC from patrons for the account of, and for direct payment to, unrelated third parties providing services specifically for a patron's function which generate Restaurant Sales, such as flowers, music and entertainment, (v) 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 Restaurant Sales), (vi) proceeds of condemnation and eminent domain awards, litigation awards and settlement payments, (vii) any proceeds or other economic benefits of any borrowings or financings of CAC, (viii) any proceeds or other economic benefit from any sale, exchange or other disposition of all or any part of the CAC or Restaurant, including any furniture, furnishings, decorations, and equipment, or any other similar items, (ix) funds provided by CAC, (x) payments made under any warranty or guaranty and (xi) any other receipts or payments that are not standard or typical in the ordinary course of operating a restaurant or that are excluded by CAC in a manner consistent with the determination of gross revenues of operations of CAC and its Affiliates similar to the Restaurant. Restaurant Sales shall be reduced by the amount of credit card fees and over-rings, refunds and credits given, paid or returned by CAC in the course of obtaining Restaurant Sales. In addition to receipts from transactions occurring at the Restaurant, 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 or merchandise delivered away from the Restaurant in satisfaction of orders received at the Restaurant and receipts for food, beverages or 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, Restaurant Sales shall include the full menu price of all food, beverages and merchandise offered on a discounted basis by CAC to its customers and, unless the promotion and alternative pricing was made with the prior written consent of GRH, Restaurant Sales shall include the full menu price of all food, beverages and merchandise provided on a promotional or alternative pricing basis to its customers (except that employees of CAC 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 Restaurant Sales). GRH acknowledges and agrees that CAC's Total Rewards program pricing shall be included in Restaurant Sales at the Total Rewards price (not full retail menu price).

"Restaurant Venture" has the meaning set forth in Section 2.4.1.

"Rules" has the meaning set forth in Section 13.1.

"Senior Management Employee(s)" has the meaning set forth in Section 5.2.



APEN

DANIEL R. MCNUTT (SBN 7815)
MATTHEW C. WOLF (SBN 10801)
MCNUTT LAW FIRM, P.C.
625 South Eighth Street
Las Vegas, Nevada 89101
Tel. (702) 384-1170 / Fax. (702) 384-5529
drm@mcnuttlawfirm.com
mcw@mcnuttlawfirm.com

PAUL SWEENEY (Admitted Pro Hac Vice)
CERTILMAN BALIN ADLER & HYMAN, LLP
90 Merrick Avenue
East Meadow, New York 11554
Tel. (516) 296-7032/ Fax. (516) 296-7111
psweeney@certilmanbalin.com

NATHAN Q. RUGG (*pro hac vice forthcoming*)
BARACK FERRAZZANO KIRSCHBAUM & NAGELBERG LLP
200 W. MADISON ST., SUITE 3900
CHICAGO, IL 60606
Tel. (312) 984-3127 / Fax. (312) 984-3150
Nathan.Rugg@bfkn.com

STEVEN B. CHAIKEN (*pro hac vice forthcoming*)
ADELMAN & GETTLEMAN, LTD.
53 West Jackson Boulevard, Suite 1050
Chicago, IL 60604
Tel. (312) 435-1050 / Fax. (312) 435-1059
sbc@ag-ltd.com
*Attorneys for Defendants LLTQ Enterprises, LLC;
LLTQ Enterprises 16, LLC;
FERG, LLC; and FERG 16, LLC*

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.

PHWLTV, 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 EXHIBITS IN SUPPORT OF
AMENDED MOTION TO DISMISS OR, IN
THE ALTERNATIVE, TO STAY CLAIMS
ASSERTED AGAINST LLTQ/FERG
DEFENDANTS – VOLUME II**

This document applies to:
A-17-760537-B

Exhibit	Description	Page No. Range	Volume
A.	Fourth Omnibus Motion for the Entry of an Order Authorizing the Debtors to Reject Certain Executory Contracts Nunc Pro Tunc	1 - 28	1
B.	Preliminary Objection	29 - 37	1
C.	LLTQ Agreement	38 - 73	1
D.	LLTQ/FERG Admin Request and Amendment	74 - 426	1/2
E.	Debtors' Preliminary Objection	427 - 432	2
F.	Ramsay Rejection Motion	433 - 530	2/3
G.	February 10, 2016, LLTQ/FERG Defendants Joint Preliminary Objection	531 - 539	3
H.	FERG Agreement	540 - 579	3
I.	Restrictive Covenant Motion to Compel	580 - 615	3
J.	August 10, 2016, Debtor Plaintiffs Objection to Restrictive Covenant Motion to Compel	616 - 652	3
K.	August 17, 2016 Hearing Transcript	653 - 697	3
L.	LLTQ/FERG Defendants Motion for Partial Summary Judgment	698 - 727	3
M.	Debtor Preliminary Objection to the MSJ	728 - 734	3
N.	Protective Order Motion	735 - 758	4
O.	Objection to Protective Order Motion	759 - 779	4
P.	LLTQ/FERG Defendants Reply in support of Protective Order Motion	780 - 796	4
Q.	May 31, 2017 Hearing Transcript	797 - 808	4
R.	Debtor Plaintiffs' plan of reorganization	809 - 957	4

DATED February 22, 2018.

MCNUTT LAW FIRM, P.C.

/s/ Dan McNutt

DANIEL R. MCNUTT (SBN 7815)

MATTHEW C. WOLF (SBN 10801)

625 South Eighth Street

Las Vegas, Nevada 89101

Attorneys for Defendants LLTQ Enterprises, LLC;

LLTQ Enterprises 16, LLC;

FERG, LLC; and FERG 16, LLC

1 **CERTIFICATE OF MAILING**

2 I HEREBY CERTIFY that pursuant to Nev. R. Civ. P. 5(b) and EDCR 8.05 on February 22,
3 2018 I caused service of the foregoing **APPENDIX OF EXHIBITS IN SUPPORT OF AMENDED**
4 **MOTION TO DISMISS OR, IN THE ALTERNATIVE, TO STAY CLAIMS ASSERTED**
5 **AGAINST LLTQ/FERG DEFENDANTS – VOLUME II** to be made by depositing a true and
6 correct copy of same in the United States Mail, postage fully prepaid, addressed to the following and/or
7 via electronic mail through the Eighth Judicial District Court's E-Filing system to the following at the
8 e-mail address provided in the e-service list:

9 James Pisanelli, Esq. (SBN 4027)
10 Debra Spinelli, Esq. (SBN 9695)
11 Brittanie Watkins, Esq. (SBN 13612)
12 PISANELLI BICE PLLC
13 400 South 7th Street, Suite 300
14 Las Vegas, NV 89101
15 jjp@pisanellibice.com
16 dls@pisanellibice.com
17 btw@pisanellibice.com
18 Attorneys for Defendant
19 *PHWLTV, LLC*

20 Allen Wilt, Esq. (SBN 4798)
21 John Tennert, Esq. (SBN 11728)
22 FENNEMORE CRAIG, P.C.
23 300 East 2nd Street, Suite 1510
24 Reno, NV 89501
25 awilt@fclaw.com
26 jtennert@fclaw.com
27 Attorneys for Defendant
28 *Gordon Ramsay*

Robert E. Atkinson, Esq. (SBN 9958)
Atkinson Law Associates Ltd.
8965 S. Eastern Ave. Suite 260
Las Vegas, NV 89123
Robert@nv-lawfirm.com
Attorney for Defendant J. Jeffrey Frederick

/s/ Lisa A. Heller

Employee of McNutt Law Firm

"Substantial Damage" means any damage, other than a Permanent Damage, by fire or other casualty to the Hotel or Restaurant (a) that results in more than twenty percent (20%) of the area of the Hotel or the Restaurant, as applicable, being rendered unusable, (b) where the estimated length of time required to restore Hotel or the Restaurant, as applicable, substantially to its condition and character just prior to the occurrence of such casualty shall be in excess of one hundred eighty (180) days or (c) if the estimated cost of restoration and repair of the damage exceeds twenty percent (20%) of the then current replacement cost of the Hotel or the Restaurant, as applicable, in each case as determined by CAC in its reasonable discretion.

"Team Visits" has the meaning set forth in Section 7.2.

"Term" has the meaning set forth Section 4.1.

"Third-Party Claim" has the meaning set forth in Section 14.15.1.

"Total Restaurant Sales" means, for any period, Restaurant Sales plus Comp Sales for that period.

"Training" has the meaning set forth in Section 5.1.2.

"Union Agreement" or "Union Agreements" has the meaning set forth in Section 5.3.1.

"Unsuitable Person" is 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 of CAC or its Affiliates, or (d) who is required to be licensed, registered, qualified or found suitable under any United States, state, local or foreign laws, rules or regulations relating to gaming or the sale of alcohol under which CAC or any of its Affiliates is licensed, registered, qualified or found suitable, and such Person is not or does not remain so licensed, registered, qualified or found suitable.

"USCIS" has the meaning set forth in Section 5.6.

2. APPOINTMENT; CONDITIONS; EXCLUSIVITY; CERTAIN RIGHTS.

2.1 Appointment. On the terms and subject to the conditions set forth in this Agreement, CAC hereby appoints GRH and Gordon Ramsay and his team, and GRH and Gordon Ramsay and/or his team, as applicable, hereby agree, to perform those services and fulfill those obligations set forth herein as to be performed or fulfilled by GRH, Gordon Ramsay and/or his team, as applicable (collectively, the "Services"). In addition to the terms and conditions more particularly set forth in this Agreement, GRH and Gordon Ramsay each agrees to perform or cause to be performed the Services (a) in good faith and using sound business practice, due diligence and care, (b) using, at a minimum, the same degree of skill and attention GRH, Gordon Ramsay or their Affiliates, as the case may be, use in performing the same or similar services for its, his or their own accounts or the accounts of others (and in no event less than a reasonable degree of skill and attention), and (c) with sufficient resources and qualified personnel as are reasonably required to perform the Services in accordance with the standards set forth in this Agreement.

2.2 Conditions to Agreement. Notwithstanding anything to the contrary contained herein, the rights and obligations of each party under this Agreement (other than the obligations under Section 2.3, 2.4 and 9.1 and Article 14), are conditioned upon (which conditions may be waived by CAC in its sole and absolute discretion): (a) submission by or on behalf of Gordon Ramsay and GRH to CAC of all information requested by CAC regarding Gordon Ramsay, GRH, their respective Affiliates and their respective directors, officers, employees, agents, representatives and other associates (collectively, the "GR Associates") to ensure that they are not an Unsuitable Person; and (b) CAC being satisfied, in its sole discretion, that no GR Associate is an Unsuitable Person. CAC confirms that the conditions set out in this Agreement have been fulfilled prior to the date hereof.

2.3 Exclusivity.

2.3.1 (i) Each of Gordon Ramsay and GRH covenants and agrees as to himself or itself that, at all times during the Term, each of Gordon Ramsay and GRH, respectively, will not and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with CAC or any of its Affiliates, use, or permit or license or offer or agree to permit or license any other Person to use, any GR Mark, GRH Mark or General GR Materials within Atlantic County, New Jersey in connection with the operation of a restaurant substantially similar to the Restaurant, being a Gordon Ramsay "gastro pub" or similar restaurant with a primary focus of serving: (a) premium beers together with an (b) upscale pub, tavern or bar & grill foods and other classic English fare as well as American bar and grill classics like burgers, carved sandwiches, sausage, hot dogs and steaks and mixed grills (all such substantially similar restaurants, "Competing Concepts"), excluding any operation for CAC or its Affiliates; and (ii) Gordon Ramsay and GRH each covenants and agrees that, at all times during the Term, Gordon Ramsay and GRH each will not and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with Cacsars or any of its Affiliates, engage in or become affiliated or associated with, or offer or agree to become engaged in or affiliated or associated with, any activities, business or operations involving any Competing Concept which is located within Atlantic County, New Jersey, including as an owner, investor, operator, director, officer, manager, agent, consultant, licensor or employee of any such Competing Concept (collectively, clauses (i) and (ii) herein, the "Exclusivity Provisions"). For purposes of clarification, nothing in the definition of Competing Concepts shall be deemed to include any operation or concept that does not utilize the name Gordon Ramsay directly in the title of the operation including but not limited to Gordon Ramsay's current concepts, or "Hell's Kitchen", so long as such concepts do not have Gordon Ramsay's name form part of the core branding of these concepts, i.e. is not used in its name or moniker. In addition, with respect to the Hell's Kitchen concept, it shall not be considered a Competing Concept so long as it: (w) has an average check of \$40 or greater; (x) is course menu driven not dish header driven (i.e. menu sections titled "Starters", "Entrees" and "Desserts", not "Snacks", "Appetizers", "Burgers/Sliders", "Sandwiches", "Salads", etc.); (y) has a beverage menu with a broad selection of wines, followed by cocktails and modest selection of beers, not a typical bar & grill, pub or tavern format with a beverage menu format of a broad selection of beers, followed by shots/cocktails and a modest selection of wines; and (z) does not use the combination of "Bar & Grill", "Pub" or "Tavern" in the restaurant name as a subtitle or in signage or logo (but may utilize the word "Grill" as a primary or secondary header).

2.3.2 If this Agreement is terminated by CAC prior to the end of the Term originally stated herein, and either Gordon Ramsay or GRH is in default or breach of this Agreement at the time of such termination, the Exclusivity Provisions shall continue for a period of eighteen (18) months following such termination.

2.3.3 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 the combined Gordon Ramsay, GRH and their respective 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 to violate of this Section 2.3.

2.3.4 Notwithstanding the foregoing: (i) nothing in this Section 2.3 shall preclude (a) the marketing or sale of any products branded with any GR Marks or any marketing or promotion in Atlantic County, New Jersey of any products or services of Gordon Ramsay or GRH that are sold outside of this Agreement (and not in contravention of the Exclusivity Provisions) or (b) the marketing within Atlantic County, New Jersey of other Gordon Ramsay or GRH (or Affiliates of either) restaurants and (ii) CAC shall have no rights with respect to the sale of any products (other than any food products used in the Restaurant) branded with any GR Marks or provision of any services under the GR Marks, other than as specifically set forth in this Agreement.

2.4 Rights of First Refusal.

2.4.1 Each of GRH and Gordon Ramsay covenants and agrees that, at all times during the Term, each of GRH and Gordon Ramsay will not and will cause its Affiliates not to, 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 activities, business or operations involving any restaurant or bar (including any lounge, nightclub, ultra lounge or similar operation), including as an owner, investor, operator, director, officer, manager, agent, consultant, licensor or employee of any such restaurant or bar, if such restaurant or bar is or is to be (a) located within Atlantic County (a "Restaurant Venture") or (b) located within a casino or other gaming facility within a twenty-five (25) mile radius of any existing or prior to the date hereof publicly announced hotel or gaming facility owned or operated (or to be owned or operated) by CAC or any of its Affiliates outside of Atlantic County (also a "Restaurant Venture"), except after compliance with this Section 2.4.

2.4.2 Before Gordon Ramsay, GRH or any of their respective Affiliates engages in or becomes affiliated or associated with, or offers or agrees to become engaged in or affiliated or associated with, any Restaurant Venture, Gordon Ramsay shall provide CAC with an offer (available to CAC and/or its Affiliates), in writing, to participate in such Restaurant Venture, which offer shall set forth reasonable detail regarding the proposed Restaurant Venture. If CAC (or its designated Affiliate) indicates in writing within fifteen (15) days after receipt of such offer its interest in considering such opportunity, Gordon Ramsay and/or his team, as applicable, shall or shall cause its applicable Affiliates to enter into exclusive discussions, negotiations and due diligence with CAC (or its designated Affiliate) for the succeeding thirty (30) days to determine if mutually agreeable terms of participation in the Restaurant Venture can be reached. During such period, Gordon Ramsay and/or his team shall or shall cause its applicable Affiliates to provide CAC (or its designated Affiliate) with all reasonable supporting or other documents it may reasonably request with respect to the Restaurant Venture.

2.4.3 For the avoidance of doubt, the following shall not be considered to be violative of the provisions of this Section 2.4: (i) any operation or concept that does not utilize the name Gordon Ramsay directly in the title of the operation; (ii) the continued operation of Gordon Ramsay at the London West Hollywood (in Los Angeles, California), Gordon Ramsay at the London (in New York, New York), maze by Gordon Ramsay at the London (in New York, New York), Gordon Ramsay at Powerscourt (in Dublin, Ireland), Gordon Ramsay au Triannon (in Paris, France), La Veranda (in Paris, France), Gordon Ramsay at Castel Monastero (in Siena, Italy), Gordon Ramsay at Forte Village (in Sardinia, Italy), maze (in Doha, Qatar), Verre (in Deira, Dubai), Gordon Ramsay at the Conrad Tokyo (in Tokyo, Japan), Cerise (in Tokyo, Japan), Laurier Gordon Ramsay (in Montreal Canada), maze (in Melbourne, Australia), or any other restaurant opened by GRH prior to the date hereof (the "Existing Restaurants"); or (iii) the opening of another location of any Existing Restaurant (i.e., with the same name, concept and menu) within a

twenty-five (25) mile radius of its current location other than within a hotel, casino or similar establishment. The opening of another location of any Existing Restaurant (A) within a twenty-five (25) mile radius of its current location within a hotel, casino or similar establishment or (B) outside a twenty-five (25) mile radius of its current location shall be subject to the provisions of this Section 2.4 if it otherwise falls under the definition of "Restaurant Venture".

2.5 CAC Exclusivity. CAC covenants and agrees that, at all times during the Term, CAC will not and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with Gordon Ramsay, GRH or any of their respective Affiliates open a Competing Concept or similar restaurant within the hotel portion of CAC; provided, that this Section 2.5 shall not apply to the operation of any restaurant anywhere in the hotel portion of CAC where, as of the date of this Agreement, there is a Competing Concept; provided further, that such restaurant may not be redesigned, rebranded or otherwise modified to be more similar to the Restaurant than it is at the date of this Agreement. For the avoidance of doubt, this Section 2.5 shall not apply to (i) any other type of bar, café or tavern or (ii) any casino or other gaming area or any adjacent facility or structure.

3. RESTAURANT LOCATION, DESIGN, DEVELOPMENT AND OPERATION.

3.1 General. The Restaurant shall be comprised of that approximate square footage indicated on Exhibit A attached hereto. The parties acknowledge that, with the consent of the parties, the design of the Restaurant and the Restaurant Premises may change following the execution of this Agreement as a result of conditions of construction, budgetary constraints or other reasons provided that the approximate square footage and placement of the Restaurant within the Restaurant Premises as designed and constructed shall not be materially different than that which is depicted on Exhibit A. At all times during the Term and thereafter CAC shall retain all right, title and interest in and to the Restaurant Premises.

3.2 Initial Design and Construction. Intentionally omitted.

3.3 Subsequent Refurbishment, Redesign and Reconstruction of the Restaurant. Intentionally omitted.

3.4 Menu Development.

3.4.1 Menu Development. GRH (including Gordon Ramsay and/or other GRH employees shall develop the initial food and beverage menus of the Restaurant, and the recipes for same, and thereafter, GRH (including Gordon Ramsay and/or other GRH employees shall revise the food and beverage menus of the Restaurant, and the recipes for same (the "Menu Development Services"). CAC shall have the reasonable opportunity to review any food and beverage menus prior to their implementation and make reasonable recommendations to same based upon the proposed costs and CAC's experience with the Atlantic City, New Jersey, fine-dining industry. After consulting with and giving full and proper consideration to all reasonable advice and reasonable recommendations from GRH, Gordon Ramsay and CAC shall establish the pricing of any food and beverage menus, in its sole and absolute but reasonable discretion. Menu Development Services, and meetings with respect to same, shall take place by conference call at times and on dates mutually agreed to by GRH, Gordon Ramsay and CAC.

3.4.2 Menu Standards. GRH agrees (a) to use commercially reasonable efforts to ensure 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 with the nature and cost menu offerings of casual up-scale restaurants in Atlantic City, New Jersey and (b) the food menu of the Restaurant shall feature primarily pub-style dishes.

3.5 General Operation of the Restaurant. Unless expressly provided herein to the contrary and subject to the terms of this Agreement, CAC shall be solely responsible for:

3.5.1 managing the operations, business, finances and Employees of the Restaurant on a day-to-day basis;

3.5.2 maintaining the Restaurant;

3.5.3 developing and enforcing employment and training procedures, marketing plans, pricing policies and quality standards of the Restaurant; and

3.5.4 supervising the use of the food and beverage menus and recipes developed by GRH (including Gordon Ramsay and/or other GRH employees) pursuant to the terms of Section 3.2.

3.5.5 providing copies of the Restaurant's unaudited income statement to GRH (i) for each month within fifteen (15) days after the end of each month, (ii) for each quarter, within forty-five days after the end of each calendar quarter and (iii) for each Fiscal Year, within one hundred twenty (120) days following the conclusion of such Fiscal Year.

3.6 Merchandise.

3.6.1 Upon CAC's request, GRH shall use commercially reasonable efforts to (a) introduce CAC to such authorized manufacturers and suppliers of Gordon Ramsay merchandise for the purpose of purchasing and selling such merchandise in the Restaurant and (b) facilitate such services, provided that all such sales shall be included within Restaurant Sales. Unless otherwise agreed by GRH, all merchandise sold in the Restaurant shall be purchased from an authorized manufacturer or supplier of Gordon Ramsay, provided that GRH shall consent to other manufacturers and suppliers sourced by CAC so long as the merchandise is of at least equal quality to that provided by Gordon Ramsay's manufacturer or supplier and the price is equal to or less than the price charged by Gordon Ramsay's manufacturer or supplier.

3.6.2 No operating supplies bearing, based on or containing GR Marks or General GR Materials, including all menus, wine lists, business cards, tableware, uniforms and napkins, shall be produced or used in connection with the Restaurant without GRH's prior written approval (after, to the extent necessary, consultation with Gordon Ramsay), which shall not be unreasonably withheld, conditioned or delayed. GRH shall give notice of approval or rejection (with reasons) within ten (10) days following CAC's written request for approval.

3.6.3 In the event that CAC wishes to produce merchandise of any kind bearing, based on or containing the GR Marks or General GR Materials or otherwise relating to the Restaurant it shall provide full details of the same to GRH and the parties shall negotiate in relation thereto and enter into a separate agreement in connection therewith in the event that an agreement is reached.

3.7 Meetings and Personal Appearances. Whenever scheduling any meeting or personal appearance contemplated by this Agreement, CAC shall make commercially reasonable efforts to take into account the other then existing commitments of Gordon Ramsay and give Gordon Ramsay reasonable 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, CAC 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 be made by CAC based

upon the best interest of the Restaurant and Gordon Ramsay shall endeavor to make commercially reasonable efforts to meet the appearance schedule proposed by CAC subject to previously scheduled commitments.

3.8 Additional Obligations. Each of CAC, Gordon Ramsay and GRH warrants and undertakes to the other parties that it shall:

3.8.1 at all times (a) fully comply with all laws, statutes, ordinances, regulations, promulgations and mandates applicable to its obligations hereunder and the operation of the Restaurant and (b) maintain all applicable business licenses and other licenses and permits relating to its business operations or its obligations hereunder, and in each case any failure to do so shall constitute a breach of this Agreement; and

3.8.2 perform its duties hereunder with reasonable care and skill and shall cultivate and maintain good relations with customers of the Restaurant in accordance with sound commercial principles.

4. TERM.

4.1 Term. The initial term of this Agreement shall commence on the Effective Date and shall expire on that date that is ten (10) years from the date on which the Restaurant first opens to the general public for business (the "Opening Date"), unless extended by the parties or unless earlier terminated pursuant to the terms hereof (the "Initial Term"). Upon the mutual agreement of CAC and GRH, the term of this Agreement shall be extended 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 be no additional extensions of the term of this Agreement.

4.2 Termination.

4.2.1 For Convenience. At any time following the third (3rd) anniversary of the Opening Date, this Agreement may be terminated by CAC at any time upon six (6) months written notice to GRH and Gordon Ramsay specifying the date of termination.

4.2.2 Death, Disability or Non-Involvement of Gordon Ramsay. This Agreement may be terminated by CAC upon written notice to GRH and Gordon Ramsay having immediate effect if (a) Gordon Ramsay dies, (b) Gordon Ramsay suffers a disability, including any physical or mental condition, which impairs the ability of Gordon Ramsay to render, in a timely manner, substantially all of Gordon Ramsay's covenants, agreements and obligations hereunder for a period of four (4) consecutive months or six (6) months in any twelve (12) month period, or (c) Gordon Ramsay fails on two consecutive occasions to appear in Atlantic City, New Jersey to perform all of the GR Promotional Events and GR Restaurant Visits as required pursuant to the terms of this Agreement (provided that he was given ample notice of such and afforded an opportunity to perform and does not so perform on other mutually acceptable dates subject to Gordon Ramsay being prevented from attending due to force majeure or sickness).

4.2.3 Sales Performance. At any time during the sixty (60) days following the third (3rd) anniversary of the Opening Date and the sixty (60) days following the sixth (6th) anniversary of the Opening Date, this Agreement may be terminated by CAC by written notice to GRH specifying the effective date of termination if (a) in the case of termination following the third (3rd) anniversary of the Opening Date, the Restaurant Sales for the twelve (12) months prior to such anniversary are not at least Three Million Two Hundred Thousand Dollars (\$3,200,000.00) or (b) in the case of termination following

the sixth (6th) anniversary of the Opening Date, the Restaurant Sales for the twelve (12) months prior to such anniversary are not at least Three Million Seven Hundred Dollars (\$3,700,000.00).

4.2.4 Intentionally deleted.

4.2.5 Breach of Standards. This Agreement may be terminated by CAC upon written notice to GRH and Gordon Ramsay having immediate effect if, following a material breach of Section 11.1 of this Agreement, CAC sends written notice of such breach to GRH and Gordon Ramsay and such material breach is not cured within thirty (30) days after receipt of such notice.

4.2.6 Unsuitability. This Agreement may be terminated by CAC upon written notice to GRH and Gordon Ramsay having immediate effect as contemplated by Section 11.2.

4.2.7 Condemnation and Casualty. This Agreement may be terminated by CAC upon written notice to GRH and Gordon Ramsay having immediate effect as contemplated by Article 12.

4.2.8 Material Breach.

(a) This Agreement may be terminated by CAC upon written notice to GRH and Gordon Ramsay having immediate effect if, following a material breach of this Agreement by Gordon Ramsay or GRH, CAC sends written notice of such material breach to GRH and Gordon Ramsay specifying in reasonable detail, the facts and circumstances underlying the claimed breach (including the provision(s) of the Agreement claimed to have been breached) and Gordon Ramsay or GRH, as applicable, fails to cure such material breach within thirty (30) days after receipt of such notice; provided that if GRH or Gordon Ramsay shall have taken steps reasonably anticipated to cure such breach within such thirty (30) day period, CAC shall not be permitted to terminate the Agreement unless such cure is not completed within a reasonable time thereafter.

(b) This Agreement may be terminated by GRH upon written notice to CAC having immediate effect if, following a material breach of this Agreement by CAC, GRH sends written notice of such material breach to CAC specifying in reasonable detail, the facts and circumstances underlying the claimed breach (including the provision(s) of the Agreement claimed to have been breached) and CAC fails to cure such material breach within thirty (30) days after receipt of such notice for non-monetary breaches by CAC (provided that if CAC shall have taken steps reasonable anticipated to cure such breach within such thirty (30) day period, CAC shall not be permitted to terminate the Agreement unless such cure is not completed within a reasonable time thereafter) and within five (5) days after written notice is given to CAC for monetary breaches by CAC (it being understood that CAC's failure to pay any amount disputed in good faith shall not entitle Gordon Ramsay to terminate this Agreement).

4.2.9 Bankruptcy, etc.

(a) This Agreement may be terminated by CAC upon written notice to GRH and Gordon Ramsay having immediate effect if Gordon Ramsay or GRH (i) becomes insolvent or admits in writing its inability to pay

its debts as they become due, (ii) has instituted against it a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or a petition is presented against it for its winding up or liquidation, in each case that is not dismissed within sixty (60) days, (iii) institutes a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or files a petition for its winding up or liquidation, (iv) makes a general assignment for the benefit of its creditors, (v) seeks or becomes subject to the appointment of a receiver over all or substantially all of its assets, or (vi) any analogous procedure or step is taken in any jurisdiction.

(b) This Agreement may be terminated by GRH upon written notice to CAC having immediate effect if CAC (i) becomes insolvent or admits in writing its inability to pay its debts as they become due, (ii) has instituted against it a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or a petition is presented against it for its winding up or liquidation, in each case that is not dismissed within sixty (60) days, (iii) institutes a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or files a petition for its winding up or liquidation, (iv) makes a general assignment for the benefit of its creditors, (v) seeks or becomes subject to the appointment of a receiver over all or substantially all of its assets, or (vi) any analogous procedure or step is taken in any jurisdiction.

4.3 Effect of Expiration or Termination.

4.3.1 Termination of Obligations: Survival. 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 termination or expiration shall not (a) relieve any party of any liabilities resulting from any breach hereof by such party on or prior to the date of such termination or expiration, (b) relieve any party of any payment obligation arising on or prior to the date of such termination or expiration, or (c) affect any rights arising as a result of such breach or termination or expiration. The provisions of this Section 4.3 and Sections 2.3.2, 6.2, 6.6, the last sentence of Section 12.2.2 and Articles 13 and 14 (other than Section 14.16) shall survive any termination or expiration of this Agreement.

4.3.2 Certain Rights of CAC Upon Expiration or Termination. Upon expiration or termination of this Agreement:

(a) CAC shall cease operation of the Restaurant and its use of any GR Marks and General GR Materials; provided, however, that (i) in the event of an early termination of this Agreement, other than pursuant to Section 4.2.2, CAC shall be entitled to operate the Restaurant and use the License for one hundred twenty (120) days from such termination to orderly and properly wind-up operations of the Restaurant; and (ii) in the event of an early termination of this Agreement pursuant to Section 4.2.2, CAC shall be entitled to operate the Restaurant and use the License for up to nine (9) months from such termination to orderly and properly reconcept or wind-up operations of the Restaurant; provided that in the event of a termination pursuant to clause (i) or (ii) during the applicable post-termination period during which CAC is operating the Restaurant, CAC shall continue to be obligated to pay GRH all amounts due GRH hereunder that accrue during

such period in accordance with the terms of this Agreement as if this Agreement had not been terminated;

(b) CAC shall retain all right, title and interest in and to the Restaurant Premises except for the GR Marks and General GR Materials and any personal property containing any GR Marks;

(c) CAC shall retain all right, title and interest in and to the furniture, fixtures, equipment, inventory, supplies and other tangible and intangible assets used or held for use in connection with the Restaurant, except as expressly provided in Section 4.3.2;

(d) CAC shall retain all right, title and interest in and to CAC Marks and Materials; and

(e) CAC 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 use the Restaurant's food and beverage menus or recipes developed by GRH and/or Gordon Ramsay or use any of the GR Marks or General GR Materials.

4.3.3 Certain Rights of Gordon Ramsay/GRH Upon Expiration or Termination. Upon expiration or termination of this Agreement:

(a) In the case of termination by CAC pursuant to Section 4.2.1, CAC shall pay to GRH the Early Termination Payment as a lump-sum payment within five (5) business days after the effective date of such termination; and

(b) Subject to Section 4.3.2(a), Gordon Ramsay and/or GRH shall retain all right, title and interest in and to the GR Marks and General GR Materials and all right title and interest in and to the Restaurant's food and beverage menus and recipes developed by GRH and/or Gordon Ramsay.

5. RESTAURANT EMPLOYEES.

5.1 General Requirements.

5.1.1 Employees. Subject to the terms of this Article 5, after consulting with and giving full and proper consideration to all reasonable recommendations of GRH, CAC shall be responsible for, and shall have final approval with respect to, hiring, training, managing, evaluating, promoting, disciplining and firing all kitchen and front-of-house management and staff of the Restaurant (collectively, the "Employees"). Notwithstanding anything herein to the contrary, all Employees, including all Senior Management Employees, shall be employees of CAC and shall be expressly subject to (a) CAC's human resources policies and procedures and hiring requirements in existence as of the Effective Date and as modified by CAC from time to time during the Term, and (b) the Compliance Committee requirements applicable to CAC and its Affiliates, as more particularly set forth in Section 11.2 hereof.

5.1.2 Qualified Training by CAC. At CAC's option, exercisable in its sole discretion, all applicants for Employee front-of-house positions that require personal contact with guests of the

Restaurant, as well as all cook, pantry, pastry, bakery and other skilled kitchen positions, shall be required to undergo specialized training (the "Training") and, upon the culmination of such specialized training, pass a test reasonably related to the Training in order to be qualified as an Employee. The Training shall be conducted by CAC on the Employee's own time and at the Employee's own expense. At CAC's option, exercisable in its sole discretion, the Training and related test may only be required of individuals who are employees of CAC at the time of such individual's application for a position as an Employee.

5.2 Senior Management Employees. GRH shall advise CAC as to those individuals whom it recommends to be hired for the following positions at the Restaurant and shall, or shall cause his team to, use commercially reasonable efforts to give such advice to be provided within the time frames set forth below.

- (a) One full-time equivalent Executive Chef (no later than sixty (60) days before the Opening Date);
- (b) One full-time equivalent General Manager (no later than forty-five (45) days before the Opening Date);
- (c) Two full-time equivalent Assistant Chefs (no later than thirty (30) days before the Opening Date);
- (d) Two full-time equivalent Assistant Managers (no later than twenty (20) days before the Opening Date); and

The initial and any successor Executive Chef, General Manager, Assistant Chefs, Assistant Managers and Sommeliers shall be referred to collectively, as the "Senior Management Employees" and individually, a "Senior Management Employee", with the understanding that said designation is for the purposes of reference for this document only and shall not be deemed to create a requirement or expectation of any particular level of compensation or benefits that may otherwise be available to individuals employed by CAC having such employment designation. Subject to the terms of this Article 5, after consulting with and giving full and proper consideration to all reasonable recommendations of GRH, CAC shall be responsible for, and shall have final approval with respect to, hiring, training, managing, evaluating, promoting, disciplining and firing Senior Management Employees (and any additional or replacement Senior Management Employees as reasonably required by CAC from time to time). The parties acknowledge and agree that CAC is under no obligation to hire any individual recommended pursuant to this Section 5.2.

5.3 Union Agreements.

5.3.1 Agreements. Each of Gordon Ramsay and GRH acknowledges and agrees that all of CAC's agreements, covenants and obligations and all of Gordon Ramsay's and/or GRH's rights and agreements contained herein are subject to the provisions of any and all collective bargaining agreements and related union agreements to which CAC or any of its Affiliates is or may become a party and that are or may be applicable to the Employees (as the same may be amended or supplemented from time to time, collectively, the "Union Agreements"). Each of Gordon Ramsay and GRH agrees that all of their agreements, covenants and obligations hereunder, including those obligations to train certain Employees, shall be undertaken in such manner as to be in accordance with and to assist and cooperate with CAC's obligation to fulfill its obligations contained in the Union Agreements; provided, that CAC now and hereafter shall advise Gordon Ramsay and GRH of the obligations contained in said Union Agreements that are applicable to Employees. Notwithstanding the foregoing, in no event shall Gordon Ramsay or

GRH be deemed a party to any such Union Agreement whether by reason of this Agreement, the performance of its obligations hereunder or otherwise.

5.3.2 Amendments. Each of Gordon Ramsay and GRH acknowledges and agrees that from time to time during the Term, CAC 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 CAC, in its sole discretion, including provisions for (a) notifying then-existing employees of CAC in the bargaining units represented by the applicable union of employment opportunities in the Restaurant, (b) preferences in training opportunities for such then-existing employees, (c) preferences in hiring of such then-existing employees, if such then-existing employees are properly qualified, and (d) other provisions concerning matters addressed in this Section 5.3.

5.3.3 Conflicts. 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 5.3.3, the parties 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 (including the economic provisions contained herein), such Union Agreement and applicable law, rules and regulations.

5.4 Training Support.

5.4.1 Pre-Opening Training. For the period prior to the Opening Date, GRH shall advise CAC as to the training GRH recommends be provided to the Senior Management Employees, including working methods, culinary style, culinary philosophy, standard of service, marketing techniques and customer service. After consulting with and giving full and proper consideration to all reasonable recommendations of GRH and/or its team, CAC shall be responsible for, and shall have final approval with respect to, training Senior Management Employees and other Employees.

5.4.2 Refresher Training. As and if reasonably requested by CAC from time to time during the Term, GRH shall advise CAC as to the training GRH recommends be provided for refresher training of such appropriate kitchen and front-of-house Employees as reasonably selected by CAC, including 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 full and proper consideration to all reasonable recommendations of GRH and/or its team, CAC shall be responsible for, and shall have final approval with respect to such refresher training.

5.5 Evaluations. As reasonably requested by CAC from time to time during the Term but not more than twice in any one (1) year during the Term, GRH shall be entitled to review, approve and make recommendations with respect to the annual evaluations of the Senior Management Employees as conducted by CAC, and shall participate in such review, approval and recommendation process in the event CAC's request coincides with any GR Promotional Visit, GR Restaurant Visit or Additional GR Restaurant Visit and Gordon Ramsay's schedule otherwise permits; provided, however, CAC shall have final approval with respect to all aspects of same. Such evaluation services, and meetings with respect to same, shall take place in Atlantic City, New Jersey after reasonable advance notice.

5.6 Employment Authorization. CAC shall be solely responsible for applying for, and shall be solely responsible for all costs and expenses related to obtaining (with the understanding that said costs shall be deemed to be an Operating Expense of the Restaurant), any work authorizations from the United States Citizenship and Immigration Services, a Bureau of the United States Department of Homeland Security ("USCIS"), that may be required in order for the Senior Management Employees to be employed by CAC at the Restaurant; provided, however, each such Employee shall be required to cooperate with CAC with respect to applying for such work authorization and shall be required to diligently provide to CAC or directly to USCIS, as applicable, all information such Employee is required to provide in support of the application for such work authorization; provided further, however, GRH expressly acknowledges that, in the event that CAC is unable to reasonably obtain such work authorization for any Employee, the offer of employment for such Employee shall be revoked.

6. LICENSE.

6.1 Marks and Materials. Each of Gordon Ramsay and GRH represents and warrants to CAC that Gordon Ramsay and/or GRH is and at all times during the Term will be the owner of any GR Marks and General GR Materials as contemplated by this Agreement and possesses and at all times during the Term will possess the necessary right to license the GR Marks and General GR Materials to CAC pursuant to this Agreement, free and clear of any restrictions except those imposed by this Agreement.

6.2 Ownership.

6.2.1 By GRH or Gordon Ramsay. CAC acknowledges and agrees that GRH is the owner of the GR Marks and the General GR Materials and any modification, adaptation, improvement or derivative of or to the foregoing. CAC acknowledges and agrees that all use of the GR Marks and General GR Materials (including any goodwill generated by such use) shall inure to the benefit of GRH and, except for the limited License set forth in this Agreement CAC shall not have or obtain any right, title or interest in or to any of the GR Marks or General GR Materials. Notwithstanding the foregoing, each of Gordon Ramsay and GRH acknowledges and agrees that CAC shall own all copyright and other rights, title and interest in and to all materials described in Section 6.2.2 below, save to the extent that such materials use or contain any or all of the GR Marks or General GR Materials and, in addition to the rights granted by copyright, CAC may use such materials and the GR Marks or General GR Materials in promotional pieces listing, indicating or depicting people or entities that have or have had an appearance, relationship or other connection to CAC or any of its Affiliates. If and to the extent that CAC has or comes to have any right, title or interest in any intellectual property rights in the GR Marks or General GR Materials or any modification, adaptation, improvement or derivative of or to the foregoing, CAC hereby assigns to Gordon Ramsay and GRH all such intellectual property rights.

6.2.2 By CAC. Each of Gordon Ramsay and GRH acknowledges and agrees that CAC shall own: (i) any works, trade names, trademarks, designs, trade dress, service names and service marks, and registrations thereof and applications for registration thereof, and all works of authorship, programs, techniques, processes, formulas, 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 CAC for use in association with the Restaurant except for the GR Marks or General GR Materials and except for any modification, adaptation, improvement or derivative thereto or as otherwise provided in Section 6.2.1; and (ii) any materials that are created by any party pursuant to this Agreement in which the GR Marks or the General GR Materials are embodied or incorporated, including all photographic or video images, all promotional materials produced in accordance with the provisions of Article 7 hereof and all marketing materials produced in accordance with the provisions of Article 9 hereof (clauses (i), and (ii), collectively, the "CAC Marks and Materials"). Each of Gordon Ramsay and GRH acknowledges and agree that neither Gordon Ramsay nor GRH shall

have or obtain any right, title or interest in or to any of the CAC Marks and Materials. Notwithstanding the foregoing, except as expressly provided in this Agreement, CAC shall not acquire any rights in the GR Marks or General GR Materials included or embedded in any of the CAC Marks and Materials.

6.3 Intellectual Property License. Subject to Section 6.1 and to the payment of the Base License Fee and Incentive License Fee (if applicable) and compliance with the terms of this Agreement, each of Gordon Ramsay and GRH as necessary hereby grants to CAC and its Affiliates a non-exclusive, non-transferable, limited, non-sublicensable right and license, during the Term (the "License"), to use and employ GR Marks and the General GR Materials solely on and in connection with the operation of the Restaurant in the Restaurant Premises and the marketing and promotion thereof, and in connection with the marketing, promotion and retail sale of certain products in the Restaurant Premises as is contemplated in Section 3.4 under the terms and conditions set forth in this Agreement. Each of Gordon Ramsay and GRH shall, at CAC's reasonable request and CAC's sole but reasonable cost and expense, provide information or documents possessed by Gordon Ramsay or GRH, and execute documents, that are necessary for CAC and its Affiliates to exercise their rights under the License. Each of Gordon Ramsay and GRH represents and warrants to CAC that, if Gordon Ramsay dies during the Term and this Agreement is not terminated pursuant to Section 4.2.2, the License shall continue in full force and effect during the remainder of the Term.

6.4 Quality Control.

6.4.1 Quality Control Standards. CAC acknowledges that the GR Marks have secondary meaning in the eyes of purchasers and the public, that the GR Marks enjoy an excellent reputation and that the provision of restaurant services of poor quality under the GR Marks could adversely affect such reputation. CAC agrees that it shall use its commercially reasonable efforts to maintain the reputation of the GR Marks and further agrees that its use of the GR Marks shall be of a quality consistent with the quality used in connection with CAC's use of its own trademarks.

6.4.2 Inspection of Operations. During the Term, Gordon Ramsay and GRH shall each have the right, upon reasonable notice and during regular business hours, to inspect CAC's operations that touch or concern the Restaurant operation, including inspection of the Restaurant Premises, to ensure that the quality standards for the GR Marks are being maintained.

6.4.3 Notices. CAC shall place appropriate trademark and copyright notices and symbols on any marketing, advertising, promotional or other materials incorporating the GR Marks and General GR Materials and at the Restaurant Premises, with information to be included in such notices and symbols to be obtained from Gordon Ramsay or GRH. Moreover, CAC shall use commercially reasonable efforts to include any specific trademark and copyright notices relating to the GR Marks as are requested by GRH.

6.5 Gordon Ramsay's Rights in Marks.

6.5.1 Protection. Gordon Ramsay and/or GRH shall, at their own cost and expense, maintain in full force and effect the GR Marks and General GR Materials that are registered. Nothing in this Section 6.5.1 implies an obligation to register any GR Marks or General GR Materials that are not registered as of the date hereof; provided, that if GRH registers any GR Marks or General GR Materials after the date hereof, this Section 6.5.1 shall apply to such GR Marks and General GR Materials from and after such registration; provided further that Gordon Ramsay or GRH has applied to register "Gordon Ramsay Pub & Grill" in the United States Patent & Trademark Office, as set forth in Exhibit B.

6.5.2 No Registration. CAC shall not, either during or after the Term of this Agreement: (a) use or register any mark which is identical or confusingly similar to any of the GR Marks or any variation thereof, in any jurisdiction; or (b) register any domain name consisting of or including any of the GR Marks or any variation thereof.

6.5.3 No Challenges. CAC acknowledges the validity of the GR Marks, and agrees that at no time either during or after the Term of this Agreement will it directly or indirectly challenge or assist others to challenge the validity or strength of the GR Marks or GRH's ownership thereof, provided that nothing herein shall preclude CAC from complying with any lawful subpoena or other legal requirement.

6.6 Indemnification of CAC. GRH covenants and agrees to defend, indemnify and save and hold harmless CAC 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 attorneys' fees, arising directly or indirectly from any claim by any third Person (including the GR US Entity or any direct or indirect owner of the GR US Entity) alleging that the use permitted hereunder by CAC or its Affiliates of the GR Marks or General GR Materials violates, infringes or otherwise conflicts with any intellectual property or other rights of a third Person. CAC shall notify GRH of any such claim and GRH may and, upon CAC's request, shall, at its sole cost and expense, defend such claim or cause such claim to be defended by counsel designated by GRH and reasonably acceptable to CAC. In addition, and without limiting the indemnification obligations of GRH as set forth in the foregoing sentence, Gordon Ramsay covenants and agrees to cause the GR US Entity to not bring any such claim arising directly or indirectly from this Agreement, including the operation of the Restaurant and use of the License, against CAC or any of its Affiliates.

6.7 Infringement by Third Persons. GRH shall make good faith efforts to monitor for possible infringement of the GR Marks or General GR Materials and shall promptly inform CAC in writing if it becomes aware of any actual or potential infringement of the GR Marks or General GR Materials. GRH shall use and shall cause its Affiliates to use all commercially reasonable efforts to prosecute infringement of CAC's right to use GR Marks or General GR Materials granted hereunder. If GRH shall not prosecute in a reasonable and timely manner an infringement of the GR Marks or General GR Materials or shall cease such prosecution once commenced, then CAC may, but shall not be required to, prosecute such infringement. In such event, CAC shall be entitled to retain any amounts recovered and the out-of-pocket costs of prosecution shall be treated as an Operating Expense of the Restaurant. The parties shall provide to each other such information and assistance as may reasonably be requested in the course of any prosecution of infringements as contemplated by this Section 6.7.

7. PROMOTION AND OPERATIONAL PRESENCE.

7.1 Initial Promotion. During the period prior to the Opening Date, Gordon Ramsay shall, as reasonably required by CAC, but otherwise in accordance with the terms of this Section 7.1, engage in promotional activities for the Restaurant, which may include commercial photography of Gordon Ramsay, and Gordon Ramsay or other representative of GRH will, as reasonably requested by CAC, review and provide 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 CAC may reasonably require. Prior to the Opening Date, CAC may request Gordon Ramsay to, and Gordon Ramsay shall use commercially reasonable efforts to, make one (1) visit to Atlantic City, New Jersey, taking into consideration the scheduling requirements described in Section 3.5. Commencing on the Opening Date, Gordon Ramsay shall be in Atlantic City, New Jersey at the Restaurant for a reasonable

period of time (not to be less than twenty-four (24) consecutive hours). All visits by Gordon Ramsay under this Section 7.1 are referred to as the "GR Promotional Visits".

7.2 Subsequent Restaurant Visits. From and after the Opening Date, (a) Gordon Ramsay shall visit and attend to the Restaurant at least three (3) times per year of the Term (collectively, the "GR Restaurant Visits"), and two of the three visits shall be for a minimum of twenty-four (24) consecutive hours while one of the three visits shall be for a minimum of 48 consecutive hours, as reasonably scheduled by Gordon Ramsay, taking into consideration the scheduling requirements described in Section 3.5 and any scheduling requirements of Gordon Ramsay under any other agreements with CAC or any of its Affiliates (it being understood that any GR Restaurant Visit that occurs concurrently with any such other required visit shall be for a minimum of thirty-six (36) consecutive hours and that Gordon Ramsay shall devote adequate time to meet his obligations under this Agreement and any other agreement with CAC or its Affiliate), (b) CAC may request that Gordon Ramsay make additional visits to the Restaurant (collectively, the "Additional GR Restaurant Visits") and (c) upon the request of CAC, Gordon Ramsay's team or representatives of GRH shall visit and attend the Restaurant up to four (4) times per year of the Term (collectively, the "Team Visits"). During the GR Restaurant Visits and Additional GR Restaurant Visits, Gordon Ramsay shall engage in promotional activities for the Restaurant, which may include commercial photography of Gordon Ramsay, as reasonably requested by CAC and approved in advance by Gordon Ramsay (such approval not to be unreasonably withheld, conditioned or delayed). During the GR Restaurant Visits, Additional GR Restaurant Visits and the Team Visits, Gordon Ramsay shall, or, if applicable, shall cause his team or GRH to, review and provide 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 CAC may reasonably require.

7.3 Travel Expenses.

7.3.1 For each GR Promotional Visit and GR Restaurant Visit, CAC or its travel desk shall purchase for Gordon Ramsay's use first class round trip airfare between any airport designated from time to time by Gordon Ramsay and Atlantic City area airports. The parties shall each endeavor to ensure all such airline tickets are booked not less than thirty (30) calendar days in advance of the departure date. If a GR Promotional Visit or GR Restaurant Visit is cancelled for any reason, CAC shall be entitled to the entire refund or credit, if any, resulting from the cancellation of the airline ticket associated with same. Subject to availability, CAC may at its option instead provide (at no cost to Gordon Ramsay) the use of a private jet for round trip travel for Gordon Ramsay to Atlantic City, New Jersey. For each Additional GR Restaurant Visit, CAC or its travel desk shall purchase for Gordon Ramsay's use first class round trip airfare between any airport designated by Gordon Ramsay and Atlantic City area airports. During the duration of each GR Promotional Visit and GR Restaurant Visit and subject to availability, CAC shall provide for Gordon Ramsay's use, at no cost or expense to Gordon Ramsay, a total of three (3) deluxe rooms at the Hotel or a property owned by an Affiliate of CAC (room and all applicable taxes); provided, however, Gordon Ramsay shall be responsible for all incidental room charges (subject to a thirty percent (30%) discount) and other expenses incurred during the occupancy of such rooms. Any cost or expense to CAC or its Affiliates associated with the provision of travel accommodations and room charges under this Section 7.3.1 shall be for the account of CAC, and shall not be a Project Cost or an Operating Expense of the Restaurant.

7.3.2 For each Team Visit, CAC and GRH shall agree, acting reasonably and in good faith, the number of team members or representatives of GRH to make the Team Visit and the length of such Team Visit. For each team member or GRH representative (other than Gordon Ramsay for whom Section 7.3.1 shall apply): (a) CAC or its travel desk shall purchase for such person, as applicable, (i) coach round trip airfare between any airport in the United States and Atlantic City area airports or (ii)

business round trip airfare between any airport outside the United States and Atlantic City area airports; and (b) CAC shall provide for the use of such team member or representative of GRH, at no cost or expense to such person, one (1) standard single room at the Hotel or a property owned by an Affiliate of CAC (room and all applicable taxes); provided, however, such person shall be responsible for all incidental room charges (subject to a thirty percent (30%) discount) and other expenses incurred during the occupancy of such room.

8. **BASE AND INCENTIVE LICENSE FEES.**

8.1 **Base and Incentive License Fees.**

8.1.1 First, CAC shall pay to GRH a base license fee for CAC's use of GRH's Intellectual Property and for GRH's services equal to a percentage of Restaurant Sales in any given Fiscal Year pursuant to the following schedule (the "Base License Fee"):

- (a) For Comp Sales, a quarterly payment equal to 2.1% of Comp Sales;
- (b) For Restaurant Sales up to and including the Baseline Amount, a quarterly payment equal to 2.1% of Restaurant Sales;
- (c) For Restaurant Sales greater than the Baseline Amount up to and including Two Million Two Hundred Thousand Dollars (\$2,200,000.00), a quarterly payment equal to 4.2% of Restaurant Sales;
- (d) For Restaurant Sales greater than Two Million Two Hundred Thousand Dollars (\$2,200,000.00) up to and including Three Million Three Hundred thousand Dollars (\$3,300,000.00), a quarterly payment equal to 4.9% of Restaurant Sales; and
- (e) For Restaurant Sales greater than Three Million Three Hundred Thousand Dollars (\$3,300,000.00), a quarterly payment equal to 5.6% of Restaurant Sales.

8.1.2 Next, out of any remaining Available Restaurant Proceeds after application of the payments set out in Section 8.1.1 above, CAC shall be entitled to retain a capital reserve starting after the third anniversary of the Opening Date, in an amount equal to two percent (2%) of Total Restaurant Sales subject to a cap of Fifty Thousand Dollars (\$50,000) per Fiscal Year and a maximum of Two Hundred Fifty Thousand Dollars at any given time (the Capital Reserve) (the amount of the aggregate Capital Reserve credited by CAC hereunder less the aggregate amount expended by CAC is the "Capital Reserve Account"). No later than ninety (90) days after the end of each quarter, CAC shall credit the Capital Reserve Account with the Capital Reserve (if any) for such quarter. After the Opening Date, any replacements and capital improvements for the Restaurant which are required to be capitalized under generally accepted accounting principles ("Capital Expenditures") paid by CAC shall reduce the amount of the Capital Reserve Account (but not below zero). CAC may draw upon the Capital Reserve Account to fund Capital Expenditures in the Restaurant from time to time.

8.1.3 Next, out of any remaining Available Restaurant Proceeds after application of the payments set out in Sections 8.1.1 and 8.1.2 above, CAC shall be entitled to retain its Project Costs for the initial Restaurant build out based upon a payback schedule of sixty (60) months following the

Opening Date, with a fixed interest rate of five percent (5%) per annum on the unamortized portion thereof. If there are not sufficient positive Available Restaurant Proceeds for CAC to receive the full amount of its Project Costs in any year, the shortfall, together with all interest owing thereon, shall be retained from the Available Restaurant Proceeds in any subsequent period before payment of any other amount pursuant to Section 8.1.4 below.

8.1.4 Next, out of any remaining Available Restaurant Proceeds after application of the payments set forth in Sections 8.1.1, 8.1.2 and 8.1.3 above, at the end of each Fiscal Year, the Parties shall determine the total dollar value of 31.5% of Available Restaurant Proceeds during such Fiscal Year. CAC shall pay to GRH an additional amount (if any) in addition to the Base License Fee equal to the total dollar value of 31.5% of Available Restaurant Proceeds in excess of the Base License Fee (the "Incentive License Fee").

8.2 Timing and Manner of Payments. The Base License Fee shall be payable on a calendar quarter basis and shall be paid by CAC no later than thirty (30) days after the end of the quarter to which it relates 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 GRH, from time to time. If the Incentive License Fee is due, it shall be paid by CAC to GRH on or before April 15 of the following year.

8.3 Calculations. CAC shall be solely responsible for maintaining and shall maintain, all books and records necessary to calculate the Base License Fee and Incentive License Fee and, within: (a) thirty (30) days after the end of each quarter during each Fiscal Year shall deliver notice to GRH reasonably detailing the calculation of the Base License Fee, and (b) by April 15 after the end of the applicable Fiscal Year shall deliver notice to GRH reasonably detailing the calculation of the Incentive License Fee. CAC's calculations shall be conclusive and binding unless: (i) within thirty (30) calendar days' of CAC's delivery of such notice, GRH notifies CAC in writing of any claimed manifest calculation error therein; or (ii) such calculations are determined to be inaccurate as the result of any audit pursuant to Section 8.4. Upon receipt of any such notification, CAC shall review the claimed manifest calculation error and, within thirty (30) calendar days of such notification, advise GRH as to the corrected calculation, if any. If GRH still disagrees with such calculation, the calculation shall not be binding and GRH shall be deemed to have reserved all of his rights related thereto under this Agreement.

8.4 Audit. Subject to the remaining provisions of this Section 8.4, GRH shall be entitled at any time, at its sole cost and expense, upon ten (10) calendar days' notice to CAC, but not more than two (2) times per calendar year, to cause an audit to be made, during normal business hours, by any Person designated by GRH and approved by CAC (who shall not unreasonably withhold, delay or condition said approval), of all books, records, accounts and receipts required to be kept for the calculation of the Base License Fee, Incentive License Fee and/or the repayment of the Initial Capital Investment, which shall not include tax returns of CAC filed on a consolidated basis, and which audit shall be conducted without material disruption or disturbance to CAC's operations. If such audit discloses that any Base License Fee, Incentive License Fee and/or the repayment of the Initial Capital Investment was calculated in error, CAC shall be entitled to review such audit materials and to conduct its own audit related to such period. If CAC does not dispute the result of GR's audit within ninety (90) days after conclusion and presentation by GRH to CAC of GR's findings, CAC shall (in the next quarterly allocation) pay to GRH such additional monies necessary to compensate GRH. If such audit discloses that the Base License Fee or Incentive License Fee owed by CAC for any Fiscal Year exceeds the amount paid to GRH for such year more than five percent (5%), CAC or that the amount charged as repayment of the Initial Capital Investment was five (5%) or more less than it should have been, CAC shall pay Gordon Ramsay the actual third party costs of such audit. CAC may condition any audit under this Section 8.4 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 satisfactory to CAC.

9. **OPERATIONS.**

9.1 **Marketing and Publicity.** As promptly as practicable after the date hereof, GRH on the one hand, and CAC, on the other hand, shall jointly develop a marketing plan with respect to the Restaurant and, during the Term, GRH on the one hand, and CAC, on the other hand, shall jointly make all determinations regarding maintaining, updating or otherwise modifying such plan. CAC shall make all determinations regarding the actual advertising, sales, promotional and other publicity materials relating to the Restaurant or the transactions contemplated by this Agreement and shall market the Restaurant in accordance with its standard procedures; provided, that any such materials containing the GR Marks or General GR Materials shall require the prior approval of GRH not to be unreasonably withheld, conditioned or delayed; provided further, that CAC shall not be in breach of such marketing obligations to the extent delayed or prevented due to the lack of prior approval of Gordon Ramsay or GRH if required herein. Except as set forth in the immediately preceding sentence, no party shall, and each party shall cause its Affiliates not to, publish or make any press release or other public statement relating to the Restaurant or the transactions contemplated by this Agreement without the prior consent of the other parties, such consents not to be unreasonably withheld, conditioned or delayed. Neither Gordon Ramsay nor GRH will, and each will cause its Affiliates not to, publish, make or use any such publicity materials without the prior written consent of CAC. Marketing consultations and meetings with respect to same, shall take place at such times and such places as the parties agree from time to time. CAC shall inform GRH if it becomes aware of any publicity related to the Restaurant that may have a material negative impact on Restaurant Sales or otherwise have a material adverse effect on the Restaurant (it being understood that CAC has no obligation to make any effort to monitor for any such publicity). For the avoidance of doubt, the obligations of Gordon Ramsay and GRH set forth in this Section 9.1 shall not affect or otherwise modify the obligations of Gordon Ramsey or GRH set forth in Sections 7.1 and 7.2.

9.2 **Operational Efficiencies.** As reasonably required by CAC from time to time during the Term, GRH, shall consult with CAC and provide CAC with advice regarding the Restaurant's food and beverage menus, quality standards, and operational, efficiency and profitability issues; provided, however, that CAC, after fully and properly considering all reasonable recommendations received from GRH, shall have final approval with respect to all aspects of same. Such operational consulting and advice and meetings with respect to same, shall take place at such times and such places as the parties agree from time to time.

10. **REPRESENTATIONS AND WARRANTIES.**

10.1 **CAC's Representations and Warranties.** CAC hereby represents and warrants to Gordon Ramsay and GRH that:

10.1.1 CAC is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization;

10.1.2 CAC has the valid corporate 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 action on the part of CAC;

10.1.3 no consent or approval or authorization of any Person is required in connection with CAC's execution and delivery, and performance of its obligations under, this Agreement;

10.1.4 there are no actions, suits or proceedings pending or, to the best knowledge of CAC, threatened against CAC in any court or administrative agency that would prevent CAC from completing the transactions provided for herein;

10.1.5 this Agreement constitutes the legal, valid and binding obligation of CAC, enforceable in accordance with its terms;

10.1.6 as of the Effective Date, no representation or warranty made herein by CAC contains any untrue statement of material fact, or omits to state a material fact necessary to make such statements not misleading;

10.1.7 at all times during the Term, the Restaurant shall be a first-class gourmet restaurant and the Hotel shall maintain the standard and quality of the Hotel existing on the Effective Date; and

10.2 Gordon Ramsay's Representations and Warranties. Gordon Ramsay hereby represents and warrants to CAC that:

10.2.1 Gordon Ramsay has the legal capacity to execute and deliver, and perform his obligations under, this Agreement;

10.2.2 GRH is entitled to use and authorize others to use the General GR Materials as contemplated by this Agreement, no other Person has any right (by ownership, license or otherwise) to use or permit the use of the General GR Materials that would constitute a violation of the Exclusivity Provisions;

10.2.3 no consent or approval or authorization of any Person (other than any governmental authority) is required in connection with the execution and delivery by Gordon Ramsay of, and performance by Gordon Ramsay of his obligations under, this Agreement, and to the best of his knowledge and belief, no such consent or approval or authorization is required of any applicable governmental authority;

10.2.4 there are no actions, suits or proceedings pending or, to the best knowledge of Gordon Ramsay, threatened against Gordon Ramsay in any court or before any administrative agency that would prevent Gordon Ramsay from completing the transactions provided for herein (including granting the License);

10.2.5 Gordon Ramsay holds and at all times during the Term shall hold, directly or indirectly, at least seventy percent (70%) of the outstanding equity interests in GRH and its affiliates (the "GR Entities") and has and at all times during the Term shall have voting and management control of each of the GR Entities;

10.2.6 this Agreement constitutes the legal, valid and binding obligation of Gordon Ramsay, enforceable in accordance with its terms; and

10.2.7 as of the Effective Date, no representation or warranty made herein by Gordon Ramsay contains any untrue statement of a material fact, or omits to state a material fact necessary to make such statements not misleading.

10.3 GRH's Representations and Warranties. GRH hereby represents and warrants to CAC that:

10.3.1 GRH is a limited liability company organized, validly existing, and in good standing under the laws of the jurisdiction of its organization;

10.3.2 GRH the sole and exclusive owner of all of the GR Marks. GRH has taken, or will hereafter take, all actions necessary to maintain the GR Marks, there is no restriction that exists on GRH's use of the GR Marks, the GR Marks are not subject to a current claim of infringement, interference or unfair competition or other claim and, to the best of GRH's knowledge, the GR Marks are not being infringed upon or violated by any third party, no other Person has any right (by ownership, license or otherwise) to use the GR Marks that would constitute a violation of the Exclusivity Provisions, the License and GRH hereby approves and consents to the use of the GR Marks and General GR Material as contemplated by this Agreement;

10.3.3 no consent or approval or authorization of any Person (including the GR Entities, but other than any governmental authority) is required in connection with the execution and delivery by GRH of, and performance by GRH of its obligations under, this Agreement, and to the best of GRH's knowledge and belief, no such consent or approval or authorization is required of any applicable governmental authority;

10.3.4 there are no actions, suits or proceedings pending or, to the best knowledge of GRH, threatened against GRH in any court or before any administrative agency that would prevent GRH from completing the transactions provided for herein (including granting the License);

10.3.5 this Agreement constitutes the legal, valid and binding obligation of GRH, enforceable in accordance with its terms; and

10.3.6 as of the Effective Date, no representation or warranty made herein by GRH contains any untrue statement of a material fact, or omits to state a material fact necessary to make such statements not misleading.

11. STANDARDS; PRIVILEGED LICENSE.

11.1 Standards. Each of Gordon Ramsay and GRH acknowledges that the Hotel is an exclusive first-class resort hotel casino and that the Restaurant shall be an exclusive first-class restaurant and that the maintenance of CAC and GR Marks, CAC's and the Restaurant's reputation and the goodwill of all of CAC's, CAC's and the Restaurant's guests and invitees is absolutely essential to CAC, and that any impairment thereof whatsoever will cause great damage to CAC. Each of Gordon Ramsay and GRH therefore covenants and agrees that (a) it shall not and it shall cause its Affiliates not to use or license GR Marks or General GR Materials 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 GR Marks and General GR Materials and (b) 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 CAC, 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 casino and an exclusive, first-class restaurant. Each of Gordon Ramsay and GRH 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. Any failure by GRH 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 11.1 shall, in addition to any other rights or remedies it CAC have, give CAC the right to terminate this Agreement pursuant to Section 4.2.5 in its sole and absolute discretion. For the avoidance of doubt, Gordon Ramsay's persona as exhibited on the television show Hell's Kitchen prior to the date hereof shall not constitute a failure by Gordon Ramsay to maintain the standards described in this Section 11.1.

11.2 Privileged License. Each of Gordon Ramsay and GRH acknowledges that CAC and CAC's Affiliates are businesses that are or may be subject to and exist because of privileged licenses issued U.S., state, local and foreign governmental, regulatory and administrative authorities, agencies, boards and officials (each a "Gaming Authority"; collectively, the "Gaming Authorities") responsible for or involved in the administration of application of laws, rules and regulations relating to gaming or gaming activities or the sale, distribution and possession of alcoholic beverages. The Gaming Authorities require CAC, and CAC deems it advisable, to have a compliance committee (the "Compliance Committee") that does its own background checks on, and issues approvals of, Persons involved with CAC and its Affiliates. Prior to the execution of this Agreement and, in any event, prior to the payment of any monies by CAC to Gordon Ramsay and/or GRH hereunder, and thereafter on each anniversary of the Opening Date during the Term, (a) each of Gordon Ramsay and GRH shall provide or cause to be provided to CAC written disclosure regarding its GR Associates and (b) the Compliance Committee shall have issued approvals of all of the GR Associates. Additionally, during the Term, on ten (10) calendar days written request by CAC to Gordon Ramsay and GRH, Gordon Ramsay and GRH shall disclose to CAC all GR Associates. To the extent that any prior disclosure becomes inaccurate, Gordon Ramsay and GRH shall, within ten (10) calendar days from that event, update the prior disclosure without CAC making any further request. Each of Gordon Ramsay and GRH shall cause all GR Associates to provide all requested information and apply for and obtain all necessary approvals required or requested by CAC or the Gaming Authorities at GP's sole cost and expense. If any GR Associate fails to satisfy any such requirement, if CAC or any of CAC's Affiliates are directed to cease business with any GR Associate by any Gaming Authority, or if CAC shall determine, in CAC's sole and exclusive judgment, that any GR Associate is an Unsuitable Person, then immediately following notice by CAC to Gordon Ramsay and GRH, (a) Gordon Ramsay and/or GRH shall terminate any relationship with the Person who is the source of such issue, (b) Gordon Ramsay and/or GRH 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) herein, 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 Gordon Ramsay and GRH. Each of Gordon Ramsay and GRH further acknowledges that CAC shall have the absolute 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 11.2 shall not be subject to dispute by Gordon Ramsay or GRH and shall not be the subject of any proceeding under Article 13.

12. CONDEMNATION; CASUALTY; FORCE MAJEURE.

12.1 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 CAC 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 (thirty percent (30%) or more) shall be taken under power of eminent domain by any governmental authority or conveyed by CAC to any governmental authority in lieu of such taking (as determined by CAC in its sole and absolute discretion), CAC may, in the exercise of its sole 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 CAC and neither Gordon Ramsay nor GRH

shall have any right, title or interest in and to same except that Gordon Ramsay and GRH may pursue their own separate claim provided, that any such claim will not reduce the award granted to CAC.

12.2 Casualty.

12.2.1 Permanent and Substantial Damage. If the Hotel or the Restaurant experiences any Permanent Damage or any Substantial Damage, in each case CAC shall have the right to terminate this Agreement upon written notice having immediate effect delivered to Gordon Ramsay 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 CAC or Restaurant shall be the sole property of CAC and neither Gordon Ramsay nor GRH shall have any right, title or interest in and to same.

12.2.2 Obligation in Connection With a Casualty. If (i) CAC does not terminate this Agreement the event of a Substantial Damage to CAC or Restaurant within the time periods provided in Section 12.2.1, (ii) restoration and repair of the damage is permitted under applicable Law and the terms of any agreement to which CAC or any of its Affiliates is a party and (iii) CAC has received net insurance proceeds sufficient to complete restoration and repair, CAC shall use commercially reasonable restore and repair CAC 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 hundred eighty (180) days following the occurrence of the damage, GRH shall have the right to terminate this Agreement upon written notice having immediate effect delivered to CAC within one hundred twenty (120) days after one hundred eighty (180) days following the date of the damage and CAC shall have no liability related to the failure of such completion to have occurred.

12.3 Excusable Delay. In the event that during the Term any 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 laws, 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 parties not more than fifteen (15) calendar days after the commencement of such delay, otherwise, such party's rights under this Section 12.3 shall be deemed waived.

12.4 No Extension of Term. Nothing in this Article 12 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.

13. ARBITRATION.

13.1 Dispute Resolution. Except for a breach by CAC of Article 6 or Section 14.17 or by Gordon Ramsay or GRH of Section 2.3, 2.4, or 14.17.1 or Article 6, as applicable, in the event of any other dispute, controversy or claim arising out of or relating to this Agreement between the parties to this Agreement ("Dispute"), any party may serve written notice (a "Dispute Notice") upon the other parties setting forth the nature of the Dispute and the relief sought, and the parties shall attempt to resolve the Dispute by negotiation. If the Dispute has not been resolved within thirty (30) days of receipt of a Dispute Notice, any party may serve on the other parties a request to resolve the Dispute by arbitration. All Disputes not resolved by the foregoing negotiation shall be finally settled by binding arbitration.

Such arbitration shall be held in Atlantic City, New Jersey in accordance with the Commercial Rules of Arbitration of the American Arbitration Association ("AAA"), in effect on the date of the Dispute Notice (the "Rules") by one or more arbitrators appointed in accordance with Section 13.2 hereof.

13.2 Arbitrator(s). If the claim in the Dispute Notice does not exceed Two Hundred Thousand and 00/100 Dollars (\$200,000.00), there shall be a single arbitrator nominated by mutual agreement of Gordon Ramsay and/or GRH (as the case may be) and CAC and appointed according to the Rules. If the claim in the Dispute Notice exceeds Two Hundred Thousand and 00/100 Dollars (\$200,000.00), the arbitration panel shall consist of three (3) members unless Gordon Ramsay and/or GRH (as the case may be) and CAC agree to use a single arbitrator. One of the arbitrators shall be nominated by CAC, one of the arbitrators shall be nominated by Gordon Ramsay and/or GRH (as the case may be) and the third, who shall serve as chairman, shall be nominated by the two (2) party-arbitrators within thirty (30) days of the confirmation of the nomination of the second arbitrator. If either Gordon Ramsay and/or GRH, on the one hand, or CAC, on the other hand, fails to timely nominate an arbitrator in accordance with the Rules, or if the two (2) arbitrators nominated by Gordon Ramsay and/or GRH and CAC fail to timely agree upon a third arbitrator, then such arbitrator will be selected by the AAA Court of Arbitration in accordance with the Rules. The arbitral award shall be final and binding on the parties and may be entered and enforced in any court having jurisdiction over any of the parties or any of their assets.

14. MISCELLANEOUS.

14.1 No Partnership or Joint Venture. Nothing expressed or implied by the terms of this Agreement shall make or constitute any party hereto the agent, partner or joint venturer of and with any other party. Accordingly, the parties acknowledge and agree that all payments made to GRH under this Agreement shall be for services rendered as an independent contractor and, unless otherwise required by law, CAC shall report as such on IRS Form 1099, and all parties shall report this for financial and tax purposes in a manner consistent with the foregoing.

14.2 Successors, Assigns and Delagees. Except as otherwise set forth in this Agreement, no party may assign this agreement or any right, benefit or obligation hereunder, or delegate any obligation hereunder, without the prior written of the other parties (which consent may not be unreasonably withheld or delayed); provided, however, that CAC may assign or delegate all or any portion of this Agreement to an Affiliate of CAC and may assign this Agreement in whole as contemplated by Section 14.4; provided further, that (a) GRH may assign this Agreement in its entirety to Gordon Ramsay so long as, at or prior to such assignment, Gordon Ramsay becomes the exclusive owner of the GR Marks and possesses and at all times during the Term will possess the necessary right to license the GR Marks to CAC pursuant to this Agreement, free and clear of any restrictions except those imposed by this Agreement, and (b) Gordon Ramsay may assign his interest in this Agreement in its entirety to a Person that is controlled by Gordon Ramsay (subject to: (i) Gordon Ramsay having first provided to CAC written disclosure regarding such Person; and (ii) the Compliance Committee having issued its necessary approvals, which shall not to be unreasonably withheld, conditioned or delayed), provided, that in the event of any change of control of such Person, the interest in this Agreement assigned by Gordon Ramsay shall be deemed to be automatically assigned back to Gordon Ramsay and CAC shall have the right to terminate this Agreement pursuant to Section 4.2.8(a) (it being understood that any such change of control shall be deemed a material breach of this Agreement). Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns and delagees.

14.3 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 anyone 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 CAC's, Gordon Ramsay's or GRH's right to any other remedy.

14.4 Divestiture or Transfer of Management Rights of CAC. Notwithstanding Section 14.2, CAC may assign this Agreement to any purchaser or other acquirer of CAC or to any entity to which CAC assigns management or operational responsibility of CAC. Notwithstanding the foregoing, Section 2.3 shall terminate upon consummation of such divestiture or assignment unless otherwise agreed by the acquirer or assignee.

14.5 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, (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 CAC:

Boardwalk Regency Corporation
d/b/a Caesars Atlantic City
2100 Pacific Avenue
Atlantic City, New Jersey 08401

With a copy (which shall not constitute notice) to:

Caesars Entertainment Corporation
One Caesars Palace Drive
Las Vegas, Nevada 89109
Attention: General Counsel

If to Gordon Ramsay:

Gordon Ramsay
c/o Gordon Ramsay Holdings Limited
1 Catherine Place London SW1E 6X
United Kingdom

With a copy (which shall not constitute notice) to:

Michael Thomas
Sheridans Solicitors
Alfred Place
London WC1E 7EA
United Kingdom

If to GRH:

Gordon Ramsay Holdings Limited
1 Catherine Place London SW1E 6DX
United Kingdom
Attention: Gordon Ramsay

Gordon Ramsay Holdings Limited
1 Catherine Place London SW1E 6DX
United Kingdom
Attention: Stuart Gilles

With a copy (which shall not constitute notice) to:

Michael Thomas
Sheridans Solicitors
Alfred Place
London WC1E 7EA
United Kingdom

14.6 Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written.

14.7 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.

14.8 Amendment and Modification. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound; provided, that Gordon Ramsay may amend Exhibit B without CAC's prior written consent upon reasonable prior notice to CAC. 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.

14.9 Headings. 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.

14.10 Governing Law: Submission to Jurisdiction: Specific Performance.

14.10.1 The laws of the State of New Jersey applicable to agreements made in that State shall govern the validity, construction, performance and effect of this Agreement.

14.10.2 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 CAC of Article 6 or Section 14.17 or Gordon Ramsay or GRH, as applicable, of the covenants contained in Section 2.3, 2.4, or 14.18 or Article 6 of this Agreement. Accordingly, each party 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 each party (on behalf of itself and its Affiliates) consents to the entry thereof in any affected jurisdiction. In the event that any proceeding is brought in equity to enforce the provisions of this Agreement, no party hereto shall allege, and each party hereto hereby waives the defense or counterclaim that there is an adequate remedy at law.

14.10.3 Subject to the provisions of Sections 13.1 and 14.10.1, Gordon Ramsay, GRH and CAC each agree to submit to the exclusive jurisdiction of any state or federal court within the Atlantic County, New Jersey (the "New Jersey Courts") for any court action or proceeding to compel or in support of arbitration or for provisional remedies in aid of arbitration, including any action to enforce the provisions of Article 13 (each an "Arbitration Support Action") or for any action or proceeding contemplated by Section 14.10.2. Each of the parties hereto irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding in a New Jersey Court arising out of this Agreement including, but not limited to, an Arbitration Support Action or action or proceeding contemplated by Section 14.10.2 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.

14.11 Interpretation. 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 any 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. The use of the terms "includes" or "including" shall in all cases herein mean "includes, without limitation" and "including, without limitation", respectively. All obligations and duties of Gordon Ramsay and/or GRH to provide recommendations or advice to CAC shall require Gordon Ramsay and GRH to coordinate and provide only one communication with respect to such advice. The use of the terms "Gordon Ramsay and/or GRH" or words of similar import shall in all cases herein mean "Gordon Ramsay shall, or GRH shall cause one or more members of his team to," and the requirement of CAC to obtain any consent or approval from GRH and/or Gordon Ramsay shall be satisfied upon the consent or approval of any team member of GRH designated by GRH in writing and CAC shall be entitled to rely on all communications from any such team member.

14.12 Third Persons. Except as provided in Section 14.15 and 14.16, nothing in this Agreement, expressed or implied, is intended to confer upon any Person other than the parties hereto any rights or remedies under or by reason of this Agreement.

14.13 Attorneys' Fees. The prevailing party in any dispute that arises out of or relates to 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, without limitation, attorneys' fees and costs, incurred in such action.

14.14 Counterparts. This Agreement may be executed in counterparts, each one of which so executed shall be deemed an original, and all of which shall together constitute one and the same agreement.

14.15 Indemnification Against Third Party Claims.

14.15.1 By CAC. CAC covenants and agrees to defend, indemnify and save and hold harmless Gordon Ramsay, GRH and their respective Affiliates and their and their respective Affiliates' stockholders, directors, officers, agents and employees from and against all claims, losses, expenses,

months in any twelve (12) month period, or (c) Gordon Ramsay fails to appear in Las Vegas, Nevada to perform all of the GR Promotional Events and GR Restaurant Visits as required pursuant to the terms of this Agreement (provided that he was given ample notice of such and afforded an opportunity to perform and does not so perform on other mutually acceptable dates subject to Gordon Ramsay being prevented from attending due to force majeure or sickness).

4.2.3 Breach of Standards. This Agreement may be terminated by Caesars upon written notice to GRH and Gordon Ramsay having immediate effect if, following a breach of Section 11.1 of this Agreement, Caesars sends written notice of such breach to GRH and Gordon Ramsay and such material breach is not cured within thirty (30) days after receipt of such notice.

4.2.4 Unsuitability. This Agreement may be terminated by Caesars upon written notice to GRH and Gordon Ramsay having immediate effect as contemplated by Section 11.2.

4.2.5 Condemnation and Casualty. This Agreement may be terminated by Caesars upon written notice to GRH having immediate effect as contemplated by Article 12.

4.2.6 Material Breach.

(a) This Agreement may be terminated by Caesars upon written notice to GRH and Gordon Ramsay having immediate effect if, following a material breach of this Agreement by Gordon Ramsay or GRH, Caesars sends written notice of such material breach to GRH and Gordon Ramsay or GRH, as applicable, fails to cure such material breach within thirty (30) days after receipt of such notice.

(b) This Agreement may be terminated by GRH upon written notice to Caesars having immediate effect if, following a material breach of this Agreement by Caesars, GRH sends written notice of such material breach to Caesars and Caesars fails to cure such material breach within thirty (30) days after receipt of such notice for non-monetary breaches by Caesars and within five (5) days after written notice is given to Caesars for monetary breaches by Caesars (it being understood that Caesars' failure to pay any amount disputed in good faith shall not entitle GRH to terminate this Agreement).

4.2.7 Bankruptcy, etc.

(a) This Agreement may be terminated by Caesars upon written notice to Gordon Ramsay having immediate effect if Gordon Ramsay, GRH or any of their respective Affiliates (i) becomes insolvent or admits in writing its inability to pay its debts as they become due, (ii) has instituted against it a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or a petition is presented against it for its winding up or liquidation, in each case that is not dismissed within sixty (60) days, (iii) institutes a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or files a petition for its winding up or liquidation, (iv) makes a general assignment for the benefit of its creditors, (v) seeks or becomes subject to the appointment of a receiver over all or substantially all of its assets, or (vi) any analogous procedure or step is taken in any jurisdiction.

(b) This Agreement may be terminated by GRH upon written notice to Caesars having immediate effect if Caesars (i) becomes insolvent or admits in writing its inability to pay its debts as they become due, (ii) has instituted against it a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or a petition is presented against it for its winding up or liquidation, in each case that is not dismissed within sixty (60) days, (iii) institutes a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or files a petition for its winding up or liquidation, (iv) makes a general assignment for the benefit of its creditors, (v) seeks or becomes subject to the appointment of a receiver over all or substantially all of its assets, or (vi) any analogous procedure or step is taken in any jurisdiction.

4.3

Effect of Expiration or Termination.

4.3.1 Termination of Obligations: Survival. 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 termination or expiration shall not (a) relieve any party of any liabilities resulting from any breach hereof by such party on or prior to the date of such termination or expiration, (b) relieve any party of any payment obligation arising prior to the date of such termination or expiration, or (c) affect any rights arising as a result of such breach or termination or expiration. The provisions of this Section 4.3 and Sections 2.3(b), 6.2, 6.6, the last sentence of Section 12.2.2 and Articles 13 and 14 shall survive any termination or expiration of this Agreement.

4.3.2 Certain Rights of Caesars Upon Expiration or Termination. Upon expiration or termination of this Agreement:

(a) Caesars shall cease operation of the Restaurant; provided, however, that (i) in the event of an early termination of this Agreement other than pursuant to Section 4.2.2, Caesars shall be entitled to operate the Restaurant and use the License on a royalty-free basis for one hundred twenty (120) days from such termination to orderly and properly wind-up operations of the Restaurant; and (ii) in the event of an early termination of this Agreement pursuant to Section 4.2.2, Caesars shall (A) be entitled to operate the Restaurant and use the License for up to nine (9) months from such termination to orderly and properly reconcept or wind-up operations of the Restaurant and (B) continue to make payment of the License Fee during any such period of use of the License;

(b) Caesars shall retain all right, title and interest in and to the Restaurant Premises except for the GR Marks and General GR Materials;

(c) Caesars shall retain all right, title and interest in and to the furniture, fixtures, equipment, inventory, supplies and other tangible and intangible assets used or held for use in connection with the Restaurant, except as expressly provided in Section 4.3.2;

(d) Caesars shall retain all right, title and interest in and to Caesars Marks and Materials; and

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(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 use any of the GR Marks or General GR Materials.

4.3.3 Certain Rights of Gordon Ramsay/GRH Upon Expiration or Termination.

Upon expiration or termination of this Agreement:

(a) In the case of termination by Caesars pursuant to Section 4.2.1, Caesars shall pay to GRH the Early Termination Payment as a lump-sum payment within five (5) business days after the effective date of such termination; and

(b) Subject to Section 4.3.2(a), GRH shall retain all right, title and interest in and to the GR Marks and General GR Materials.

Gordon Ramsay hereby (i) consents to the continued use of the License as contemplated by Section 4.3.2(a), (ii) consents to the payment of the Early Termination Payment to GRH by Caesars and (iii) acknowledges that he shall have no right in the Early Termination Payment and shall receive no additional consideration in the event of termination by Caesars pursuant to Section 4.2.1.

5. RESTAURANT EMPLOYEES.

5.1

General Requirements.

5.1.1 Employees. Subject to the terms of this Article 5, after consulting with and giving full and proper consideration to all reasonable recommendations of GRH, Caesars shall be responsible for, and shall have final approval with respect to, hiring, training, managing, evaluating, promoting, disciplining and firing all kitchen and front-of-house management and staff of the Restaurant (collectively, the "Employees"). Notwithstanding anything herein to the contrary, all Employees, including all Senior Management Employees, shall be employees of Caesars and shall be expressly subject to (a) Caesars' human resources policies and procedures and hiring requirements in existence as of the Effective Date and as modified by Caesars from time to time during the Term, and (b) the compliance committee requirements applicable to Caesars and its Affiliates, as more particularly set forth in Section 11.2 hereof.

5.1.2 Qualified Training by Caesars. At Caesars' option, exercisable in its sole discretion, all applicants for Employee front-of-house positions that require personal contact with guests of the Restaurant, as well as all cook, pantry, pastry, bakery and other skilled kitchen positions, shall be required to undergo specialized training (the "Training") and, upon the culmination of such specialized training, pass a test reasonably related to the Training in order to be qualified as an Employee. The Training shall be conducted by Caesars on the Employee's own time and at the Employee's own expense. At Caesars' option, exercisable in its sole discretion, the Training and related test may only be required of individuals who are employees of Caesars at the time of such individual's application for a position as an Employee.

5.2

Senior Management Employees. GRH

shall advise Caesars as to those individuals whom it recommends to be hired for the following positions at the Restaurant and shall use commercially reasonable efforts to give such advice to be provided within the time frames set forth below.

- (a) One full-time equivalent Executive Chef (no later than sixty (60) days before the Opening Date);
- (b) One full-time equivalent General Manager (no later than forty-five (45) days before the Opening Date);
- (c) Two full-time equivalent Assistant Chefs (no later than thirty (30) days before the Opening Date);
- (d) Two full-time equivalent Assistant Managers (no later than twenty (20) days before the Opening Date).

The initial and any successor Executive Chef, General Manager, Assistant Chefs and Assistant Managers shall be referred to collectively, as the "Senior Management Employees" and individually, a "Senior Management Employee", with the understanding that said designation is for the purposes of reference for this document only and shall not be deemed to create a requirement or expectation of any particular level of compensation or benefits that may otherwise be available to individuals employed by Caesars having such employment designation. Subject to the terms of this Article 5, after consulting with and giving full and proper consideration to all reasonable recommendations of GRH, Caesars shall be responsible for, and shall have final approval with respect to, hiring, training, managing, evaluating, promoting, disciplining and firing Senior Management Employees (and any additional or replacement Senior Management Employees as reasonably required by Caesars from time to time). The parties acknowledge and agree that Caesars is under no obligation to hire any individual recommended pursuant to this Section 5.2.

5.3

Union Agreements.

5.3.1 Agreements. Each of Gordon Ramsay and GRH acknowledges and agrees that all of Caesars' agreements, covenants and obligations and all of Gordon Ramsay's and/or GRH's rights and agreements contained herein are subject to the provisions of any and all collective bargaining agreements and related union agreements to which Caesars or any of its Affiliates is or may become a party and that are or may be applicable to the Employees (as the same may be amended or supplemented from time to time, collectively, the "Union Agreements"). Each of Gordon Ramsay and GRH agrees that all of their agreements, covenants and obligations hereunder, including those obligations to train certain Employees, shall be undertaken in such manner as to be in accordance with and to assist and cooperate with Caesars' obligation to fulfill its obligations contained in the Union Agreements; provided, that Caesars now and hereafter shall advise GRH of the obligations contained in said Union Agreements that are applicable to Employees. Notwithstanding the foregoing, in no event shall Gordon Ramsay or GRH be deemed a party to any such Union Agreement whether by reason of this Agreement, the performance of its obligations hereunder or otherwise.

5.3.2 Amendments. Each of Gordon Ramsay and GRH acknowledges and agrees that from time to time during the Term, Caesars 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 Caesars, in its sole discretion, including provisions for (a) notifying then-existing employees of Caesars in the bargaining units represented by the applicable union of employment opportunities in the Restaurant, (b) preferences in training opportunities

for such then-existing employees, (c) preferences in hiring of such then-existing employees, if such then-existing employees are properly qualified, and (d) other provisions concerning matters addressed in this Section 5.3.

5.3.3 Conflicts. 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 5.3.3, the parties 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 (including the economic provisions contained herein), such Union Agreement and applicable law, rules and regulations.

5.4

Training Support

5.4.1 Pre-Opening Training. For the period prior to the Opening Date, GRH and Gordon Ramsay shall jointly advise Caesars as to the training Gordon Ramsay and GRH recommend be provided to the Senior Management Employees, including working methods, culinary style, culinary philosophy, standard of service, marketing techniques and customer service. After consulting with and giving full and proper consideration to all reasonable recommendations of Gordon Ramsay and GRH, Caesars shall be responsible for, and shall have final approval with respect to, training Senior Management Employees and other Employees.

5.4.2 Refresher Training. As and if reasonably requested by Caesars from time to time during the Term, Gordon Ramsay and GRH shall advise Caesars as to the training Gordon Ramsay and GRH recommend be provided for refresher training of such appropriate kitchen and front-of-house Employees as reasonably selected by Caesars, including 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 full and proper consideration to all reasonable recommendations of Gordon Ramsay and GRH, Caesars shall be responsible for, and shall have final approval with respect to such refresher training.

5.5

Evaluations. As reasonably requested by Caesars

from time to time during the Term but not more than twice in any one (1) year during the Term, Gordon Ramsay and GRH shall be entitled to review, approve and make recommendations with respect to the annual evaluations of the Senior Management Employees as conducted by Caesars, and Gordon Ramsay shall participate in such review, approval and recommendation process in the event Caesars' request coincides with any GR Promotional Visit, GR Restaurant Visit or Additional GR Restaurant Visit; provided, however, Caesars shall have final approval with respect to all aspects of same. Such evaluation services, and meetings with respect to same, shall take place in Las Vegas, Nevada after reasonable advance notice.

5.6

Employment Authorization. Caesars shall be solely

responsible for applying for, and shall be solely responsible for all costs and expenses related to obtaining (with the understanding that said costs shall be deemed to be an Operating Expense of the Restaurant), any work authorizations from the United States Citizenship and Immigration Services, a Bureau of the United States Department of Homeland Security ("USCIS"), that may be required in order for the Senior Management Employees to be employed by Caesars at the Restaurant; provided, however, each such

Employee shall be required to cooperate with Caesars with respect to applying for such work authorization and shall be required to diligently provide to Caesars or directly to USCIS, as applicable, all information such Employee is required to provide in support of the application for such work authorization; provided further, however, GRH expressly acknowledge that, in the event that Caesars is unable to reasonably obtain such work authorization for any Employee, the offer of employment for such Employee shall be revoked.

6. LICENSE.

6.1 Marks and Materials. Each of Gordon Ramsay and GRH represents and warrants to Caesars that GRH is and at all times during the Term will be the owner of the GR Marks and General GR Materials as contemplated by this Agreement and possesses and at all times during the Term will possess the necessary right to license the GR Marks and General GR Materials to Caesars pursuant to this Agreement, free and clear of any restrictions except those imposed by this Agreement.

6.2 Ownership.

6.2.1 By GRH. Caesars acknowledges and agrees that GRH is the owner of the GR Marks, the General GR Materials and any modification, adaptation, improvement or derivative of or to the foregoing. Caesars acknowledges and agrees that all use of the GR Marks (including any goodwill generated by such use) shall inure to the benefit of GRH and, except for the limited License set forth in this Agreement, Caesars shall not have or obtain any right, title or interest in or to any of the GR Marks or General GR Materials. Notwithstanding the foregoing, each of Gordon Ramsay and GRH acknowledges and agrees that Caesars shall own all copyright and other rights, title and interest in and to all materials described in Section 6.2.2(ii) below, save to the extent that such materials use or contain any or all of the GR Marks or General GR Materials and, in addition to the rights granted by copyright, Caesars may use such materials and the GR Marks or General GR Materials in promotional pieces listing, indicating or depicting people or entities that have or have had an appearance, relationship or other connection to Caesars or any of its Affiliates. If and to the extent that Caesars has or comes to have any right, title or interest in any intellectual property rights in the GR Marks or General GR Materials or any modification, adaptation, improvement or derivative of or to the foregoing, Caesars hereby assigns to GRH all such intellectual property rights.

6.2.2 By Caesars. Each of Gordon Ramsay and GRH acknowledges and agrees that Caesars shall own: (i) any works, trade names, trademarks, designs, trade dress, service names and service marks, and registrations thereof and applications for registration thereof, and all works of authorship, programs, techniques, processes, formulas, 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 Caesars for use in association with the Restaurant except for the GR Marks or General GR Materials and except for any modification, adaptation, improvement or derivative thereto or as otherwise provided in Section 6.2.1; and (ii) any materials that are created by any party pursuant to this Agreement in which the GR Marks or the General GR Materials are embodied or incorporated, including all photographic or video images, all promotional materials produced in accordance with the provisions of Article 7 hereof and all marketing materials produced in accordance with the provisions of Article 9 hereof (clauses (i), and (ii), collectively, the "Caesars Marks and Materials"). Each of Gordon Ramsay and GRH acknowledges and agree that neither Gordon Ramsay nor GRH shall have or obtain any right, title or interest in or to any of the Caesars Marks and Materials. Notwithstanding the foregoing, except as expressly provided in this Agreement, Caesars shall not acquire any rights in any GR Marks or General GR Materials included or embedded in any of the Caesars Marks and Materials.

6.3 Intellectual Property License. Subject to the payment of the License Fee and compliance with the terms of this Agreement, GRH hereby grants to Caesars and its Affiliates a non-exclusive, non-transferable, limited, non-sublicensable right and license, during the Term (the "License"), to use and employ the GR Marks and the General GR Materials solely on and in connection with the operation of the Restaurant in the Restaurant Premises and the marketing and promotion thereof, and in connection with the marketing, promotion and retail sale of certain products in the Restaurant Premises as is contemplated in Section 3.4 under the terms and conditions set forth in this Agreement. Each of Gordon Ramsay and GRH shall, at Caesars' reasonable request and Caesars's sole but reasonable cost and expense, provide information or documents possessed by Gordon Ramsay or GRH, and execute documents, that are necessary for Caesars and its Affiliates to exercise their rights under the License. Each of Gordon Ramsay and GRH represents and warrants to Caesars that, if Gordon Ramsay dies during the Term and this Agreement is not terminated pursuant to Section 4.2.3, the License shall continue in full force and effect during the remainder of the Term.

6.4 Quality Control.

6.4.1 Quality Control Standards. Caesars acknowledges that the GR Marks have secondary meaning in the eyes of purchasers and the public, that the GR Marks enjoy an excellent reputation and that the provision of restaurant services of poor quality under the GR Marks could adversely affect such reputation. Caesars agrees that it shall use its commercially reasonable efforts to maintain the reputation of the GR Marks and further agrees that its use of the GR Marks shall be of a quality consistent with the quality used in connection with Caesars' use of its own trademarks.

6.4.2 Inspection of Operations. During the Term, GRH shall have the right, upon reasonable notice and during regular business hours, to inspect Caesars' operations that touch or concern the Restaurant operation, including inspection of the Restaurant Premises, to ensure that the quality standards for the GR Marks are being maintained.

6.4.3 Notices. Caesars shall place appropriate trademark and copyright notices and symbols on any marketing, advertising, promotional or other materials incorporating the GR Marks and General GR Materials and at the Restaurant Premises, with information to be included in such notices and symbols to be obtained from GRH. Moreover, Caesars shall use commercially reasonable efforts to include any specific trademark and copyright notices relating to the GR Marks as are requested by GRH.

6.5 Gordon Ramsay's Rights in Marks.

6.5.1 Protection. GRH shall, at its own cost and expense, maintain in full force and effect the GR Marks and General GR Materials that are registered. Nothing in this Section 6.5.1 implies an obligation to register any GR Marks or General GR Materials that are not registered as of the date hereof; provided, that if GRH or any of its affiliates registers any GR Marks or General GR Materials after the date hereof, this Section 6.5.1 shall apply to such GR Marks and General GR Materials from and after such registration. GRH hereby confirms that it has applied to register "Gordon Ramsay Pub & Grill" in the United States Patent & Trademark Office and will keep Caesars informed with respect to such application.

6.5.2 No Registration. Caesars shall not, either during or after the Term of this Agreement: (a) use or register any mark which is identical or confusingly similar to any of the GR Marks or any variation thereof, in any jurisdiction; or (b) register any domain name consisting of or including any of the GR Marks or any variation thereof.

6.5.3 No Challenges. Caesars acknowledges the validity of the GR Marks, and agrees that at no time either during or after the Term of this Agreement will it directly or indirectly challenge or assist others to challenge the validity or strength of the GR Marks, or GRH's ownership thereof, provided that nothing herein shall preclude Caesars from complying with any lawful subpoena or other legal requirement.

6.6 Indemnification of Caesars. GRH covenants and agrees to defend, indemnify and save and hold harmless Caesars 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 attorneys' fees, arising directly or indirectly from any claim by any third Person (including any GR Entity or any direct or indirect owner of any GR Entity) alleging that the use permitted hereunder by Caesars or its Affiliates of the GR Marks or General GR Materials violates, infringes or otherwise conflicts with any intellectual property or other rights of a third Person. Caesars shall notify Gordon Ramsay and GRH of any such claim and each of Gordon Ramsay and GRH may and, upon Caesars' request, shall, at their sole cost and expense, defend such claim or cause such claim to be defended by counsel designated by Gordon Ramsay and/or GRH and reasonably acceptable to Caesars. In addition, and without limiting the indemnification obligations of Gordon Ramsay and GRH as set forth in the foregoing sentence, GRH covenants and agrees to cause each GR Entity to not bring any such claim arising directly or indirectly from this Agreement, including the operation of the Restaurant and use of the License, against Caesars or any of its Affiliates.

6.7 Infringement by Third Persons. GRH shall make good faith efforts to monitor for possible infringement of the GR Marks or General GR Materials and each party shall promptly inform the others in writing if it becomes aware of any actual or potential infringement of the GR Marks or General GR Materials. GRH shall use and shall cause its Affiliates to use all commercially reasonable efforts to prosecute infringement of Caesars' right to use GR Marks or General GR Materials granted hereunder. If GRH shall not prosecute in a reasonable and timely manner an infringement of the GR Marks or General GR Materials or shall cease such prosecution once commenced, then Caesars may, but shall not be required to, prosecute such infringement. In such event, Caesars shall be entitled to retain any amounts recovered and the out-of-pocket costs of prosecution shall be treated as an Operating Expense of the Restaurant. The parties shall provide to each other such information and assistance as may reasonably be requested in the course of any prosecution of infringements as contemplated by this Section 6.7.

7. PROMOTION AND OPERATIONAL PRESENCE.

7.1 Initial Promotion. During the period prior to the Opening Date, Gordon Ramsay shall, as reasonably required by Caesars, engage in promotional activities for the Restaurant, which may include commercial photography of Gordon Ramsay, and review and provide 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 Caesars may reasonably require. Prior to the Opening Date, Caesars may request Gordon Ramsay to, and Gordon Ramsay shall use commercially reasonable efforts to, make one visit to Las Vegas, Nevada, taking into consideration the scheduling requirements described in Section 3.5. Commencing on the Opening Date, Gordon Ramsay shall be in Las Vegas, Nevada at the Restaurant for a reasonable period of time (not to be less than twenty-four (24) consecutive hours). All visits by Gordon Ramsay under this Section 7.1 are referred to as the "GR Promotional Visits".

7.2

Subsequent Restaurant Visits. From and after the

Opening Date, (a) Gordon Ramsay shall visit and attend to the Restaurant at least three (3) times per year of the Term (collectively, the "GR Restaurant Visits"), and each visit shall be for a minimum of twenty four (24) consecutive hours, as reasonably scheduled by Caesars taking into consideration the scheduling requirements described in Section 3.5, and any scheduling requirements of Gordon Ramsay under any other agreements with Caesars or any of its Affiliates (it being understood that any GR Restaurant Visit that occurs concurrently with any such other required visit shall be for a minimum of thirty-six (36) consecutive hours and that Gordon Ramsay shall devote adequate time to meet his obligations under this Agreement and any other agreement), (b) Caesars may request that Gordon Ramsay make additional visits to the Restaurant (collectively, the "Additional GR Restaurant Visits") and (c) upon the request of Caesars, Gordon Ramsay's team shall visit and attend the Restaurant up to three (3) times per year of the Term (collectively, the "Team Visits"). During the GR Restaurant Visits and Additional GR Restaurant Visits, Gordon Ramsay shall engage in promotional activities for the Restaurant, which may include commercial photography of Gordon Ramsay, as reasonably requested by Caesars and approved in advance by Gordon Ramsay (such approval not to be unreasonably withheld, conditioned or delayed). During the GR Restaurant Visits, Additional GR Restaurant Visits and the Team Visits, Gordon Ramsay shall, or, if applicable, shall cause his team to, review and provide 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 Caesars may reasonably require.

7.3

Travel Expenses.

7.3.1 For each GR Promotional Visit and GR Restaurant Visit, Caesars or its travel desk shall purchase for Gordon Ramsay's use first class round trip airfare between any airport designated from time to time by Gordon Ramsay and Las Vegas McCarran International Airport. The parties shall each endeavor to ensure all such airline tickets are booked not less than thirty (30) calendar days in advance of the departure date. If a GR Promotional Visit or GR Restaurant Visit is cancelled for any reason, Caesars shall be entitled to the entire refund or credit, if any, resulting from the cancellation of the airline ticket associated with same. Subject to availability, Caesars may at its option instead provide (at no cost to Gordon Ramsay) the use of a private jet for round trip travel for Gordon Ramsay to Las Vegas, Nevada. For each Additional GR Restaurant Visit, Caesars or its travel desk shall purchase for Gordon Ramsay's use first class round trip airfare between any airport designated by Gordon Ramsay and Las Vegas McCarran International Airport. During the duration of each GR Promotional Visit and GR Restaurant Visit and subject to availability, Caesars shall provide for Gordon Ramsay's use, at no cost or expense to Gordon Ramsay, a total of three (3) deluxe rooms at the Hotel or the property owned by an Affiliate of Caesars known as Caesars Palace (room and all applicable taxes); provided, however, Gordon Ramsay shall be responsible for all incidental room charges (subject to a thirty percent (30%) discount) and other expenses incurred during the occupancy of such rooms. Any cost or expense to Caesars or its Affiliates associated with the provision of travel accommodations and room charges under this Section 7.3.1 shall be for the account of Caesars, and shall not be a Project Cost or an Operating Expense of the Restaurant.

7.3.2 For each Team Visit, Caesars and GRH shall agree, acting reasonably and in good faith, the number of team members to make the Team Visit and the length of such Team Visit. For each team member (other than Gordon Ramsay for whom Section 7.3.1 shall apply): (a) Caesars or its travel desk shall purchase for such team member, as applicable, (i) coach round trip airfare between any airport in the United States and Las Vegas McCarran International Airport or (ii) business round trip airfare between any airport outside the United States and Las Vegas McCarran International Airport; and (b) Caesars shall provide for such team member's use, at no cost or expense to such team member, one (1) standard single room at the Hotel or the property owned by an Affiliate of Caesars known as Caesars Palace (room and all applicable taxes); provided, however, such team member shall be responsible for all incidental room charges (subject to a thirty percent (30%) discount) and other expenses incurred during the occupancy of such room.

8. FEEES.

8.1 Fees. From and after the Opening Date, in consideration of the License provided hereunder, and in consideration of the Services provided hereunder, Caesars shall pay to GRH a fee (the "Fee") equal to six percent (6%) of Gross Restaurant Sales. Gordon Ramsay hereby consents to the License of the GR Marks and the General GR Material to Caesars by GRH and the payment of the License Fee to GRH, and acknowledges that the Fee is fair and reasonable consideration in exchange for the performance of the Services.

8.2 Timing and Manner of Payments. The Fee shall be payable on a calendar quarter basis and shall be paid by Caesars no later than thirty (30) days after the end of quarter to which it relates 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 GRH, as applicable, from time to time.

8.3 Calculations. Caesars shall be solely responsible for maintaining and shall maintain, all books and records necessary to calculate the License Fee and the Services Fee and, within thirty (30) days after the end of each quarter during each Fiscal Year shall deliver notice to GRH reasonably detailing the calculation of the Fee. Caesars' calculations shall be conclusive and binding unless: (i) within sixty (60) calendar days' of Caesars' delivery of such notice, GRH notifies Caesars in writing of any claimed manifest calculation error therein; or (ii) such calculations are determined to be inaccurate as the result of any audit pursuant to Section 8.4. Upon receipt of any such notification, Caesars shall review the claimed manifest calculation error and, within thirty (30) calendar days of such notification, advise GRH as to the corrected calculation, if any. If GRH still disagrees with such calculation, the calculation shall not be binding and GRH shall be deemed to have reserved all of his rights related thereto under this Agreement.

8.4 Audit. Subject to the remaining provisions of this Section 8.4, GRH shall be entitled at any time, at its sole cost and expense, upon ten (10) calendar days' notice to Caesars, but not more than two (2) times per calendar year, to cause an audit to be made, during normal business hours, by any Person designated by GRH and approved by Caesars (who shall not unreasonably withhold, delay or condition said approval), of all books, records, accounts and receipts required to be kept for the calculation of the Fee, which shall not include tax returns of Caesars filed on a consolidated basis, which audit shall be conducted without material disruption or disturbance to Caesars' operations. If such audit discloses that any Fee was calculated in error, Caesars shall be entitled to review such audit materials and to conduct its own audit related to such period. If Caesars does not dispute the result of GRH's audit within ninety (90) days after conclusion and presentation by GRH to Caesars of GRH's findings, Caesars shall (in the next quarterly allocation) pay to GRH such additional monies necessary to compensate GRH. If such audit discloses that the Fee owed by Caesars for any Fiscal Year exceeds the amount paid to Gordon Ramsay or GRH for such year more than five (5%) percent, Caesars shall pay GRH the actual third party costs of such audit. Caesars may condition any audit under this Section 8.4 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 satisfactory to Caesars.

9. OPERATIONS.

9.1 Marketing and Publicity. As promptly as practicable after the date hereof, GRH and Caesars shall jointly develop a marketing plan with respect to the Restaurant and, during the Term GRH and Caesars shall jointly make all determinations regarding maintaining, updating or otherwise modifying such plan. Caesars shall make all determinations regarding the actual advertising, sales, promotional and other publicity materials relating to the Restaurant or the transactions contemplated by this Agreement and shall market the Restaurant in accordance with Exhibit C; provided, that any such materials containing the GR Marks or General GR Materials shall require the prior approval of GRH not to be unreasonably withheld, conditioned or delayed; provided further, that Caesars shall not be in breach of such marketing obligations to the extent delayed or prevented due to the lack of prior approval of GRH if required herein. Except as set forth in the immediately preceding sentence, no party shall, and each party shall cause its Affiliates not to, publish or make any press release or other public statement relating to the Restaurant or the transactions contemplated by this Agreement without the prior consent of the other parties, such consents not to be unreasonably withheld, conditioned or delayed. Neither Gordon Ramsay nor GRH will, and each will cause its Affiliates not to, publish, make or use any such materials without the prior written consent of Caesars. Marketing consultations and meetings with respect to same, shall take place at such times and such places as the parties agree from time to time. Caesars shall inform GRH if it becomes aware of any publicity related to the Restaurant that may have a material negative impact on Gross Restaurant Sales or otherwise have a material adverse effect on the Restaurant (it being understood that Caesars has no obligation to make any effort to monitor for any such publicity). For the avoidance of doubt, the obligations of GRH set forth in this Section 9.1 shall not affect or otherwise modify GRH's obligations set forth in Sections 7.1 and 7.2.

9.2 Operational Efficiencies. As reasonably required by Caesars from time to time during the Term, GRH shall consult with Caesars and provide Caesars with advice regarding the Restaurant's food and beverage menus, quality standards, and operational, efficiency and profitability issues; provided, however, that Caesars, after fully and properly considering all reasonable recommendations received from GRH, shall have final approval with respect to all aspects of same. Such operational consulting and advice and meetings with respect to same, shall take place at such times and such places as the parties agree from time to time.

10. REPRESENTATIONS AND WARRANTIES.

10.1 Caesars' Representations and Warranties. Caesars hereby represents and warrants to Gordon Ramsay and GRH that:

10.1.1 Caesars is a limited liability company duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization;

10.1.2 Caesars has the valid corporate 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 action on the part of Caesars;

10.1.3 no consent or approval or authorization of any Person is required in connection with Caesars' execution and delivery, and performance of its obligations under, this Agreement;

10.1.4 there are no actions, suits or proceedings pending or, to the best knowledge of Caesars, threatened against Caesars in any court or administrative agency that would prevent Caesars from completing the transactions provided for herein;

10.1.5 this Agreement constitutes the legal, valid and binding obligation of Caesars, enforceable in accordance with its terms;

10.1.6 as of the Effective Date, no representation or warranty made herein by Caesars contains any untrue statement of material fact, or omits to state a material fact necessary to make such statements not misleading; and

10.1.7 at all times during the Term, the Restaurant shall be a first-class gourmet restaurant and the Hotel shall maintain the standard and quality of the Hotel existing on the Effective Date.

10.2 Gordon Ramsay's Representations and Warranties.
Gordon Ramsay hereby represents and warrants to Caesars that:

10.2.1 Gordon Ramsay has the legal capacity to execute and deliver, and perform his obligations under, this Agreement;

10.2.2 GRH is entitled to use and authorize others to use the General GR Materials as contemplated by this Agreement, no other Person has any right (by ownership, license or otherwise) to use or permit the use of the General GR Materials that would constitute a violation of the Exclusivity Provisions;

10.2.3 no consent or approval or authorization of any Person (other than any governmental authority) is required in connection with the execution and delivery by Gordon Ramsay of, and performance by Gordon Ramsay of his obligations under, this Agreement, and to the best of his knowledge and belief, no such consent or approval or authorization is required of any applicable governmental authority;

10.2.4 there are no actions, suits or proceedings pending or, to the best knowledge of Gordon Ramsay, threatened against Gordon Ramsay in any court or before any administrative agency that would prevent Gordon Ramsay from completing the transactions provided for herein (including granting the License);

10.2.5 Gordon Ramsay holds and at all times during the Term shall hold, directly or indirectly, at least seventy percent (70%) of the outstanding equity interests in GRH and its affiliates (the "GR Entities") and has and at all times during the Term shall have voting and management control of each of the GR Entities;

10.2.6 this Agreement constitutes the legal, valid and binding obligation of Gordon Ramsay, enforceable in accordance with its terms; and

10.2.7 as of the Effective Date, no representation or warranty made herein by Gordon Ramsay contains any untrue statement of a material fact, or omits to state a material fact necessary to make such statements not misleading.

10.3 GRH's Representation and Warranties. GRH hereby represents and warrants to Caesars that:

10.3.1 GRH is a UK limited partnership duly organized, validly existing, and in good standing under the laws of the jurisdiction of England and Wales;

10.3.2 GRH is the sole and exclusive owner of all of the GR Marks, GRH will take all actions necessary to maintain the GR Marks, there is no restriction that exists on GRH's use of the GR Marks, the GR Marks are not subject to a current claim of infringement, interference or unfair competition or other claim and, to the best of GRH's knowledge, the GR Marks are not being infringed upon or violated by any third party, no other Person has any right (by ownership, license or otherwise) to use the GR Marks that would constitute a violation of the Exclusivity Provisions, , and GRH hereby approves and consents to the use of the GR Marks as contemplated by this Agreement;

10.3.3 no consent or approval or authorization of any Person (including the GR Entities, but other than any governmental authority) is required in connection with the execution and delivery by GRH of, and performance by GRH of its obligations under, this Agreement, and to the best of GRH's knowledge and belief, no such consent or approval or authorization is required of any applicable governmental authority;

10.3.4 there are no actions, suits or proceedings pending or, to the best knowledge of GRH, threatened against GRH in any court or before any administrative agency that would prevent GRH from completing the transactions provided for herein (including granting the License);

10.3.5 this Agreement constitutes the legal, valid and binding obligation of GRH, enforceable in accordance with its terms; and

10.3.6 as of the Effective Date, no representation or warranty made herein by GRH contains any untrue statement of a material fact, or omits to state a material fact necessary to make such statements not misleading.

11. STANDARDS: PRIVILEGED LICENSE.

11.1 Standards. Each of Gordon Ramsay and GRH acknowledges that the Caesars Las Vegas is an exclusive first-class resort hotel casino and that the Restaurant shall be an exclusive first-class restaurant and that the maintenance of Caesars', the General GR Marks', the Caesars Las Vegas' and the Restaurant's reputation and the goodwill of all of Caesars', the Caesars Las Vegas' and the Restaurant's guests and invitees is absolutely essential to Caesars, and that any impairment thereof whatsoever will cause great damage to Caesars. Each of Gordon Ramsay and GRH therefore covenants and agrees that (a) it shall not and it shall cause its Affiliates not to use or license GR Marks or General GR Materials 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 GR Marks and General GR Materials and (b) 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 GR Marks, the Caesars 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 casino and an exclusive, first-class restaurant. Each of Gordon Ramsay and GRH 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. Any failure by Gordon Ramsay, GRH or any of their respective Affiliates or any of their respective agents, employees, servants, contractors or licensees to maintain the standards described in this Section 11.1 shall, in addition to any other rights or remedies it Caesars have, give Caesars the right to terminate this Agreement pursuant to Section 4.2.4 in its sole and absolute discretion. For the avoidance of doubt, Gordon Ramsay's persona as exhibited on the television show Hell's Kitchen prior to the date hereof shall not constitute a failure by Gordon Ramsay to maintain the standards described in this Section 11.1.

11.2

Privileged License. Each of Gordon Ramsay and

GRH acknowledges that Caesars and Caesars' Affiliates are businesses that are or may be subject to and exist because of privileged licenses issued U.S., state, local and foreign governmental, regulatory and administrative authorities, agencies, boards and officials (the "Gaming Authorities") responsible for or involved in the administration of application of laws, rules and regulations relating to gaming or gaming activities or the sale, distribution and possession of alcoholic beverages. The Gaming Authorities require Caesars, and Caesars deems it advisable, to have a compliance committee (the "Compliance Committee") that does its own background checks on, and issues approvals of, Persons involved with Caesars and its Affiliates. Prior to the execution of this Agreement and, in any event, prior to the payment of any monies by Caesars to Gordon Ramsay and/or GRH hereunder, and thereafter on each anniversary of the Opening Date during the Term, (a) each of Gordon Ramsay and GRH shall provide or cause to be provided to Caesars written disclosure regarding its GR Associates and (b) the Compliance Committee shall have issued approvals of all of the GR Associates. Additionally, during the Term, on ten (10) calendar days written request by Caesars to Gordon Ramsay and GRH, Gordon Ramsay and GRH shall disclose to Caesars all GR Associates. To the extent that any prior disclosure becomes inaccurate, Gordon Ramsay and GRH shall, within ten (10) calendar days from that event, update the prior disclosure without Caesars making any further request. Each of Gordon Ramsay and GRH shall cause all GR Associates to provide all requested information and apply for and obtain all necessary approvals required or requested by Caesars or the Gaming Authorities. If any GR Associate fails to satisfy or such requirement, if Caesars or any of Caesars' Affiliates are directed to cease business with any GR Associate by any Gaming Authority, or if Caesars shall determine, in Caesars' sole and exclusive judgment, that any GR Associate is an Unsuitable Person, then (a) Gordon Ramsay and/or GRH shall terminate any relationship with the Person who is the source of such issue, (b) Gordon Ramsay and/or GRH 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 Gordon Ramsay and GRH. Each of Gordon Ramsay and GRH further acknowledges 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 11.2 shall not be subject to dispute by Gordon Ramsay or GRH and shall not be the subject of any proceeding under Article 13.

12. CONDEMNATION: CASUALTY: FORCE MAJEURE.

12.1

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 Caesars 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 (thirty percent (30%) or more) shall be taken under power of eminent domain by any governmental authority or conveyed by Caesars to any governmental authority in lieu of such taking (as determined by Caesars in its sole and absolute discretion), Caesars may, in the exercise of its sole discretion, terminate this Agreement upon written notice given 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 Caesars and neither Gordon Ramsay nor GRH shall have any right, title or interest in and to same except that Gordon Ramsay and GRH may pursue their own separate claim; provided, that any such claim will not reduce the award granted to Caesars.

12.2

Casualty.

12.2.1 Permanent and Substantial Damage. If the Caesars Las Vegas or the Restaurant experiences any Permanent Damage or any Substantial Damage, in each case Caesars shall have the right to terminate this Agreement upon written notice having immediate effect delivered to GRH 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 Caesars Las Vegas or Restaurant shall be the sole property of Caesars and neither Gordon Ramsay nor GRH shall have any right, title or interest in and to same.

12.2.2 Obligation in Connection With a Casualty. If (i) Caesars does not terminate this Agreement the event of a Substantial Damage to the Caesars Las Vegas or Restaurant within the time periods provided in Section 12.2.1, (ii) restoration and repair of the damage is permitted under applicable Law and the terms of any agreement to which Caesars or any of its Affiliates is a party and (iii) Caesars has received net insurance proceeds sufficient to complete restoration and repair, Caesars shall use commercially reasonable means to restore and repair the Caesars Las Vegas 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 hundred eighty (180) days following the occurrence of the damage, GRH shall have the right to terminate this Agreement upon written notice having immediate effect delivered to Caesars within one hundred twenty (120) days after one hundred eighty (180) days following the date of the damage and Caesars shall have no liability related to the failure of such completion to have occurred.

12.3

Excusable Delay.

In the event that during the Term any 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 laws, 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 parties not more than fifteen (15) calendar days after the commencement of such delay, otherwise, such party's rights under this Section 12.3 shall be deemed waived.

12.4

No Extension of Term.

Nothing in this Article 12 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.

13. ARBITRATION.

13.1 Dispute Resolution. Except for a breach by Caesars of Article 6 or Section 14.17 or by Gordon Ramsay or GRH of Section 2.3, 2.4, or 14.17 or Article 6, as applicable, in the event of any other dispute, controversy or claim arising out of or relating to this Agreement between the parties to this Agreement ("Dispute"), any party may serve written notice (a "Dispute Notice") upon the other parties setting forth the nature of the Dispute and the relief sought, and the parties shall attempt to resolve the Dispute by negotiation. If the Dispute has not been resolved within thirty (30) days of receipt of a Dispute Notice, any party may serve on the other parties a request to resolve the Dispute by arbitration. All Disputes not resolved by the foregoing negotiation shall be finally settled by binding arbitration. Such arbitration shall be held in Las Vegas, Nevada in accordance with the Commercial Rules of Arbitration of the American Arbitration Association ("AAA"), in effect on the date of the Dispute Notice (the "Rules") by one or more arbitrators appointed in accordance with Section 13.2 hereof.

13.2 Arbitrator(s). If the claim in the Dispute Notice does not exceed Two Hundred Thousand and 00/100 Dollars (\$200,000.00), there shall be a single arbitrator nominated by mutual agreement of Gordon Ramsay and Caesars and appointed according to the Rules. If the claim in the Dispute Notice exceeds Two Hundred Thousand and 00/100 Dollars (\$200,000.00), the arbitration panel shall consist of three (3) members unless GRH and Caesars agree to use a single arbitrator. One of the arbitrators shall be nominated by Caesars, one of the arbitrators shall be nominated by GRH and the third, who shall serve as chairman, shall be nominated by the two (2) party-arbitrators within thirty (30) days of the confirmation of the nomination of the second arbitrator. If either GRH or Caesars fails to timely nominate an arbitrator in accordance with the Rules, or if the two (2) arbitrators nominated by GRH and Caesars fail to timely agree upon a third arbitrator, then such arbitrator will be selected by the AAA Court of Arbitration in accordance with the Rules. The arbitral award shall be final and binding on the parties and may be entered and enforced in any court having jurisdiction over any of the parties or any of their assets.

14. MISCELLANEOUS.

14.1 No Partnership or Joint Venture. Nothing expressed or implied by the terms of this Agreement shall make or constitute any party hereto the agent, partner or joint venturer of and with any other party. Accordingly, the parties acknowledge and agree that all payments made to GRH under this Agreement shall be for services rendered as an independent contractor and, unless otherwise required by law, Caesars shall report as such on IRS Form 1099, and all parties shall report this for financial and tax purposes in a manner consistent with the foregoing.

14.2 Successors, Assigns and Delagees. Except as otherwise set forth in this Agreement, no party may assign this agreement or any right, benefit or obligation hereunder, or delegate any obligation hereunder, without the prior written of the other parties (which consent may be withheld in any such other party's sole discretion); provided, however, that Caesars may assign or delegate all or any portion of this Agreement to an Affiliate of Caesars and may assign this Agreement in whole as contemplated by Section 14.4; provided further, that (a) GRH may assign this Agreement in its entirety to Gordon Ramsay or other GR Entity so long as, at or prior to such assignment, Gordon Ramsay or the GR Entity becomes the exclusive owner of the GR Marks and possesses and at all times during the Term will possess the necessary right to license the GR Marks to Caesars pursuant to this Agreement, free and clear of any restrictions except those imposed by this Agreement, and (b) Gordon Ramsay may assign this Agreement in its entirety to a Person that is controlled by Gordon Ramsay (subject to: (i) Gordon Ramsay having first provided to Caesars written disclosure regarding such Person; and (ii) the Compliance

Committee having issued its necessary approvals, shall not to be unreasonably withheld, conditioned or delayed), provided, that in the event of any change of control of such Person, this Agreement shall be deemed to be automatically assigned back to Gordon Ramsay and Caesars shall have the right to terminate this Agreement pursuant to Section 4.2.7(a) (it being understood that any such change of control shall be deemed a material breach of this Agreement). Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns and delagees.

14.3

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 anyone 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 Caesars', Gordon Ramsay's or GRH's right to any other remedy.

14.4

Divestiture or Transfer of Management Rights of

Caesars Las Vegas. Notwithstanding Section 14.2, Caesars may assign this Agreement to any purchaser or other acquirer of the Caesars Las Vegas or to any entity to which Caesars assigns management or operational responsibility of the Caesars Las Vegas. Notwithstanding the foregoing, Section 2.3 shall terminate upon consummation of such divestiture or assignment unless otherwise agreed by the acquirer or assignee.

14.5

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, or (d) ten (10) calendar days after being placed in the mail, as applicable, registered or certified, postage prepaid addressed to the following addresses (each of the parties shall be entitled to specify a different address by giving notice as aforesaid):

If to Caesars:

Desert Palace, Inc.
3570 Las Vegas Boulevard South
Las Vegas, Nevada 89109

With a copy (which shall not constitute notice) to:

Caesars Entertainment Corporation
One Caesars Palace Drive
Las Vegas, Nevada 89109
Attention: General Counsel

If to Gordon Ramsay:

Gordon Ramsay
c/o Gordon Ramsay Holdings Limited
1 Catherine Place London SW1E 6X
United Kingdom

With a copy (which shall not constitute notice) to:

Stuart Gillies
c/o Gordon Ramsay Holdings Limited
1 Catherine Place London SW1E 6DX
United Kingdom

If to GRH:

Gordon Ramsay Holdings Limited
1 Catherine Place London SW1E 6X
United Kingdom

With a copy (which shall not constitute notice) to:

Stuart Gillies
c/o Gordon Ramsay Holdings Limited
1 Catherine Place London SW1E 6DX
United Kingdom

14.6 Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written.

14.7 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.

14.8 Amendment and Modification. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound; provided, that GRH may amend Exhibit D without Caesars' prior written consent upon reasonable prior notice to Caesars. 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.

14.9 Headings. 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.

14.10 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) 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 Caesars of Article 6 or Section 14.17 or Gordon Ramsay or GRH, as applicable, of the covenants contained in Section 2.3, 2.4, or 14.18 or Article 6 of this Agreement. Accordingly, each party 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 each party (on behalf of itself and its Affiliates) consents to the entry thereof in any affected jurisdiction. In the event that any proceeding is brought in equity to enforce the provisions of this Agreement, no party hereto shall allege, and each party hereto hereby waives the defense or counterclaim that there is an adequate remedy at law.

(c) Subject to the provisions of Sections 13.1 and 14.10(a), Gordon Ramsay, GRH and Caesars each agree to submit to the exclusive jurisdiction of any state or federal court within the Clark County Nevada (the "Nevada Courts") for any court action or proceeding to compel or in support of arbitration or for provisional remedies in aid of arbitration, including any action to enforce the provisions of Article 13 (each an "Arbitration Support Action") or for any action or proceeding contemplated by Section 14.10(b). Each of the parties hereto irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding in a Nevada Court arising out of this Agreement including, but not limited to, an Arbitration Support Action or action or proceeding contemplated by Section 14.10(b) 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.

14.11 Interpretation. 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 any 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. The use of the terms "includes" or "including" shall in all cases herein mean "includes, without limitation" and "including, without limitation", respectively. All obligations and duties of Gordon Ramsay and GRH to provide recommendations or advice to Caesars shall require Gordon Ramsay and GRH to coordinate and provide only one communication with respect to such advice, and all obligations and duties of Gordon Ramsay and/or GRH to provide recommendations or advice to Caesars shall require GRH to coordinate, or to cause Gordon Ramsay to coordinate, such recommendations and advice with LLTQ under the LLTQ Agreement such that Caesars receives only one combined communication or notice for each such matter from Gordon Ramsay/GRH and LLTQ. The use of the terms "Gordon Ramsay and/or GRH" or words of similar import shall in all cases herein mean "Gordon Ramsay shall, or GRH shall cause one or more members of his team to," and the requirement of Caesars to obtain any consent or approval from GRH and/or Gordon Ramsay shall be satisfied upon the consent or approval of GRH or any team member of Gordon Ramsay set forth on Exhibit D attached hereto, and Caesars shall be entitled to rely on all communications from any such team member.

14.12 Third Persons. Except as provided in Section 14.15 and 14.16, nothing in this Agreement, expressed or implied, is intended to confer upon any Person other than the parties hereto any rights or remedies under or by reason of this Agreement.

14.13 Attorneys' Fees. The prevailing party in any dispute that arises out of or relates to 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, without limitation, attorneys' fees and costs, incurred in such action.

14.14 Counterparts. This Agreement may be executed in counterparts, each one of which so executed shall be deemed an original, and all of which shall together constitute one and the same agreement.

14.15 Indemnification Against Third Party Claims.

14.15.1 By Caesars. Caesars covenants and agrees to defend, indemnify and save and hold harmless Gordon Ramsay, GRH and their respective Affiliates and their and their respective Affiliates' 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 attorneys' fees, incurred or suffered by them arising directly or indirectly from any claim, action, suit, demand, assessment, investigation, arbitration or other proceeding by or in respect of any third Person (a "Third-Party Claim") arising out of Caesars' breach, performance or non-performance of its obligations under or in connection with this Agreement.

14.15.2 By Gordon Ramsay and GRH. Each of Gordon Ramsay and GRH covenants and agrees to jointly and severally defend, indemnify and save and hold harmless Caesars and its Affiliates and Caesars' and Caesars' Affiliates' 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 attorneys' fees, incurred or suffered by them arising directly or indirectly from any Third-Party Claim arising out of Gordon Ramsay's and/or GRH's breach, performance or non-performance of its obligations under or in connection with this Agreement.

14.15.3 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 Section 14.15, the Indemnified Person asserting a claim for indemnification under this Section 14.15 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 Indemnifying Person and reasonably acceptable to the Indemnified 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 such Third Party Claim in a timely manner or, in the case of Caesars, if the Third Party Claim is asserted by any Governmental Authority, may defend such 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 Section 14.15 without the prior written consent of the other.

14.16 Withholding and Tax Indemnification.

(a) If Caesars is required to deduct and withhold from any payments or other consideration payable or otherwise deliverable pursuant to this Agreement to GRH any amounts under the Internal Revenue Code of 1986, as amended (the "Code"), or any provision of United States federal, state, local or foreign law, statute, regulation, treaty, administrative ruling, pronouncement or other authority or judicial opinion,

Caesars agrees that, prior to said deduction and withholding, it shall provide GRH with 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 Caesars, GRH shall promptly deliver, or cause to be promptly delivered, to Caesars all the appropriate Internal Revenue Service forms necessary for Caesars, in its sole and absolute discretion deems necessary 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, GRH shall be responsible for and shall indemnify and hold harmless Caesars and its Affiliates against (i) all Taxes (including, without limitation, any interest and penalties imposed thereon) payable by or assessed against Caesars or any of its Affiliates with respect to all amounts payable by Caesars to GRH pursuant to this Agreement and (ii) any and all claims, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) suffered or paid by Caesars or any of its Affiliates as a result of or in connection with such Taxes. Caesars shall have the right to reduce any payment payable by Caesars to GRH pursuant to this Agreement in order to satisfy any indemnity claim pursuant to this Section 14.17. For purposes of this Section 14.17, the term "Tax" or "Taxes" 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.

14.17

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 the Representatives 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 laws, regulation or legal process (but only after compliance with Section 14.17(b)); and (iii) except as otherwise agreed by the party to which the Confidential Information belongs in writing. Each party receiving, or whose Representatives receive, Confidential Information of another party (a "Recipient") shall inform its 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, regulation 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 sole 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.

14.18

Subordination. For the avoidance of doubt, this

Agreement does not create in favor of Gordon Ramsay or GRH any interest in real or personal property or any lien or encumbrance on the Caesars Las Vegas or any ground or similar lease affecting all or any portion of the Caesars Las Vegas (as the same may be renewed, modified, consolidated, replaced or extended, a "Ground Lease"). Each of Gordon Ramsay and GRH acknowledges and agrees that Caesars may from time to time assign or encumber all or any part of its interest in the Caesars Las Vegas 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 Gordon Ramsay and GRH hereunder whether with respect to the Caesars Las Vegas 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, neither Gordon Ramsay nor GRH shall have any right to encumber or subject the Caesars Las Vegas or the Restaurant, or any interest of Caesars therein, to any lien, charge or security interest, including any mechanic's or materialman's lien, charge or encumbrance of any kind. Gordon Ramsay and GRH, at their 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 Caesars in its sole discretion) within ten (10) days after GRH first has notice thereof. If Gordon Ramsay and/or GRH fails to timely take such action, Caesars may pay the claim relating to such lien, charge or security interest and any amounts so paid by Caesars shall be reimbursed by Gordon Ramsay or GRH upon demand.

14.19

Comps and Reward Points. Gordon Ramsay shall

be entitled to reasonable comp privileges to be reasonably agreed to by the parties. Caesars 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 Caesars Las Vegas. For purposes of this Agreement, one reward point shall entitle the holder thereof to \$1.00 of food or beverage in the Restaurant.

/

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the Effective Date first written hereinabove.

Desert Palace, Inc.

By: 

Name:

Its:

Date:


Gordon Ramsay Holdings Limited

By: _____

Name:

Its:

Date:

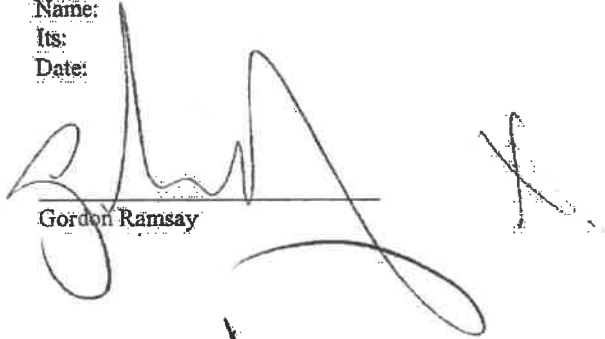

Gordon Ramsay

EXHIBIT C

From: Jeffrey Frederick Exhibit C Page 2 of 2
To: 'rowen900@gmail.com'; 'gordon@gordonramsay.com'
CC: Tom Jenkin - Las Vegas; 'stuartgillies@gordonramsay.com'
Sent: 12/18/2013 9:42:13 PM
Subject: Thank you / AC Situation

Rowen / Chef - thank you both very much for being here for the 1 year anniversary of GRPG and BurGR. Having you both in Las Vegas was an honor for each of us, the team will be buzzing for days.

As we discussed separately, Tom and I are in need of finalizing plans for AC. We understand you're at an impasse with circumstances unrelated to Caesars. We sincerely hope you both can work through with a favorable outcome. It would be a travesty not being able to expand upon Las Vegas' success, not to mention the production and legal challenges as result of the two Hells Kitchen productions just completed for AC. I had hope to have us on a call with Tom yesterday, however with everyone's schedule and commitments, I was unable to find a time that worked for all. Please forgive this formality, we much prefer a call or sit down but in the interest of time its important to clarify a few points and allow you both time to decide if AC is a go or no go.

Chef, addressing the report back of chef Stuart's meeting with Tom, I want to be clear. I've confirmed with Tom and our legal counsel we are not able to proceed with GR Steak or GR P&G without both you and Rowen agreeing to do so, nor a concept similar in the Steakhouse, Chophouse, Bar & Grill, Pub or Tavern categories. These and possibly a BurGR in the future are the only 3 concept categories Tom and I have confidence in for the AC markets. With this clarified, we ask you both to please advise us if we are to proceed or if we need to disengage our efforts and address the ramifications with ITV/Hells Kitchen. Again, we sincerely hope we can proceed. Jeffrey

EXHIBIT D

CONSULTING AGREEMENT
BETWEEN
FERG, LLC
AND
BOARDWALK REGENCY CORPORATION
DBA CAESARS ATLANTIC CITY

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Exhibit A – Restaurant Premises

Exhibit B – Profit and Loss Statement

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the "Agreement") shall be deemed made, entered into and effective as of this 16th day of May, 2014 by and between Boardwalk Regency Corporation d/b/a Caesars Atlantic City having its principal place of business at 2100 Pacific Avenue, Atlantic City, New Jersey 08401 ("CAC") and FERG, LLC, a Delaware limited liability company having a place of business located at 200 Central Park South, 19th Floor, New York, NY 10019 ("FERG").

RECITALS

A. CAC owns or operates a hotel/casino resort complex located at 2100 Pacific Avenue, Atlantic City, New Jersey 08401, currently known as Caesars Atlantic City ("Hotel"), which is depicted on Exhibit A attached to this Agreement;

B. CAC desires to design, develop, construct and operate a restaurant featuring primarily pub-style food and beverages known as "Gordon Ramsay Pub and Grill" (collectively, the "Restaurant") in those certain premises within the Hotel more particularly shown on Exhibit A attached hereto (the "Restaurant Premises"); and

C. CAC desires to retain FERG to provide consulting services and fulfill those obligations with respect to consultation concerning the design, development, construction and operation of the Restaurant, and FERG desires to be retained by CAC to perform such services and fulfill such obligations, and the parties desire to enter into this Agreement to set forth their respective rights and obligations with respect thereto, all as more particularly set forth herein.

NOW THEREFORE, in consideration of the promises 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 hereto agree that the foregoing recitals are true and correct and further agree as follows:

1. DEFINITIONS

As used herein, the following terms have the meanings set forth or referenced below. Other terms may be defined in other Articles and Sections of this Agreement.

"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 or comparable principal of, the specified Person or such other Person. For purposes of this definition, "control", "controlling", "controlled" mean the right to exercise, directly or indirectly, at least five percent (5%) of the voting power of the stockholders, members or owners and, with respect to any individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled Person. Notwithstanding the foregoing, with respect to CAC, the term "Affiliate" shall only include CAC's Parent and its direct and indirect controlled subsidiaries and shall not include any shareholder or director of CAC's Parent or any Affiliate of any such shareholder or director of CAC's Parent other than an Affiliate that is CAC's Parent or its direct or indirect controlled subsidiaries. Additionally, with respect to FERG, the term "Affiliate" shall include Rowen Seibel and each Affiliate of Rowen Seibel but shall not include (i) any other member of FERG that (a) owns less than 40% of the membership interests of FERG and is not an Affiliate of Rowen Seibel and (b) is not a Competitor; or (ii) any Affiliate of such member of FERG that is described in the preceding clause (i).

"Arbitration Support Action" has the meaning set forth in Section 14.10(c).

"Available Restaurant Proceeds" means, for any period, the amount, if any, by which Total Restaurant Sales for such period exceeds the Operating Expenses for such period.

"Base Fee" has the meaning set forth in Section 8.1(a).

"Baseline Amount" means, the Restaurant Sales for Mia, the restaurant that occupied the Premises prior to the Restaurant, during the trailing twelve (12) month period beginning March 1, 2013 and ending February 28, 2014. A copy of the profit and loss statement for Mia for such twelve (12) month period is attached as Exhibit B hereto. For the avoidance of doubt, the Baseline Amount shall exclude the Comp Sales of Mia.

"CAC's Parent" means Caesars Entertainment Corporation, a corporation organized under the laws of the State of Delaware, and its successors and assigns.

"Capital Expenditures" has the meaning set forth in Section 8.1(b).

"Capital Reserve" has the meaning set forth in Section 8.1(b).

"Capital Reserve Account" has the meaning set forth in Section 8.1(b).

"Competitor" means a Person that, or a Person that has an Affiliate that, in each case directly or indirectly, whether as owner, operator, manager, licensor or otherwise: (i) derives twenty percent (20%) or more of its revenues, operating income or net profits from one or more Gaming Businesses; or (ii) has as its primary purpose the conduct of one or more Gaming Businesses.

"Comp Sales" means the menu price of all food, beverages and merchandise offered at or from the Restaurant on a complimentary basis by CAC to its customers. For the avoidance of doubt, the term customer does not include employees of CAC or its Affiliates.

"Confidential Information" means, as to a party, information about that party and its Affiliates, including information such as business plans, strategies, costing information, prospects and locations, that (i) is furnished by or on behalf of the party to a Recipient or its Representatives, 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.

"Dispute" has the meaning set forth in Section 13.1.

"Dispute Notice" has the meaning set forth in Section 13.1.

"Early Termination Payment" means an amount equal to one hundred percent (100%) of the amount paid or payable to FERG pursuant to Article 8 for the twelve (12) complete months ended at the end of the calendar month immediately prior to the effective date of termination of this Agreement.

"Effective Date" means the later of the date of this Agreement and the date on which CAC determines, in its sole discretion, that none of the FERG Associates is an Unsuitable Person.

"Exchange Act" has the meaning set forth the definition of FERG Change of Control.

"Exclusivity Provisions" has the meaning set forth in Section 2.3(a).

"Excusable Delay" has the meaning set forth in Section 12.3.

"FERG Associates" has the meaning set forth in Section 2.2.

"FERG Change of Control" means (a) 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 FERG, (b) the approval by the holders of the equity interests of FERG of any plan or proposal for the liquidation or dissolution of such Person, or (c) any Person or Group becoming the beneficial owner (as determined under Section 13(d) under the Exchange Act), directly or indirectly, of thirty-five percent (35%) or more of the aggregate voting power represented by the issued and outstanding equity interests of FERG 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.

"Fiscal Year" means (a) for the first Fiscal Year the period commencing on the Opening Date and ending on December 31 of the calendar year in which the Opening Date occurs and (b) each subsequent period of twelve months commencing on January 1 and ending on December 31 of any calendar year (or, if earlier, ending on the date of termination of this Agreement).

"Gaming Authority" or "Gaming Authorities" has the meaning set forth in Section 11.2.

"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.

"General GR Materials" means the concept, system, menus and recipes designed for use in connection with the Restaurant that are (a) created by or for Gordon Ramsay or containing trade secrets of Gordon Ramsay as of the Effective Date and (b) as are provided from time to time by Gordon Ramsay to CAC for the purposes of this Agreement.

"Gordon Ramsay Pub and Grill" has the meaning set forth in Recital B.

"GR Agreement" means that certain Development, Operation and License Agreement among Gordon Ramsay, Gordon Ramsay Holdings Limited and Boardwalk Regency Corporation dba Caesars Atlantic City dated concurrently herewith

"GR Marks" means any trademark owned by Gordon Ramsay or Gordon Ramsay Holdings Limited utilizing the "Gordon Ramsay Pub and Grill" name or otherwise used to identify the Restaurant as set forth in the GR Agreement, and ancillary design, menu, uniforms and overall Gordon Ramsay Pub and Grill concept.

"Ground Lease" has the meaning set forth in Section 14.19.

"Initial Capital Investment" has the meaning set forth in Section 3.2(d).

"Incentive Fee" has the meaning set forth in Section 8.1(d).

"Initial Term" has the meaning set forth in Section 4.1.

"Mortgages" has the meaning set forth in Section 14.19.

"New Jersey Courts" has the meaning set forth in Section 14.10(c).

"Opening Date" has the meaning set forth in Section 4.1.

"Operating Expenses" means, for any period, (a) the actual expenses incurred during such period in operating the Restaurant in those categories listed on the Profit and Loss Statement for the Restaurant (utilizing the same categories utilized on the profit and loss statement for Mia), in each case computed on an accrual basis in accordance with generally accepted accounting principles consistently applied by CAC, plus (b) the actual expenses incurred by CAC during such period for operation of the Restaurant for variable expenses not reflected on such Profit and Loss Statement (including outside hood cleaning, EVS, utilities, accounting, warehouse, receiving and maintenance services) up to \$9,200 per annum, which such limit shall increase by two percent (2%) per annum. All credits and rebates received by CAC or its Affiliates from sponsors and/or vendors in connection with product or services used at the venue (collectively, "Credits") shall be a credit against (i.e. reduce) Operating Expenses.

"Permanent Damage" means any damage by fire or other casualty to the Hotel or the Restaurant (a) where the net insurance proceeds are not sufficient to restore and repair the damaged portion of the Hotel or the Restaurant substantially to its condition and character just prior to the occurrence of such casualty or (b) where it is not reasonably practicable to restore and repair the Hotel or the Restaurant due to restrictions under applicable Law or for other reasons beyond CAC's reasonable control within three hundred sixty five (365) days from the damage, in each case as reasonably determined by CAC.

"Person" means any individual, corporation, proprietorship, firm, partnership, limited partnership, limited liability company, trust, association or other entity, including any governmental authority.

"Project Budget" has the meaning set forth in Section 3.2(b).

"Project Costs" means all reasonable costs and expenses incurred by CAC or its Affiliates prior to the Opening Date to accomplish the effective and efficient commencement of operations at the Restaurant on the Opening Date in accordance with the Project Budget and as set forth in this Agreement, including all hard and soft construction costs, the cost of all furniture, equipment and furnishings, inventories of food and beverages and other operating supplies acquired in preparation for the opening of the Restaurant, all expenses incurred by CAC or any of its Affiliates in performing pre-opening services and other pre-opening functions, including expenses of business entertainment and reimbursable expenses (but excluding salary, compensation and benefits of the employees of CAC or its Affiliates) and any related taxes, the cost of recruitment and related expenses for all employees of the Restaurant and the cost of pre-opening sales, marketing, advertising, promotion and publicity for the Restaurant, including all losses, expenses and reasonable attorneys' fees arising directly or indirectly from any dispute with any third party engaged to design, develop, construct or outfit the Restaurant solely.

"Recipient" has the meaning set forth in Section 14.18(a).

"Relative" means, with respect to any Person, such Person's mother, father, spouse, brother, sister and children.

"Representatives" means, with respect to any Person, such Person's employees, agents, independent contractors, representatives and Affiliates.

"Restaurant" has the meaning set forth in the Recitals of this Agreement.

"Restaurant Development Services" has the meaning set forth in Section 3.2(a).

"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, room rental fees and sale of merchandise computed on an accrual basis in accordance with generally accepted accounting principles consistently applied by CAC, excluding only (i) federal, state and local excise, sales, use or rent taxes collected from customers from receipts which are included in Restaurant Sales, (ii) gratuities paid to the employees of the Restaurant (or paid to CAC and paid by CAC to such employees) by patrons with respect to functions which generate Restaurant Sales, (iii) Comp Sales, (iv) amounts collected by CAC from patrons for the account of, and for direct payment to, unrelated third parties providing services specifically for a patron's function which generate Restaurant Sales, such as flowers, music and entertainment, (v) 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 Restaurant Sales), (vi) proceeds of condemnation and eminent domain awards, litigation awards and settlement payments, (vii) any proceeds or other economic benefits of any borrowings or financings of CAC, (viii) any proceeds or other economic benefit from any sale, exchange or other disposition of all or any part of the CAC or Restaurant, including any furniture, furnishings, decorations, and equipment, or any other similar items, (ix) funds provided by CAC, (x) payments made under any warranty or guaranty and (xi) any other receipts or payments that are not standard or typical in the ordinary course of operating a restaurant or that are excluded by CAC in a manner consistent with the determination of gross revenues of operations of CAC and its Affiliates similar to the Restaurant. Restaurant Sales shall be reduced by the amount of credit card fees and over-rings, refunds and credits given, paid or returned by CAC in the course of obtaining Restaurant Sales. In addition to receipts from transactions occurring at the Restaurant, 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 or merchandise delivered away from the Restaurant in satisfaction of orders received at the Restaurant and receipts for food, beverages or 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, Restaurant Sales shall include the full menu price of all food, beverages and merchandise offered on a discounted basis by CAC to its customers and, unless the promotion and alternative pricing was made with the prior written consent of FERG, Restaurant Sales shall include the full menu price of all food, beverages and merchandise provided on a promotional or alternative pricing basis to its customers (except that employees of CAC 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 Restaurant Sales). FERG acknowledges and agrees that CAC's Total Rewards program pricing shall be included in Restaurant Sales at the Total Rewards price (not full retail menu price).

"Rules" has the meaning set forth in Section 13.1.

"Seibel Restaurant Visits" has the meaning set forth in Section 7.1.

"Senior Management Employee(s)" has the meaning set forth in Section 5.2.

"Substantial Damage" means any damage, other than a Permanent Damage, by fire or other casualty to the Hotel or Restaurant (a) that results in more than twenty percent (20%) of the area of the Hotel or the Restaurant, as applicable, being rendered unusable, (b) where the estimated length of time required to restore Hotel or the Restaurant, as applicable, substantially to its condition and character just

prior to the occurrence of such casualty shall be in excess of one hundred eighty (180) days or (c) if the estimated cost of restoration and repair of the damage exceeds twenty percent (20%) of the then current replacement cost of the Hotel or the Restaurant, as applicable, in each case as determined by CAC in its reasonable discretion.

"Term" has the meaning set forth Section 4.1.

"Third-Party Claim" has the meaning set forth in Section 14.15(a).

"Total Restaurant Sales" means, for any period, Restaurant Sales plus Comp Sales for that period.

"Training" has the meaning set forth in Section 5.1(b).

"Union Agreement" or "Union Agreements" has the meaning set forth in Section 5.3(a).

"Unsuitable Person" is 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 of CAC or its Affiliates, or (d) who is required to be licensed, registered, qualified or found suitable under any United States, state, local or foreign laws, rules or regulations relating to gaming or the sale of alcohol under which CAC or any of its Affiliates is licensed, registered, qualified or found suitable, and such Person is not or does not remain so licensed, registered, qualified or found suitable.

"USCIS" has the meaning set forth in Section 5.6.

"Venture" has the meaning set forth in Section 2.4(a).

2. APPOINTMENT; CONDITIONS; EXCLUSIVITY; CERTAIN RIGHTS.

2.1 Appointment. On the terms and subject to the conditions set forth in this Agreement, CAC hereby appoints FERG and its team, and FERG and/or its team, as applicable, hereby agree, to perform those services and fulfill those obligations set forth herein as to be performed or fulfilled by FERG and/or Rowen Seibel, as applicable (collectively, the "Services"). In addition to the terms and conditions more particularly set forth in this Agreement, FERG each agrees to perform or cause to be performed the Services (a) in good faith and using sound business practice, due diligence and care, (b) using, at a minimum, the same degree of skill and attention FERG, Rowen Seibel or their Affiliates, as the case may be, use in performing the same or similar services for its, his or their own accounts or the accounts of others (and in no event less than a reasonable degree of skill and attention), and (c) with sufficient resources and qualified personnel as are reasonably required to perform the Services in accordance with the standards set forth in this Agreement. For the avoidance of doubt, Rowen Seibel and his Relatives are Affiliates of FERG.

2.2 Conditions to Agreement.

(a) Notwithstanding anything to the contrary contained herein, the rights and obligations of each party under this Agreement (other than the obligations under Sections 2.3, 2.4 and 9.1

and Article 14), are conditioned upon (which conditions may be waived by CAC in its sole and absolute discretion): (a) submission by or on behalf of FERG to CAC of all information requested by CAC regarding FERG, its Affiliates and its directors, officers, employees, agents, representatives and other associates (collectively, the "FERG Associates") to ensure that they are not an Unsuitable Person; and (b) CAC being satisfied, in its sole discretion, that no FERG Associate is an Unsuitable Person. CAC confirms that the conditions set out in this Agreement have been fulfilled prior to the date hereof.

2.3 Exclusivity.

(a) FERG covenants and agrees that, at all times during the Term, FERG will not and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with CAC or any of its Affiliates, offer or agree to become engaged in or affiliated or associated with any activities, business or operations utilizing any of the GR Marks or General GR Materials, including as an owner, investor, operator, director, officer, manager, agent, consultant, licensor or employee, in each case within Atlantic County, New Jersey in connection with the operation of any establishment similar to the Restaurant i.e., generally in the nature of a pub, bar, café or tavern (the "Exclusivity Provisions").

(b) If this Agreement is terminated by CAC prior to the end of the Term originally stated herein, and FERG is in default or breach of this Agreement at the time of such termination, or the termination is due to the termination of the GR Agreement due to a breach thereof by GR, the Exclusivity Provisions shall continue for a period of eighteen (18) 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 FERG 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 to violate this Section 2.3.

2.4 Right of First Refusal.

(a) In addition to the restriction imposed upon FERG pursuant to Section 2.3 above, neither FERG nor its Affiliates shall, except after compliance with Section 2.4(b) below, engage in or become affiliated or associated with, or offer or agree to become engaged in or affiliated or associated with, any activities, business or operations involving Gordon Ramsay or any of his Affiliates or utilizing any of the GR Marks or General GR Materials (as defined in the GR Agreement) if such activity, business or operation is either (i) located, or contemplated to be located, within Atlantic County, New Jersey or (ii) located, or contemplated to be located, outside of Atlantic County, New Jersey but within a twenty-five (25) mile radius of any existing or publicly announced hotel or gaming facility owned or operated (or to be owned or operated) by CAC or any of its Affiliates (any such activity, business or operation, a "Venture").

(b) Before FERG 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 Venture, FERG shall provide CAC with an offer, in writing, to participate in such Venture, which offer shall set forth reasonable detail regarding the proposed Venture. If CAC (or its designated Affiliate) indicates in writing within fifteen (15) days after receipt of such offer its interest in considering such opportunity, FERG shall or shall cause its applicable Affiliates to enter into exclusive discussions, negotiations and due diligence with CAC (or its designated Affiliate) for the succeeding thirty (30) days to determine if mutually agreeable terms of participation in the Venture can be reached. During such period, FERG shall

or shall cause its applicable Affiliates to provide CAC (or its designated Affiliate) with all reasonable supporting or other documents it may reasonably request with respect to the Venture.

3. RESTAURANT LOCATION, DESIGN, DEVELOPMENT AND OPERATION.

3.1 General. The Restaurant shall be comprised of that approximate square footage indicated on Exhibit A attached hereto. The parties acknowledge that, with the consent of the parties, the design of the Restaurant and the Restaurant Premises may change following the execution of this Agreement as a result of conditions of construction, budgetary constraints or other reasons provided that the approximate square footage and placement of the Restaurant within the Restaurant Premises as designed and constructed shall not be materially different than that which is depicted on Exhibit A. At all times during the Term and thereafter CAC shall retain all right, title and interest in and to the Restaurant Premises.

3.2 Initial Design and Construction.

(a) Planning. Subject to all of the terms and conditions more particularly set forth herein, CAC shall, after consultation with FERG, be solely responsible for the initial design, development, construction and outfitting of the Restaurant, including all furniture, fixtures, equipment, inventory and supplies (the "Restaurant Development Services"); provided, however, that CAC, after consulting with FERG and considering all reasonable recommendations from FERG, shall have final approval with respect to all aspects of same but shall at all times act reasonably. CAC shall appoint an individual or individuals, who may be changed from time to time by CAC, acting in its sole and absolute discretion, to act as CAC's liaison with FERG in the design, development, construction and outfitting of the Restaurant. Restaurant Development Services, and meetings with respect to same, shall take place in Atlantic City, New Jersey, provided that in no event shall FERG or Rowen Seibel be required to attend such meetings.

(b) Budgeting. CAC shall be solely responsible for all proposed budgets for the Project Costs (each, a "Project Budget"), but CAC shall afford FERG the reasonable opportunity to review each such Project Budget and make reasonable recommendation on same, based on the experience of FERG, prior to CAC's adoption and implementation of any such Project Budget. After giving consideration to all reasonable recommendations made by FERG regarding the Project Budget, CAC shall establish, control, and amend from time to time as necessary, all in CAC's reasonable discretion, the Project Budget for the initial design, development, construction, and outfitting of the Restaurant, except to the extent the same contain any GR Marks.

(c) Implementation of Initial Design and Construction. CAC shall be solely responsible for hiring, retaining and authorizing the performance of services by any and all design, development, construction and other professionals engaged in the initial design, development, construction and outfitting of the Restaurant. At all times during the Term and thereafter, CAC shall retain all right, title and interest in and to the furniture, fixtures, equipment, inventory, supplies and other tangible and, except as otherwise provided herein, intangible assets used or held for use in connection with the Restaurant, except to the extent the same contain any GR Marks.

(d) Costs of Initial Design and Construction. The current Project Budget is \$3,500,000, to be provided solely by CAC (the "Initial Capital Investment"). To the extent that the final or actual Project Budget exceeds \$3,500,000 such excess shall be paid for and absorbed 100% by CAC, but the amount of such excess that may be included in Project Costs shall not exceed \$300,000.

3.3 Subsequent Refurbishment, Redesign and Reconstruction of the Restaurant. If, after the Opening Date, CAC determines that the Restaurant requires any additional capital expenditures, CAC is solely responsible for any capital expenditures.

3.4 Menu Development. Intentionally omitted.

3.5 General Operation of the Restaurant. Unless expressly provided herein to the contrary and subject to the terms of this Agreement, CAC shall be solely responsible for:

- (a) managing the operations, business, finances and Employees of the Restaurant on a day-to-day basis;
- (b) maintaining the Restaurant;
- (c) developing and enforcing employment and training procedures, marketing plans, pricing policies and quality standards of the Restaurant;
- (d) supervising the use of the food and beverage menus and recipes developed by GR pursuant to the GR Agreement; and
- (e) providing copies of the Restaurant's unaudited income statement to FERG (i) for each month within fifteen (15) days after the end of each month, (ii) for each quarter, within forty-five days after the end of each calendar quarter and (iii) for each Fiscal Year, within one hundred twenty (120) days following the conclusion of such Fiscal Year.

3.6 Merchandise. Intentionally omitted.

3.7 Meetings and Personal Appearances. Whenever scheduling any meeting or personal appearance contemplated by this Agreement, CAC shall make commercially reasonable efforts to take into account the other then existing commitments of the individual whose appearance is requested and give such individual reasonable 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, CAC 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 be made by CAC based upon the best interest of the Restaurant and FERG shall endeavor to make commercially reasonable efforts to meet the appearance schedule proposed by CAC subject to previously scheduled commitments. In no event shall FERG or any of its team (including Rowen Seibel) be required to attend a meeting or make any personal appearance at the Restaurant or in Atlantic City.

3.8 Additional Obligations. Each of CAC and FERG warrants and undertakes to the other party that it shall:

- (a) at all times (a) fully comply with all laws, statutes, ordinances, regulations, promulgations and mandates applicable to its obligations hereunder and the operation of the Restaurant and (b) maintain all applicable business licenses and other licenses and permits relating to its business operations or its obligations hereunder, and in each case any failure to do so shall constitute a breach of this Agreement; and

(b) perform its duties hereunder with reasonable care and skill and shall cultivate and maintain good relations with customers of the Restaurant in accordance with sound commercial principles.

4. **TERM.**

4.1 **Term.** The initial term of this Agreement shall commence on the Effective Date and shall expire on that date that is ten (10) years from the date on which the Restaurant first opens to the general public for business (the "Opening Date"), unless extended by the parties or unless earlier terminated pursuant to the terms hereof (the "Initial Term"). Upon the mutual agreement of CAC and FERG, the term of this Agreement shall be extended 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, provided that if the GR Agreement is extended this Agreement shall automatically be extended. Thereafter, there shall be no additional extensions of the term of this Agreement. 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 thereof.

4.2 **Termination.**

(a) **For Convenience.** At any time following the third (3rd) anniversary of the Opening Date, the Agreement may be terminated by CAC upon six (6) months written notice to FERG specifying the date of termination.

(b) **Sales Performance.** At any time during the sixty (60) days following the third (3rd) anniversary of the Opening Date and the sixty (60) days following the sixth (6th) anniversary of the Opening Date, this Agreement may be terminated by CAC by written notice to FERG specifying the effective date of termination if (a) in the case of termination following the third (3rd) anniversary of the Opening Date, the Restaurant Sales for the twelve (12) months prior to such anniversary are not at least Three Million Two Hundred Thousand Dollars (\$3,200,000.00) or (b) in the case of termination following the sixth (6th) anniversary of the Opening Date, the Restaurant Sales for the twelve (12) months prior to such anniversary are not at least Three Million Seven Hundred Dollars (\$3,700,000.00).

Notwithstanding the provisions of Section 4.2(a) and Section 4.2(b), this Agreement may only be terminated under Section 4.2(a) and/or Section 4.2(b) if CAC simultaneously terminates the GR Agreement and no different or amended agreement is entered into with Gordon Ramsay and/or his Affiliate(s) relative to the Restaurant or the Restaurant Premises. For the avoidance of doubt, the foregoing sentence reflects the understanding of the parties and their Affiliates with respect to any "For Convenience" and "Sales Performance" termination provision in all other agreements between Affiliates of the parties hereto relative to a Gordon Ramsay related or themed restaurant and the substance of such sentence shall be applicable to all such agreements.

(c) **Termination of GR Agreement.** This Agreement may be terminated by either Party upon no less than ninety (90) days written notice to the other Party if the GR Agreement is terminated and no different or amended agreement is entered into with Gordon Ramsay and/or his Affiliate(s) relative to the Restaurant or Restaurant Premises. The termination shall take effect no earlier than the same date the GR Agreement termination is effective.

(d) [Reserved].

(e) Unsuitability. This Agreement may be terminated by CAC upon written notice to FERG having immediate effect as contemplated by Section 11.2.

(f) Condemnation and Casualty. This Agreement may be terminated by CAC upon written notice to FERG having immediate effect as contemplated by Article 12.

(g) Change of Control. This Agreement may be terminated by CAC upon written notice to FERG having immediate effect if there is a FERG Change of Control to a transferee that is an Unsuitable Person.

(h) Material Breach.

(a) This Agreement may be terminated by CAC upon written notice to FERG having immediate effect if, following a material breach of this Agreement by FERG, CAC sends written notice of such material breach to FERG specifying in reasonable detail, the facts and circumstances underlying the claimed breach (including the provision(s) of the Agreement claimed to have been breached) and FERG fails to cure such material breach within thirty (30) days after receipt of such notice; provided that if FERG shall have taken steps reasonably anticipated to cure such breach within such thirty (30) day period, CAC shall not be permitted to terminate the Agreement unless such cure is not completed within a reasonable time thereafter.

(b) This Agreement may be terminated by FERG upon written notice to CAC having immediate effect if, following a material breach of this Agreement by CAC, FERG sends written notice of such material breach to CAC specifying in reasonable detail, the facts and circumstances underlying the claimed breach (including the provision(s) of the Agreement claimed to have been breached) and CAC fails to cure such material breach within thirty (30) days after receipt of such notice for non-monetary breaches by CAC (provided that if CAC shall have taken steps reasonable anticipated to cure such breach within such thirty (30) day period, CAC shall not be permitted to terminate the Agreement unless such cure is not completed within a reasonable time thereafter) and within five (5) days after written notice is given to CAC for monetary breaches by CAC (it being understood that CAC's failure to pay any amount disputed in good faith shall not entitle FERG to terminate this Agreement).

(i) Bankruptcy, etc.

(a) This Agreement may be terminated by CAC upon written notice to FERG having immediate effect if FERG (i) becomes insolvent or admits in writing its inability to pay its debts as they become due, (ii) has instituted against it a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or a petition is presented against it for its winding up or liquidation, in each case that is not dismissed within sixty (60) days, (iii) institutes a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or files a petition for its winding up or liquidation, (iv) makes a general assignment for the benefit of its creditors, (v) seeks or becomes subject to the appointment of a receiver over all or

substantially all of its assets, or (vi) any analogous procedure or step is taken in any jurisdiction.

(b) This Agreement may be terminated by FERG upon written notice to CAC having immediate effect if CAC (i) becomes insolvent or admits in writing its inability to pay its debts as they become due, (ii) has instituted against it a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or a petition is presented against it for its winding up or liquidation, in each case that is not dismissed within sixty (60) days, (iii) institutes a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or files a petition for its winding up or liquidation, (iv) makes a general assignment for the benefit of its creditors, (v) seeks or becomes subject to the appointment of a receiver over all or substantially all of its assets, or (vi) any analogous procedure or step is taken in any jurisdiction.

4.3 Effect of Expiration or Termination.

(a) Termination of Obligations: Survival. 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 termination or expiration shall not (a) relieve any party of any liabilities resulting from any breach hereof by such party on or prior to the date of such termination or expiration, (b) relieve any party of any payment obligation arising prior to the date of such termination or expiration, or (c) affect any rights arising as a result of such breach or termination or expiration. The provisions of this Section 4.3 and Section 2.3(b), the last sentence of Section 12.2(b) and Articles 13 and 14 (other than Section 14.16) shall survive any termination or expiration of this Agreement.

(b) Certain Rights of CAC Upon Expiration or Termination. Upon expiration or termination of this Agreement:

(a) CAC shall retain all right, title and interest in and to the Restaurant Premises;

(b) CAC shall retain all right, title and interest in and to the furniture, fixtures, equipment, inventory, supplies and other tangible and intangible assets used or held for use in connection with the Restaurant;

(c) CAC shall retain all right, title and interest in and to the CAC Marks and Materials (as defined in the GR Agreement); and

(d) CAC 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.

(c) Certain Rights of FERG Upon Expiration or Termination. Upon expiration or termination of this Agreement, (a) in the case of termination by CAC pursuant to Section 4.2(a) or termination pursuant to Section 4.2(c) (as a result of a termination of the GR Agreement by CAC pursuant to Section 4.2(a) thereof), CAC shall pay to FERG the Early Termination Payment.

5. RESTAURANT EMPLOYEES.

5.1 General Requirements.

(a) Employees. Subject to the terms of this Article 5, after consulting with and giving full and proper consideration to all reasonable recommendations of FERG, CAC shall be responsible for, and shall have final approval with respect to, hiring, training, managing, evaluating, promoting, disciplining and firing all kitchen and front-of-house management and staff of the Restaurant (collectively, the "Employees"). Notwithstanding anything herein to the contrary, all Employees, including all Senior Management Employees, shall be employees of CAC and shall be expressly subject to (a) CAC's human resources policies and procedures and hiring requirements in existence as of the Effective Date and as modified by CAC from time to time during the Term, and (b) the Compliance Committee requirements applicable to CAC and its Affiliates, as more particularly set forth in Section 11.2 hereof.

(b) Qualified Training by CAC. At CAC's option, exercisable in its sole discretion, all applicants for Employee front-of-house positions that require personal contact with guests of the Restaurant, as well as all cook, pantry, pastry, bakery and other skilled kitchen positions, shall be required to undergo specialized training (the "Training") and, upon the culmination of such specialized training, pass a test reasonably related to the Training in order to be qualified as an Employee. The Training shall be conducted by CAC on the Employee's own time and at the Employee's own expense. At CAC's option, exercisable in its sole discretion, the Training and related test may only be required of individuals who are employees of CAC at the time of such individual's application for a position as an Employee.

5.2 Senior Management Employees. CAC may request advice from FERG as to those individuals whom it recommends to be hired for the following positions at the Restaurant and upon such request, subject to the terms hereof, FERG shall cause its team to, use commercially reasonable efforts to give such advice to be provided within the time frames set forth below.

(a) One full-time equivalent Executive Chef (no later than sixty (60) days before the Opening Date);

(b) One full-time equivalent General Manager (no later than forty-five (45) days before the Opening Date);

(c) Two full-time equivalent Assistant Chefs (no later than thirty (30) days before the Opening Date);

(d) Two full-time equivalent Assistant Managers (no later than twenty (20) days before the Opening Date); and

The initial and any successor Executive Chef, General Manager, Assistant Chefs, Assistant Managers and Sommeliers shall be referred to collectively, as the "Senior Management Employees" and individually, a "Senior Management Employee", with the understanding that said designation is for the purposes of reference for this document only and shall not be deemed to create a requirement or expectation of any particular level of compensation or benefits that may otherwise be available to individuals employed by CAC having such employment designation. Subject to the terms of this Article 5, after consulting with and giving full and proper consideration to all reasonable recommendations of FERG if requested by CAC, CAC shall be responsible for, and shall have final approval with respect to, hiring, training, managing, evaluating, promoting, disciplining and firing Senior Management Employees (and any additional or replacement Senior Management Employees as reasonably required by CAC from time to

time). The parties acknowledge and agree that CAC is under no obligation to hire any individual recommended pursuant to this Section 5.2.

5.3 Union Agreements.

(a) Agreements. FERG acknowledges and agrees that all of CAC's agreements, covenants and obligations and all of FERG's rights and agreements contained herein are subject to the provisions of any and all collective bargaining agreements and related union agreements to which CAC or any of its Affiliates is or may become a party and that are or may be applicable to the Employees (as the same may be amended or supplemented from time to time, collectively, the "Union Agreements"). FERG agrees that all of their agreements, covenants and obligations hereunder, including those obligations to train certain Employees, shall be undertaken in such manner as to be in accordance with and to assist and cooperate with CAC's obligation to fulfill its obligations contained in the Union Agreements; provided, that CAC now and hereafter shall advise Gordon Ramsay and FERG of the obligations contained in said Union Agreements that are applicable to Employees. Notwithstanding the foregoing, in no event shall Gordon Ramsay or FERG be deemed a party to any such Union Agreement whether by reason of this Agreement, the performance of its obligations hereunder or otherwise.

(b) Amendments. FERG acknowledges and agrees that from time to time during the Term, CAC 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 CAC, in its sole discretion, including provisions for (a) notifying then-existing employees of CAC in the bargaining units represented by the applicable union of employment opportunities in the Restaurant, (b) preferences in training opportunities for such then-existing employees, (c) preferences in hiring of such then-existing employees, if such then-existing employees are properly qualified, and (d) other provisions concerning matters addressed in this Section 5.3.

(c) Conflicts. 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 5.3(c), the parties 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 (including the economic provisions contained herein), such Union Agreement and applicable law, rules and regulations.

5.4 Training Support.

(a) Pre-Opening Training. For the period prior to the Opening Date, FERG shall advise CAC as to the training FERG recommends be provided to the Senior Management Employees, including working methods, culinary style, culinary philosophy, standard of service, marketing techniques and customer service. After consulting with and giving full and proper consideration to all reasonable recommendations of FERG and/or its team, CAC shall be responsible for, and shall have final approval with respect to, training Senior Management Employees and other Employees.

(b) Refresher Training. As and if reasonably requested by CAC from time to time during the Term, FERG shall advise CAC as to the training FERG recommends be provided for refresher training of such appropriate kitchen and front-of-house Employees as reasonably selected by CAC,

including 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 full and proper consideration to all reasonable recommendations of FERG and/or its team, CAC shall be responsible for, and shall have final approval with respect to such refresher training.

5.5 Evaluations. As reasonably requested by CAC from time to time during the Term but not more than twice in any one (1) year during the Term, FERG shall be entitled to review, approve and make recommendations with respect to the annual evaluations of the Senior Management Employees as conducted by CAC; provided, however, CAC shall have final approval with respect to all aspects of same.

5.6 Employment Authorization. CAC shall be solely responsible for applying for, and shall be solely responsible for all costs and expenses related to obtaining (with the understanding that said costs shall be deemed to be an Operating Expense of the Restaurant), any work authorizations from the United States Citizenship and Immigration Services, a Bureau of the United States Department of Homeland Security ("USCIS"), that may be required in order for the Senior Management Employees to be employed by CAC at the Restaurant; provided, however, each such Employee shall be required to cooperate with CAC with respect to applying for such work authorization and shall be required to diligently provide to CAC or directly to USCIS, as applicable, all information such Employee is required to provide in support of the application for such work authorization; provided further, however, FERG expressly acknowledges that, in the event that CAC is unable to reasonably obtain such work authorization for any Employee, the offer of employment for such Employee shall be revoked.

6. LICENSE. Intentionally omitted.

7. PROMOTION AND OPERATIONAL PRESENCE.

7.1 Restaurant Visits.

(a) FERG Restaurant Visits. Neither FERG nor any member of its team (including Rowen Seibel) shall be required to visit the Restaurant at any time. In the event that CAC requests, and FERG agrees, in its sole discretion, to have Rowen Seibel or another member of the FERG team visit the Restaurant, (i) the travel expenses to and from Atlantic City shall be at the sole expense of FERG and (ii) CAC shall provide at its expense for FERG's use (and at no cost or expense to FERG), hotel accommodations in a deluxe room at the Hotel; provided, however, that FERG shall be responsible for all incidental room charges (subject to a thirty percent (30%) discount) and other expenses incurred during the occupancy of such room.

7.2 General. Any cost or expense to CAC or its Affiliates associated with the provision of travel accommodations and room charges under this Article 7 shall be for the account of CAC, and shall not be a Project Cost or an Operating Expense of the Restaurant.

7.3 Additional Reimbursement. FERG may request that expenses incurred by FERG or Rowen Seibel in connection with marketing or public relations activities be reimbursed by CAC. If the President of CAC (in his or her sole and absolute discretion) agrees to reimburse any such expense, such amount shall be included in the Operating Expense.

8. **BASE AND INCENTIVE FEES.**

8.1 **Base and Incentive Fees.**

(a) First, CAC shall pay to FERG a base fee for FERG's services equal to a percentage of Restaurant Sales in any given Fiscal Year pursuant to the following schedule (the "Base Fee"):

- (a) For Comp Sales, a quarterly payment equal to 0.9% of Comp Sales;
- (b) For Restaurant Sales up to and including the Baseline Amount, a quarterly payment equal to 0.9% of Restaurant Sales;
- (c) For Restaurant Sales greater than the Baseline Amount up to and including Two Million Two Hundred Thousand Dollars (\$2,200,000.00), a quarterly payment equal to 1.8% of Restaurant Sales;
- (d) For Restaurant Sales greater than Two Million Two Hundred Thousand Dollars (\$2,200,000.00) up to and including Three Million Three Hundred thousand Dollars (\$3,300,000.00), a quarterly payment equal to 2.1% of Restaurant Sales; and
- (e) For Restaurant Sales greater than Three Million Three Hundred Thousand Dollars (\$3,300,000.00), a quarterly payment equal to 2.4% of Restaurant Sales.

The amounts of the various thresholds referred to above (e.g. the Baseline Amount, the \$2,200,000 threshold and the \$3,300,000 threshold) shall be pro-rated for any Fiscal Year that is less than a full calendar year.

(b) Next, out of any remaining Available Restaurant Proceeds after application of the payments set out in Section 8.1(a) above, CAC shall be entitled to retain a capital reserve starting after the third anniversary of the Opening Date, in an amount equal to two percent (2%) of Total Restaurant Sales subject to a cap of Fifty Thousand Dollars (\$50,000) per Fiscal Year and a maximum of Two Hundred Fifty Thousand Dollars at any given time (the Capital Reserve) (the amount of the aggregate Capital Reserve credited by CAC hereunder less the aggregate amount expended by CAC is the "Capital Reserve Account"). No later than ninety (90) days after the end of each quarter, CAC shall credit the Capital Reserve Account with the Capital Reserve (if any) for such quarter. After the Opening Date, any replacements and capital improvements for the Restaurant which are required to be capitalized under generally accepted accounting principles ("Capital Expenditures") paid by CAC shall reduce the amount of the Capital Reserve Account (but not below zero). CAC may draw upon the Capital Reserve Account to fund Capital Expenditures in the Restaurant from time to time.

(c) Next, out of any remaining Available Restaurant Proceeds after application of the payments set out in Sections 8.1(a) and 8.1(b) above, CAC shall be entitled to retain its Project Costs for the initial Restaurant build out based upon a payback schedule of sixty (60) months following the Opening Date, with a fixed interest rate of five percent (5%) per annum on the unamortized portion thereof. If there are not sufficient positive Available Restaurant Proceeds for CAC to receive the full amount of its Project Costs in any year, the shortfall, together with all interest owing thereon, shall be retained from the Available Restaurant Proceeds in any subsequent period before payment of any other amount pursuant to Section 8.1(a)(d) below.

(d) Next, out of any remaining Available Restaurant Proceeds after application of the payments set forth in Sections 8.1(a), 8.1(b) and 8.1(c) above, at the end of each Fiscal Year, the Parties shall determine the total dollar value of 13.5% of Available Restaurant Proceeds during such Fiscal Year. FERG shall be paid an additional amount (if any) equal to the total dollar value of 13.5% of Available Restaurant Proceeds in excess of the Base Fee (the "Incentive Fee").

8.2 Timing and Manner of Payments. The Base Fee shall be payable on a quarterly basis and shall be paid by CAC no later than thirty (30) days after the end of the quarter to which it relates 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 FERG, from time to time. If the Incentive Fee is due, it shall be paid by CAC to FERG on or before April 15 of the following year.

8.3 Calculations. CAC shall be solely responsible for maintaining and shall maintain, all books and records necessary to calculate the Base Fee and Incentive Fee and, within: (a) thirty (30) days after the end of each quarter during each Fiscal Year shall deliver notice to FERG reasonably detailing the calculation of the Base Fee, and (b) by April 15 after the end of the applicable Fiscal Year shall deliver notice to FERG reasonably detailing the calculation of the Incentive Fee. CAC's calculations shall be conclusive and binding unless: (i) within thirty (30) calendar days' of CAC's delivery of such notice, FERG notifies CAC in writing of any claimed manifest calculation error therein; or (ii) such calculations are determined to be inaccurate as the result of any audit pursuant to Section 8.4. Upon receipt of any such notification, CAC shall review the claimed manifest calculation error and, within thirty (30) calendar days of such notification, advise FERG as to the corrected calculation, if any. If FERG still disagrees with such calculation, the calculation shall not be binding and FERG shall be deemed to have reserved all of his rights related thereto under this Agreement.

8.4 Audit. Subject to the remaining provisions of this Section 8.4, FERG shall be entitled at any time, at its sole cost and expense, upon ten (10) calendar days' notice to CAC, but not more than two (2) times per calendar year, to cause an audit to be made, during normal business hours, by any Person designated by FERG and approved by CAC (who shall not unreasonably withhold, delay or condition said approval), of all books, records, accounts and receipts required to be kept for the calculation of the Base Fee, Incentive Fee and/or the repayment of the Initial Capital Investment, which shall not include tax returns of CAC filed on a consolidated basis, and which audit shall be conducted without material disruption or disturbance to CAC's operations. If such audit discloses that any Base Fee, Incentive Fee and/or the repayment of the Initial Capital Investment was calculated in error, CAC shall be entitled to review such audit materials and to conduct its own audit related to such period. If CAC does not dispute the result of FERG's audit within ninety (90) days after conclusion and presentation by FERG to CAC of FERG's findings, CAC shall (in the next quarterly allocation) pay to FERG such additional monies necessary to compensate FERG. If such audit discloses that the Base Fee or Incentive Fee owed by CAC for any Fiscal Year exceeds the amount paid to FERG for such year more than five percent (5%), CAC or that the amount charged as repayment of the Initial Capital Investment was five (5%) or more less than it should have been, CAC shall pay FERG the actual third party costs of such audit. CAC may condition any audit under this Section 8.4 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 satisfactory to CAC.

9. OPERATIONS.

9.1 Marketing and Publicity. As reasonably required by CAC from time to time during the Term, FERG shall cause Rowen Seibel to consult with CAC, and provide CAC with advice regarding the marketing of the Restaurant. Notwithstanding the foregoing or anything to the contrary contained herein, CAC shall have the right to make all determinations regarding advertising, sales and promotional materials, press releases and other publicity materials and statements relating to the Restaurant or the

transactions contemplated by this Agreement and FERG will not, and will cause its Affiliates not to, publish, make or use any such materials or statements without the prior written consent of CAC. Marketing consultations and meetings with respect to same, shall take place at such times and such places as the parties agree from time to time. Throughout the Term CAC shall, without charge and not as an Operating Expense, market and advertise the Restaurant in a manner reasonably consistent with how other partnered, first class, gourmet restaurants are marketed by CAC and subject to compliance with Section 9.1 of the GR Agreement.

9.2 Operational Efficiencies. As reasonably required by CAC from time to time during the Term, FERG shall cause Rowen Seibel to consult with CAC and provide CAC with advice regarding the Restaurant's food and beverage menus, quality standards, and operational, efficiency and profitability issues; provided, however, that CAC, after fully and properly considering all reasonable recommendations received from FERG, shall have final approval with respect to all aspects of same. Such operational consulting and advice and meetings with respect to same, shall take place at such times and such places as the parties agree from time to time.

10. REPRESENTATIONS AND WARRANTIES.

10.1 CAC's Representations and Warranties. CAC hereby represents and warrants to FERG that:

(a) CAC is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization;

(b) CAC has the valid corporate 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 action on the part of CAC;

(c) no consent or approval or authorization of any Person is required in connection with CAC'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 CAC, threatened against CAC in any court or administrative agency that would prevent CAC from completing the transactions provided for herein;

(e) this Agreement constitutes the legal, valid and binding obligation of CAC, enforceable in accordance with its terms;

(f) as of the Effective Date, no representation or warranty made herein by CAC contains any untrue statement of material fact, or omits to state a material fact necessary to make such statements not misleading;

(g) at all times during the Term, the Restaurant shall be a first-class gourmet restaurant and the Hotel shall maintain the standard and quality of the Hotel existing on the Effective Date; and

10.2 FERG's Representations and Warranties. FERG hereby represents and warrants to CAC that:

(a) FERG is a limited liability company duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization;

(b) FERG has the legal capacity to execute and deliver, and perform its obligations under, this Agreement;

(c) no consent or approval or authorization of any applicable governmental authority or Person is required in connection with the execution and delivery by FERG of, and performance by FERG of its obligations under, this Agreement;

(d) there are no actions, suits or proceedings pending or, to the best knowledge of FERG, threatened against FERG in any court or before any administrative agency that would prevent FERG from completing the transactions provided for herein;

(e) this Agreement constitutes the legal, valid and binding obligation of FERG, enforceable in accordance with its terms; and

(f) as of the Effective Date, 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.

11. **STANDARDS; PRIVILEGED LICENSE.**

11.1 **Standards.** FERG acknowledges that CAC is an exclusive first-class resort hotel casino and that the Restaurant shall be an exclusive first-class restaurant and that the maintenance of CAC's and the Restaurant's reputation and the goodwill of all of CAC's and the Restaurant's guests and invitees is absolutely essential to CAC, and that any impairment thereof whatsoever will cause great damage to CAC. FERG therefore covenants and agrees 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 casino and an exclusive, first-class restaurant. FERG 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.

11.2 **Privileged License.** FERG acknowledges that CAC and CAC's Affiliates are businesses that are or may be subject to and exist because of privileged licenses issued U.S., state, local and foreign governmental, regulatory and administrative authorities, agencies, boards and officials (each a "**Gaming Authority**"; collectively, the "**Gaming Authorities**") responsible for or involved in the administration of application of laws, rules and regulations relating to gaming or gaming activities or the sale, distribution and possession of alcoholic beverages. The Gaming Authorities require CAC, and CAC deems it advisable, to have a compliance committee (the "**Compliance Committee**") that does its own background checks on, and issues approvals of, Persons involved with CAC and its Affiliates. Prior to the execution of this Agreement and, in any event, prior to the payment of any monies by CAC to FERG hereunder, and thereafter on each anniversary of the Opening Date during the Term, (a) FERG shall provide or cause to be provided to CAC written disclosure regarding its FERG Associates and (b) the Compliance Committee shall have issued approvals of all of the FERG Associates. Additionally, during the Term, on ten (10) calendar days written request by CAC to FERG, FERG shall disclose to CAC all FERG Associates. To the extent that any prior disclosure becomes inaccurate, FERG shall, within ten (10) calendar days from that event, update the prior disclosure without CAC making any further request. FERG shall cause all FERG Associates to provide all requested information and apply for and obtain all necessary approvals required or requested by CAC or the Gaming Authorities at GP's sole cost and expense. If any FERG Associate fails to satisfy any such requirement, if CAC or any of CAC's Affiliates are directed to cease

EXHIBIT A

DEVELOPMENT AND OPERATION AGREEMENT

BETWEEN

LLTQ ENTERPRISES, LLC

AND

DESERT PALACE, INC.

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DEVELOPMENT AND OPERATION AGREEMENT

THIS DEVELOPMENT AND OPERATION AGREEMENT (the "Agreement") shall be deemed made, entered into and effective as of this 4th day of April, 2012 by and between Desert Palace, Inc., a Nevada corporation having its principal place of business at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109 ("Caesars") and LLTQ Enterprises, LLC, a Delaware limited liability company having an office at 200 Central Park South, New York, NY 10019 ("LLTQ").

RECITALS

A. Caesars leases that certain real property located at 3570 Las Vegas Boulevard South, Las Vegas, Nevada on which Caesars operates a resort hotel casino known as Caesars Palace ("Caesars Las Vegas" or "Hotel");

B. Caesars desires to design, develop, construct and operate a fine-dining restaurant featuring primarily pub-style food and beverages known as "Gordon Ramsay Pub" (collectively, the "Restaurant") in those certain premises within the Caesars Las Vegas more particularly shown on Exhibit A attached hereto (the "Restaurant Premises"); and

C. Caesars desires to retain LLTQ to perform those services and fulfill those obligations with respect to consultation concerning the design, development, construction and operation of the Restaurant, and LLTQ desires to be retained by Caesars to perform such services and fulfill such obligations, and the parties desire to enter into this Agreement to set forth their respective rights and obligations with respect thereto, all as more particularly set forth herein.

NOW THEREFORE, in consideration of the promises 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 hereto agree that the foregoing recitals are true and correct and further agree as follows:

1. DEFINITIONS

As used herein, the following terms have the meanings set forth or referenced below. Other terms may be defined in other Articles and Sections of this Agreement.

"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 or comparable principal of, the specified Person or such other Person. For purposes of this definition, "control", "controlling", "controlled" mean the right to exercise, directly or indirectly, at least five percent (5%) of the voting power of the stockholders, members or owners and, with respect to any individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled Person. Notwithstanding the foregoing, with respect to Caesars, the term "Affiliate" shall only include Caesars Parent and its direct and indirect controlled subsidiaries and shall not include any shareholder or director of Caesars Parent or any Affiliate of any such shareholder or director of Caesars Parent other than an Affiliate that is Caesars Parent or its direct or indirect controlled subsidiaries. Additionally, with respect to LLTQ, the term "Affiliate" shall include Rowen Seibel and each Affiliate of Rowen Seibel but shall not include (i) any other member of LLTQ that (a) owns less than 40% of the membership interests of LLTQ and is not an Affiliate of Rowen Seibel and (b) is not a Competitor; or (ii) any Affiliate of such member of LLTQ that is described in the preceding clause (i).

"Arbitration Support Action" has the meaning set forth in Section 13.10(c).

"Baseline Amount" means one half of the amount of operating income of restaurant commonly known as 'Bradley Ogden' in Caesars Las Vegas for the twelve (12) complete months ended March 31, 2012, as determined by Caesars in a manner consistent with determination of such operating income for 2011 as disclosed to LLTQ.

"Caesars Parent" means Caesars Entertainment Corporation, a corporation organized under the laws of Delaware of the United States, and its successors and assigns.

"Capital Reserve" has the meaning set forth in Section 7.1.1.

"Capital Reserve Account" has the meaning set forth in Section 7.1.1.

"Capital Return Payment" means an amount equal to (i) LLTQ's unamortized Project Costs, assuming LLTQ's Project Costs were treated as a self-amortizing loan amortized over 60 months, minus (ii) the sum of all payments to LLTQ pursuant to Section 7.1.2.

"Competing Concepts" has the meaning set forth in Section 2.3(a).

"Competitor" shall mean any Person that, or a Person that has an Affiliate that, in each case directly or indirectly, whether as owner, operator, manager, licensor or otherwise, is engaged in the conduct of one or more Gaming Businesses or Hotel Businesses, except for a Person, or an Affiliate of a Person owning not more than a 1% interest in a publicly traded company that is involved in the Gaming Businesses or Hotel Businesses.

"Compliance Committee" has the meaning set forth in Section 10.2.

"Confidential Information" means, as to a party, information about that party and its Affiliates, including information such as business plans, strategies, costing information, prospects and locations, that (i) is furnished by or on behalf of the party to a Recipient or its Representatives, 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.

"Dispute" has the meaning set forth in Section 12.1.

"Dispute Notice" has the meaning set forth in Section 12.1.

"Early Termination Payment" means an amount equal to the amount paid or payable to LLTQ pursuant to Sections 7.1.4 and 7.1.6 for the twelve (12) complete months ended at the end of the calendar month immediately prior to the effective date of termination of this Agreement.

"Effective Date" means the later of the date of this Agreement and the date on which Caesars determines, in its sole discretion, that none of the LLTQ Associates is an Unsuitable Person.

"Exchange Act" has the meaning set forth the definition of LLTQ Change of Control.

"Exclusivity Provisions" has the meaning set forth in Section 2.3(a)(ii).

"Excusable Delay" has the meaning set forth in Section 11.3.

"Fiscal Year" means (a) for the first Fiscal Year shall mean the period commencing on the Opening Date and ending on December 31 of the calendar year in which the Opening Date occurs and (b) each subsequent period of twelve (12) months commencing on January 1 and ending on December 31 of any calendar year (or, if earlier, ending on the date of termination of this Agreement).

"Gaming Business" shall mean 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.

"GR Agreement" means the Development, Operation and License Agreement, dated as of the Effective Date, between Caesars and Gordon Ramsay with respect to the Restaurant.

"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, room rental fees and sale of merchandise computed on an accrual basis in accordance with generally accepted accounting principles consistently applied by Caesars, 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 Caesars and paid by Caesars to such employees) by patrons with respect to functions which generate Gross Restaurant Sales, (iii) amounts collected by Caesars 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 Caesars, (vii) any proceeds or other economic benefit from any sale, exchange or other disposition of all or any part of the Caesars Las Vegas or Restaurant, including any furniture, furnishings, decorations, and equipment, or any other similar items, (viii) funds provided by Caesars, (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 Caesars in a manner consistent with the determination of gross revenues of operations of Caesars 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 Caesars 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 offered on a complimentary basis by Caesars to its customers and, unless the promotion was made with the prior consent of LLTQ and Gordon Ramsay, shall include the full menu price of all food, beverages and merchandise provided on a discounted basis to its customers (except that employees of Caesars or its Affiliates shall be entitled to a twenty (20%) percent discount off the full menu price and such twenty (20%) percent discount amount shall not be included in Gross Restaurant Sales).

"Ground Lease" has the meaning set forth in Section 13.19.

"Group" has the meaning set forth in the definition of LLTQ Change of Control.

"Hotel Business" shall mean the ownership, operation or management of one or more hotels, inns, lodges or other overnight facilities.

"Initial Capital Account" is the amount of Project Costs borne by a party under Section 3.2(d) and shall be subject to repayment as set forth in Article 7.

"Mortgages" has the meaning set forth in Section 13.19.

"Net Profits" means, for any period, the amount (which shall be a positive number) by which Gross Restaurant Sales for such period exceed the Operating Expenses for such Period.

"Nevada Courts" has the meaning set forth in Section 13.10(c).

"Opening Date" means the date on which the Restaurant first opens to the general public for business.

"Operating Expenses" means, for any period, (a) the actual expenses incurred during such period in operating the Restaurant in those categories listed on the Profit and Loss Statement, in each case computed on an accrual basis in accordance with generally accepted accounting principles consistently applied by Caesars, plus (b) the License Fee (as defined in the GR Agreement) for such period, plus (c) the Services Fee (as defined in the GR Agreement) for such period, plus (d) all amounts designated as Operating Expenses in the GR Agreement, plus (e) the actual expenses incurred by Caesars during such period for operation of the Restaurant for variable expenses not reflected on such Profit and Loss Statement (including outside hood cleaning, EVS, utilities, accounting, warehouse, receiving and maintenance services), up to \$9,200 for the Fiscal Year following the Opening Date, which such limit shall be increased by two percent (2%) from the Fiscal Year's limit on January 1 of each Fiscal Year. All credits and rebates received from sponsors and/or vendors in connection with product or services used at the venue shall be a credit against Operating Expenses. For the avoidance of doubt, Operating Expenses shall not include either party's Project Costs or any amounts paid by LLTQ to Caesars pursuant to Section 2.2.

"Permanent Damage" means any damage by fire or other casualty to the Caesars Las Vegas or Restaurant (a) where the net insurance proceeds are not sufficient to restore and repair the damaged portion of the Caesars Las Vegas or Restaurant substantially to its condition and character just prior to the occurrence of such casualty or (b) where it is not reasonably practicable to restore and repair the Caesars Las Vegas or Restaurant due to restrictions under applicable Law or for other reasons beyond Caesars' reasonable control within three hundred sixty-five (365) days from the damage, in each case as reasonably determined by Caesars.

"Person" means any individual, corporation, proprietorship, firm, partnership, limited partnership, limited liability company, trust, association or other entity, including any governmental authority.

"Project Budget" has the meaning set forth in Section 3.2(b).

"Project Costs" means, (i) with respect to Caesars, all costs and expenses incurred by Caesars or its Affiliates prior to the Opening Date to accomplish the effective and efficient commencement of operations at the Restaurant on the Opening Date in accordance with the Project Budget and as set forth in the GR Agreement, including all hard and soft construction costs, the cost of all furniture, equipment and furnishings, inventories of food and beverages and other operating supplier acquired in preparation for the

opening of the Restaurant, all expenses incurred by such party or any of its Affiliates in performing services and other pre-opening functions, including expenses of business entertainment and reimbursable expenses (but excluding salary, compensation and benefits of such party's or its Affiliates' employees) and any related taxes, the cost of recruitment and related expenses for all employees of the Restaurant and the cost of pre-opening sales, marketing, advertising, promotion and publicity for the Restaurant, including all losses, expenses and reasonable attorneys' fees arising directly or indirectly from any dispute with any third party engaged to design, develop, construct or outfit the Restaurant solely, less the aggregate of all amounts paid by LLTQ to Caesars with respect thereto, and (ii) with respect to LLTQ, the aggregate of all amounts paid by LLTQ to Caesars pursuant to Section 3.2(d) prior to or after the Opening Date with respect to such costs and expenses. For the avoidance of doubt, LLTQ's Project Costs shall not include any amounts paid by LLTQ to Caesars pursuant to Section 2.2.

"Recipient" has the meaning set forth in Section 13.18(a).

"Relative" means, with respect to any Person, such Person's mother, father, spouse, brother, sister and children.

"Representatives" means, with respect to any Person, such Person's employees, agents, independent contractors, representatives and Affiliates.

"Rules" has the meaning set forth in Section 12.1.

"Seibel" has the meaning set forth in Section 2.2(b).

"Seibel Restaurant Visits" has the meaning set forth in Section 6.1.1.

"Senior Management Employee(s)" has the meaning set forth in Section 5.2.

"Substantial Damage" means any damage, other than a Permanent Damage, by fire or other casualty to the Caesars Las Vegas or Restaurant (a) that results in more than twenty percent (20%) of the area of the Caesars Las Vegas or Restaurant, as applicable, being rendered unusable, (b) where the estimated length of time required to restore the Caesars Las Vegas or Restaurant, as applicable, substantially to its condition and character just prior to the occurrence of such casualty shall be in excess of one hundred eighty (180) days or (c) if the estimated cost of restoration and repair of the damage exceeds twenty percent (20%) of the then current replacement cost of the Caesars Las Vegas or Restaurant, as applicable, in each case as determined by Caesars in its reasonable discretion.

"Term" has the meaning set forth Section 4.1.

"Third-Party Claim" has the meaning set forth in Section 13.15.1.

"LLTQ Associates" has the meaning set forth in Section 2.2(a).

"LLTQ Change of Control" means (a) 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 LLTQ, (b) the approval by the holders of the equity interests of LLTQ of any plan or proposal for the liquidation or dissolution of such Person, or (c) any Person or Group becoming the beneficial owner (as determined under Section 13(d) under the Exchange Act), directly or indirectly, of thirty-five percent (35%) or more of the aggregate voting power represented by the issued and outstanding equity interests of LLTQ 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.

"Training" has the meaning set forth in Section 5.1.2.

"Union Agreements" has the meaning set forth in Section 5.3.1.

"Unsuitable Person" is 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.

"USCIS" has the meaning set forth in Section 5.6.

"Venture" has the meaning set forth in Section 2.4(a).

2. APPOINTMENT; CONDITIONS; EXCLUSIVITY; CERTAIN RIGHTS.

2.1 Appointment. On the terms and subject to the conditions set forth in this Agreement, Caesars hereby appoints LLTQ, and LLTQ hereby agrees, to perform those services and fulfill those obligations set forth herein as to be performed or fulfilled by LLTQ (collectively, the "Services"). In addition to the terms and conditions more particularly set forth in this Agreement, LLTQ agrees to perform and cause to be performed the Services (a) in good faith and using sound business practice, due diligence and care, (b) using, at a minimum, the same degree of skill and attention that LLTQ 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), and (c) with sufficient resources and qualified personnel as are reasonably required to perform the Services in accordance with the standards set forth in this Agreement. For the avoidance of doubt, Rowen Seibel and his Relatives are Affiliates of LLTQ.

2.2 Conditions to Agreement.

(a) Notwithstanding anything to the contrary contained herein, the rights and obligations of each party under this Agreement (other than the obligations under Section 2.3, 2.4 and 8.1 and Article 13 (other than Section 13.16)), is conditioned upon (which conditions may be waived by Caesars in its sole and absolute discretion): (i) submission by LLTQ to Caesars of all information requested by Caesars regarding LLTQ, its Affiliates and the directors, officers, employees, agents, representatives and other associates of LLTQ or any of its Affiliates (collectively, the "LLTQ Associates") to ensure that they are not an Unsuitable Person; (ii) Caesars being satisfied, in its sole discretion, that no LLTQ Associate is an Unsuitable Person; and (iii) the payment by LLTQ to Caesars of one-half of all termination fees and penalties paid by

Caesars and its Affiliates to Lark Creek Café, Inc. (as set forth in an invoice delivered by Caesars to LLTQ).

(b) Notwithstanding any other provision herein, LLTQ and/or the Persons holding an interest in LLTQ shall be permitted to issue, sell, assign or transfer interests in LLTQ to any Person, so long as (i) such Person or any of such Person's Affiliates are not a Competitor of Caesars or any of its Affiliates; (ii) Rowen Seibel ("Seibel") retains voting control of LLTQ and the sole right to make decisions relating to this Agreement on behalf of LLTQ, (iii) Seibel, or his designee reasonably approved by Caesars, is the individual designated by LLTQ representing the interests of LLTQ in interfacing with Caesars relative to this Agreement providing the advice and consultation to Caesars, as contemplated in this Agreement, in connection with the operation of the Restaurant and (iv) each Person holding and/or proposed to hold any interest in LLTQ shall be subject to the internal compliance process of Caesars and/or its Affiliates and is not deemed by Caesars, its Affiliates or any Gaming Regulatory authority as an Unsuitable Person.

2.3 LLTQ Exclusivity.

(a) LLTQ covenants and agrees that, at all times during the Term, LLTQ will not and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with Caesars or any of its Affiliates, offer or agree to become engaged in or affiliated or associated with any activities, business or operations utilizing any of the GR Marks or GR Materials (in each case as defined in the GR Agreement), including as an owner, investor, operator, director, officer, manager, agent, consultant, licensor or employee, in each case within Clark County, Nevada in connection with the operation of any establishment similar to the Restaurant i.e., generally in the nature of a pub, bar, café or tavern (the "Exclusivity Provisions").

(b) If this Agreement is terminated by Caesars prior to the end of the Term originally stated herein, and LLTQ is in default or breach of this Agreement at the time of such termination, or the termination is due to the termination of the GR Agreement due to a breach thereof by GR, the Exclusivity Provisions shall continue for a period of eighteen (18) 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 LLTQ 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.

2.4 Right of First Refusal.

(a) In addition to the restriction imposed upon LLTQ pursuant to Section 2.3 above, neither LLTQ nor its Affiliates shall, except after compliance with Section 2.4(b) below, engage in or become affiliated or associated with, or offer or agree to become engaged in or affiliated or associated with, any activities, business or operations involving Gordon Ramsay or any of his Affiliates or utilizing any of the GR Marks or General GR Materials (as defined in the GR Agreement) if such activity, business or operation is either (i) located, or contemplated to be located, within Clark County, Nevada or (ii) located, or contemplated to be located, outside of Clark County, Nevada but within a twenty-five (25) mile radius of any existing or publicly announced hotel or gaming facility owned or operated (or to be owned or operated) by Caesars or any of its Affiliates (any such activity, business or operation, a "Venture").

(b) Before LLTQ 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 Venture, LLTQ shall provide Caesars with an offer, in writing, to participate in such Venture, which offer shall set forth reasonable detail regarding the proposed Venture. If Caesars (or its designated Affiliate) indicates in writing within fifteen (15) days after receipt of such offer its interest in considering such opportunity, LLTQ shall or shall cause its applicable Affiliates to enter into exclusive discussions, negotiations and due diligence with Caesars (or its designated Affiliate) for the succeeding thirty (30) days to determine if mutually agreeable terms of participation in the Venture can be reached. During such period, LLTQ shall or shall cause its applicable Affiliates to provide Caesars (or its designated Affiliate) with all reasonable supporting or other documents it may reasonably request with respect to the Venture.

3. **RESTAURANT LOCATION, DESIGN, DEVELOPMENT AND OPERATION.**

3.1 **General.** The Restaurant shall be comprised of that approximate square footage indicated on Exhibit A attached hereto. The parties acknowledge that with the consent of the parties the design of the Restaurant and the Restaurant Premises may change following the execution of this Agreement, however, the approximate square footage and placement of the Restaurant within the Restaurant Premises as designed and constructed shall not be materially different than that which is depicted in Exhibit A. At all times during the Term and thereafter Caesars shall retain all right, title and interest in and to the Restaurant Premises.

3.2 **Initial Design and Construction.**

(a) **Planning.** Subject to all of the terms and conditions more particularly set forth herein, Caesars and LLTQ shall work closely with respect to, and Caesars shall give consideration to all of LLTQ's reasonable recommendations regarding, the initial design, development, construction and outfitting of the Restaurant, including all furniture, fixtures, equipment, inventory and supplies (the "Restaurant Development Services"); provided, however, that Caesars, after consulting with LLTQ and considering all reasonable recommendations from LLTQ, shall have final approval with respect to all aspects of same but shall at all times act reasonably. Caesars shall appoint an individual or individuals, who may be changed from time to time by Caesars, acting in its sole and absolute discretion, to act as Caesars' liaison with LLTQ in the design, development, construction and outfitting of the Restaurant. Restaurant Development Services, and meetings with respect to same, shall take place in Las Vegas, Nevada.

(b) **Budgeting.** Caesars shall provide LLTQ with copies of all proposed budgets for the Project Costs (each, a "Project Budget"), and afford LLTQ the reasonable opportunity to review each such Project Budget and to make reasonable recommendations on same based upon LLTQ's experience prior to Caesars' adoption and implementation of any such Project Budget. After giving consideration to all reasonable recommendations made to the Project Budget, Caesars shall establish, control, and amend from time to time as necessary, all in Caesars' reasonable discretion, the Project Budget for the initial design, development, construction, and outfitting of the Restaurant. Caesars shall promptly advise LLTQ of, and consult with the LLTQ regarding, any material changes in, modifications to and/or deviations from any Project Budget, with the understanding that Caesars shall make all decisions related to same acting in its reasonable discretion.

(c) **Implementation of Initial Design and Construction.** Caesars shall be solely responsible for hiring, retaining and authorizing the performance of services by any and all design, development, construction and other professionals engaged in the initial design,

development, construction and outfitting of the Restaurant. At all times during the Term and thereafter, Caesars shall retain all right, title and interest in and to the furniture, fixtures, equipment, inventory, supplies and other tangible and, except as otherwise provided herein, intangible assets used or held for use in connection with the Restaurant.

(d) Costs of Initial Design and Construction. The current Project Budget is \$2,000,000. The parties agree that LLTQ shall be obligated to reimburse Caesars \$1,000,000 in Project Costs. To the extent the costs and expenses incurred to accomplish the effective and efficient commencement of operations at the Restaurant on the Opening Date exceed \$2,000,000, such excess shall be paid for and absorbed one hundred percent (100%) by Caesars, but the amount of such excess that may be included in the Project Costs of Caesars shall not exceed \$300,000.

3.3 Subsequent Refurbishment, Redesign and Reconstruction of the Restaurant. If, after the Opening Date, Caesars determines that the Restaurant requires any additional Capital Expenditures, Caesars shall give consideration to all of LLTQ's reasonable recommendations regarding the same; provided, however, that Caesars, after consulting with LLTQ and considering all reasonable recommendations from LLTQ, shall have final approval with respect to all aspects of same. For any such Capital Expenditures that exceed the amount in the Capital Reserve Account, the parties will negotiate in good faith and use commercially reasonable efforts to agree regarding the responsibility for such Capital Expenditures. If the parties cannot agree, Caesars may make the Capital Expenditure and bear the related cost (which cost shall then be recovered under Section 7.1.2 as if the cost were part of the Initial Capital Account) if, in Caesars' sole and absolute discretion, such Capital Expenditure is necessary to maintain the Restaurant in a condition of that which is associated with a first class, gourmet pub.

3.4 General Operation of the Restaurant. Unless expressly provided herein to the contrary, Caesars shall be solely responsible for:

- (a) managing the operations, business, finances and Employees of the Restaurant on a day-to-day basis;
- (b) maintaining the Restaurant;
- (c) developing and enforcing employment and training procedures, marketing plans, pricing policies and quality standards of the Restaurant;
- (d) supervising the use of the food and beverage menus and recipes developed by Gordon Ramsay pursuant to the GR Agreement; and
- (e) providing copies of the Restaurant's unaudited income statement to LLTQ (i) for each month, within fifteen (15) days after the end of each calendar month, (ii) for each quarter, within forty-five (45) days after the end of each calendar quarter and (iii) for each year, within one hundred twenty (120) days following the conclusion of each calendar year.

3.5 Meetings and Personal Appearances. Whenever scheduling any meeting or personal appearance contemplated by this Agreement, Caesars 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, Caesars 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 be made by

Caesars based upon the best interest of the Restaurant and LLTQ shall endeavor to make commercially reasonable efforts to meet the appearance schedule proposed by Caesars subject to previously scheduled commitments.

3.6 Additional Obligations. Each of Caesars and LLTQ warrants and undertakes to the other party that it shall: (a) at all times (i) fully comply with all laws, statutes, ordinances, regulations, promulgations and mandates applicable to its obligations hereunder and the operation of the Restaurant and (ii) maintain all applicable business licenses and other licenses and permits relating to its business operations or its obligations hereunder, and in each case any failure to do so shall constitute a breach of this Agreement; and (b) perform its duties hereunder with reasonable care and skill and shall cultivate and maintain good relations with the customers of the Restaurant in accordance with sound commercial principles.

4. TERM.

4.1 Term. The term of this Agreement shall commence on the Effective Date and shall expire on that date that this Agreement is terminated pursuant to the terms hereof (the "Term").

4.2 Termination.

4.2.1 For Convenience. At any time following the third (3rd) anniversary of the Opening Date, the Agreement may be terminated by Caesars upon six (6) months' written notice to LLTQ specifying the date of termination.

4.2.2 Sales Performance. At any time during the sixty (60) days following the third (3rd) anniversary of the Opening Date and the sixty (60) days following the seventh anniversary of the Opening Date, this Agreement may be terminated by Caesars by written notice to LLTQ specifying the effective date of termination if (a) in the case of termination following the third (3rd) anniversary of the Opening Date, the Gross Restaurant Sales for the twelve months prior to such anniversary are not at least Six Million Dollars (\$6,000,000.00) or (b) in the case of termination following the seventh (7th) anniversary of the Opening Date, the Gross Restaurant Sales for the twelve (12) months prior to such anniversary are not at least Ten Million Dollars (\$10,000,000.00).

4.2.3 GR Agreement Termination. This Agreement shall automatically terminate on the date that is ninety (90) days after any termination of the GR Agreement.

4.2.4 [Reserved]

4.2.5 Unsuitability. This Agreement may be terminated by Caesars upon written notice to LLTQ having immediate effect as contemplated by Section 10.2.

4.2.6 Condemnation and Casualty. This Agreement may be terminated by Caesars upon written notice to LLTQ having immediate effect as contemplated by Article 11.

4.2.7 Change of Control. This Agreement may be terminated by Caesars upon written notice to LLTQ having immediate effect if there is a LLTQ Change of Control involving any Unsuitable Person.

4.2.8 Material Breach.

(a) This Agreement may be terminated by Caesars upon written notice to LLTQ having immediate effect if, following a material breach of this Agreement by LLTQ, Caesars sends written notice of such material breach to LLTQ and LLTQ fails to cure such material breach within thirty (30) days after receipt of such notice.

(b) This Agreement may be terminated by LLTQ upon written notice to Caesars having immediate effect if, following a material breach of this Agreement by Caesars, LLTQ sends written notice of such material breach to Caesars and Caesars fails to cure such material breach within thirty (30) days after receipt of such notice for non-monetary breaches by Caesars and within five (5) days after written notice is given to Caesars for monetary breaches by Caesars (it being understood that Caesars' failure to pay any amount disputed in good faith shall not entitle LLTQ to terminate this Agreement).

4.2.9 Bankruptcy, etc.

(a) This Agreement may be terminated by Caesars upon written notice to LLTQ having immediate effect if LLTQ or Rowen Seibel, (i) becomes insolvent or admits in writing its inability to pay its debts as they become due, (ii) has instituted against it a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or a petition is presented against it for its winding up or liquidation, in each case that is not dismissed within sixty (60) days, (iii) institutes a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or files a petition for its winding up or liquidation, (iv) makes a general assignment for the benefit of its creditors, (v) seeks or becomes subject to the appointment of a receiver over all or substantially all of its assets, or (vi) any analogous procedure or step is taken in any jurisdiction.

(b) This Agreement may be terminated by LLTQ upon written notice to Caesars having immediate effect if Caesars (i) becomes insolvent or admits in writing its inability to pay its debts as they become due, (ii) has instituted against it a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or a petition is presented against it for its winding up or liquidation, in each case that is not dismissed within sixty (60) days, (iii) institutes a proceeding seeking a judgment of insolvency, suspension of payment or bankruptcy, or files a petition for its winding up or liquidation, (iv) makes a general assignment for the benefit of its creditors, (v) seeks or becomes subject to the appointment of a receiver over all or substantially all of its assets, or (vi) any analogous procedure or step is taken in any jurisdiction.

4.2.10 LLTQ Termination. LLTQ shall have the right to terminate this Agreement if Caesars materially fails, for a period of twelve (12) consecutive months, to maintain the quality standards of the Hotel in place as of the date of this Agreement, if LLTQ sends written notice to Caesars of LLTQ's intention to so terminate and Caesars fails to cure such failure within thirty (30) days after receipt of such notice.

4.3 Effect of Expiration or Termination.

4.3.1 Termination of Obligations: Survival. 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 termination or expiration shall not (a) relieve any party of any liabilities resulting from any breach hereof by such party on or prior to the date of such termination or expiration, (b) relieve any party of any payment obligation arising prior to the date of such termination or expiration, or (c) affect any rights arising as a result of such breach or termination or expiration. The provisions of

this Section 4.3 and Section 2.3(b), the last sentence of Section 11.2.2 and Articles 12 and 13 (other than Section 13.16) shall survive any termination or expiration of this Agreement.

4.3.2 Certain Rights of Caesars Upon Expiration or Termination. Upon expiration or termination of this Agreement:

- (a) Caesars shall retain all right, title and interest in and to the Restaurant Premises;
- (b) Caesars shall retain all right, title and interest in and to the furniture, fixtures, equipment, inventory, supplies and other tangible and intangible assets used or held for use in connection with the Restaurant;
- (c) Caesars shall retain all right, title and interest in and to the Caesars Marks and Materials (as defined in the GR Agreement); and
- (d) 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.

4.3.3 Certain Rights of LLTQ Upon Expiration or Termination. Upon expiration or termination of this Agreement, (a) in the case of termination by Caesars pursuant to Section 4.2.1 or termination pursuant to Section 4.2.3 (as a result of a termination of the GR Agreement by Caesars pursuant to Section 4.2.1 thereof), Caesars shall pay to LLTQ the Early Termination Payment, (b) in the case of termination by Caesars pursuant to Section 4.2.1, 4.2.2 or 4.2.3 or termination by LLTQ pursuant to Section 4.2.8(b) or Section 4.2.10, Caesars shall pay to LLTQ the Capital Return Payment and (c) in the case of termination by Caesars pursuant to Section 4.2.6, Caesars shall pay to LLTQ an amount of compensation or insurance proceeds awarded by any governmental authority or insurance carrier actually received by Caesars with respect to the underlying condemnation or casualty equal to (i) the aggregate of all such amounts actually received by Caesars, divided by (ii) the aggregate of all unamortized Project Costs of both Parties, multiplied by (iii) an amount equal to the Capital Return Payment. At Caesars' sole option, any such payment may be made (i) in twelve equal monthly installments beginning during the month of such termination or (ii) as a lump-sum payment within five (5) business days after the effective date of such termination.

5. RESTAURANT EMPLOYEES.

5.1 General Requirements.

5.1.1 Employees. Subject to the terms of this Article 5, after consulting with and giving consideration to all reasonable recommendations of LLTQ, Caesars shall be responsible for, and shall have final approval with respect to, hiring, training, managing, evaluating, promoting, disciplining and firing all kitchen and front-of-house management and staff of the Restaurant (collectively, the "Employees"). Notwithstanding anything herein to the contrary, all Employees, including all Senior Management Employees, shall be employees of Caesars and shall be expressly subject to (a) Caesars' human resources policies and procedures and hiring requirements in existence as of the Effective Date and as modified by Caesars from time to time during the Term, and (b) the compliance committee requirements applicable to Caesars and its Affiliates, as more particularly set forth in Section 10.2 hereof.

5.1.2 Qualified Training by Caesars. At Caesars' option, exercisable in its sole discretion, all applicants for Employee front-of-house positions that require personal contact with guests of the Restaurant, as well as all cook, pantry, pastry, bakery and other skilled kitchen positions, shall be required to undergo specialized training (the "Training") and, upon the culmination of such specialized

training, pass a test reasonably related to the Training in order to be qualified as an Employee. The Training shall be conducted by Caesars on the Employee's own time and at the Employee's own expense. At Caesars' option, exercisable in its sole discretion, the Training and related test may only be required of individuals who are employees of Caesars at the time of such individual's application for a position as an Employee.

5.2 Senior Management Employees. LLTQ shall advise Caesars as to those individuals whom it recommends to be hired for the following positions at the Restaurant, such advice to be provided within the time frames set forth below.

(a) One full-time equivalent Executive Chef (no later than sixty (60) days before the Opening Date);

(b) One full-time equivalent General Manager (no later than forty-five (45) days before the Opening Date);

(c) Two full-time equivalent Assistant Chefs (no later than thirty (30) days before the Opening Date);

(d) Two full-time equivalent Assistant Managers (no later than twenty (20) days before the Opening Date); and

(e) Two full-time equivalent Sommeliers - one lead and one regular (no later than twenty (20) days and ten (10) days before the Opening Date, respectively).

The initial and any successor Executive Chef, General Manager, Assistant Chefs, Assistant Managers and Sommeliers shall be referred to collectively, as the "Senior Management Employees" and individually, a "Senior Management Employee", with the understanding that said designation is for the purposes of reference for this document only and shall not be deemed to create a requirement or expectation of any particular level of compensation or benefits that may otherwise be available to individuals employed by Caesars having such employment designation. Subject to the terms of this Article 5, after consulting with and giving consideration to all reasonable recommendations of LLTQ, Caesars shall be responsible for, and shall have final approval with respect to, hiring, training, managing, evaluating, promoting, disciplining and firing Senior Management Employees (and any additional or replacement Senior Management Employees as reasonably required by Caesars from time to time). The parties acknowledge and agree that Caesars is under no obligation to hire any individual recommended pursuant to this Section 5.2.

5.3 Union Agreements.

5.3.1 Agreements. LLTQ acknowledges and agrees that all of Caesars' agreements, covenants and obligations and all of LLTQ's rights and agreements contained herein are subject to the provisions of any and all collective bargaining agreements and related union agreements to which Caesars or any of its Affiliates is or may become a party and that are or may be applicable to the Employees (as the same may be amended or supplemented from time to time, collectively, the "Union Agreements"). LLTQ agrees that all of its agreements, covenants and obligations hereunder, including those obligations to train certain Employees, shall be undertaken in such manner as to be in accordance with and to assist and cooperate with Caesars' obligation to fulfill its obligations contained in the Union Agreements; provided, that, Caesars now and hereafter shall advise LLTQ of the obligations contained in said Union Agreements that are applicable to Employees. Notwithstanding the foregoing, in no event shall LLTQ be

deemed a party to any such Union Agreement whether by reason of this Agreement, the performance of its obligations hereunder or otherwise.

5.3.2 Amendments. LLTQ acknowledges and agrees that from time to time during the Term, Caesars 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 Caesars, in its sole discretion, including provisions for (a) notifying then-existing employees of Caesars in the bargaining units represented by the applicable union of employment opportunities in the Restaurant, (b) preferences in training opportunities for such then-existing employees, (c) preferences in hiring of such then-existing employees, if such then-existing employees are properly qualified, and (d) other provisions concerning matters addressed in this Section 5.3.

5.3.3 Conflicts. 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 5.3.3, Caesars and LLTQ 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 (including the economic provisions contained herein), such Union Agreement and applicable law, rules and regulations.

5.4 Training Support.

5.4.1 Pre-Opening Training. For the period prior to the Opening Date, LLTQ shall advise Caesars as to the training LLTQ recommends be provided to the Senior Management Employees, including working methods, culinary style, culinary philosophy, standard of service, marketing techniques and customer service. After consulting with and giving full and proper consideration to all reasonable recommendations of LLTQ, Caesars shall be responsible for, and shall have final approval with respect to training Senior Management Employees and other Employees.

5.4.2 Refresher Training. As and if reasonably requested by Caesars from time to time during the Term, LLTQ shall advise Caesars as to the training LLTQ recommends be provided for refresher training of such appropriate kitchen and front-of-house Employees as reasonably selected by Caesars, including 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 full and proper consideration to all reasonable recommendations of LLTQ, Caesars shall be responsible for, and shall have final approval with respect to such refresher training.

5.5 Evaluations. As reasonably requested by Caesars from time to time during the Term but not more than twice in any one (1) year during the Term, LLTQ shall review, approve and make recommendations with respect to the annual evaluations of the Senior Management Employees as conducted by Caesars; provided, however, Caesars shall have final approval with respect to all aspects of same. Such evaluation services, and meetings with respect to same, shall take place in Las Vegas, Nevada after reasonable advance notice.

5.6 Employment Authorization. Caesars shall be solely responsible for applying for, and shall be solely responsible for all costs and expenses related to obtaining (with the understanding that said

costs shall be deemed to be an Operating Expense of the Restaurant), any work authorizations from the United States Citizenship and Immigration Services, a Bureau of the United States Department of Homeland Security ("USCIS"), that may be required in order for the Senior Management Employees to be employed by Caesars at the Restaurant; provided, however, each such Employee shall be required to cooperate with Caesars with respect to applying for such work authorization and shall be required to diligently provide to Caesars or directly to USCIS, as applicable, all information such Employee is required to provide in support of the application for such work authorization; provided further, however, LLTQ expressly acknowledges that, in the event that Caesars is unable to reasonably obtain such work authorization for any Employee, the offer of employment for such Employee shall be revoked.

6. PROMOTION AND OPERATIONAL PRESENCE.

6.1 Restaurant Visits.

6.1.1 Seibel Restaurant Visits. From and after the Opening Date, Rowen Seibel shall visit and attend to the Restaurant one (1) time each quarter of each calendar year of the Term (collectively, the "Seibel Restaurant Visits") for five (5) consecutive nights, as reasonably scheduled by Caesars taking into consideration the scheduling requirements described in Section 3.5. During the Seibel Restaurant Visits, Rowen Seibel shall participate with Caesars in a review of Restaurant operations, standards, financial results, marketing and strategy.

6.1.2 Other Las Vegas Deals. If, under the terms of any agreement or agreements with Caesars or an Affiliate of Caesars relating to any food or beverage concept, Rowen Seibel is required to visit Las Vegas, Nevada, the parties will schedule the visits required hereunder and under the other agreement or agreement so that they are contiguous. If the visits under this Agreement and the other agreement or agreements are scheduled to be contiguous, the length of the visit shall be for no more than five (5) consecutive nights unless otherwise agreed by the parties, with such portion of the visit dedicated to the Restaurant and the other concepts as determined by Caesars and its Affiliates.

6.2 Travel Expenses.

6.2.1 Subject to Section 6.2.2:

(a) for each Seibel Restaurant Visit, Caesars or its travel desk shall purchase for Rowen Seibel's use first class round trip airfare between any airport in the metropolitan New York, New York area designated from time to time by Rowen Seibel and Las Vegas McCarran International Airport; provided, however, that, upon approval from Caesars, Rowen Seibel may purchase directly (or have purchased other than by Caesars on his behalf) his airfare from any airport and receive reimbursement from Caesars in an amount equal to the lower of (a) the cost of such airfare and (b) the cost to Caesars for a first class round trip airfare between an airport (the lowest cost) in the metropolitan New York, New York area on the agreed upon date of travel;

(b) the parties shall each endeavor to ensure all such airline tickets are booked reasonably in advance of the departure date;

(c) if a Seibel Restaurant Visit is cancelled for any reason, Caesars shall be entitled to (i) the entire refund or credit, if any, resulting from the cancellation of the airline ticket associated with same, if booked by Caesars, or (ii) a refund of the entire amount paid to Rowen Seibel with respect to the associated airline ticket, if booked by or on behalf of Rowen Seibel; and

(d) during each Fiscal Year (beginning January 1, 2012), Caesars shall provide for Rowen Seibel's use (for use during the Seibel Restaurant Visits and other similar visits required under other agreements with Caesars or any of its Affiliates), at no cost or expense to Rowen Seibel, forty (40) nights in a deluxe room at the Caesars Las Vegas or the property owned by an Affiliate of Caesars known as Caesars Palace (room and all applicable taxes); provided, however, Rowen Seibel shall be responsible for all incidental room charges (subject to a thirty percent (30%) discount) and other expenses incurred during the occupancy of such room.

6.2.2 Neither party shall have any rights or obligations under Section 6.2.1 in the event that, with respect to the applicable Seibel Restaurant Visit, similar arrangements are available for Rowen Seibel's use pursuant to any other agreement between LLTQ or any of its Affiliates, on the one hand, and Caesars or any of its Affiliates, on the other hand.

6.3 General. Any cost or expense to Caesars or its Affiliates associated with the provision of travel accommodations and room charges under this Article 6 allocated to the Restaurant shall be for the account of Caesars, and shall not be a Project Cost or an Operating Expense of the Restaurant.

6.4 Additional Reimbursement. LLTQ may request that expenses incurred by Rowen Seibel in connection with marketing or public relations activities be reimbursed by Caesars. If the President of Caesars (in his or her sole and absolute discretion) agrees to reimburse any such expense, such amount shall be included in the Project Costs of Caesars.

7. RESTAURANT REVENUES AND OPERATING INCOME.

7.1 Net Profits. From and after the Opening Date, the Net Profits in respect of each Fiscal Year will be distributed and retained among the parties as set forth below. The amounts set forth in this Section 7.1 are based on a Fiscal Year equivalent to a calendar year. Accordingly, for the first Fiscal Year and any subsequent Fiscal Year consisting of less than twelve (12) months, the amounts set forth in Sections 7.1.3 through 7.1.5 shall be prorated based on the number of days in such Fiscal Year.

7.1.1 Capital Reserve. Beginning for periods starting on or after the fourth anniversary of the Opening Date, out of any remaining Net Profits after the payment of all amounts due under the GR Agreement, Caesars shall be entitled to retain a capital reserve (the "Capital Reserve") in an amount not to exceed \$50,000 per year (the amount of the aggregate Capital Reserve credited by Caesars hereunder less the aggregate amount expended by Caesars under this Section 7.1.1 is the "Capital Reserve Account"); provided, that the Capital Reserve Account shall not exceed \$250,000 at any given time. No later than ninety (90) days after the end of each quarter, Caesars shall credit the Capital Reserve Account with the Capital Reserve (if any) for such quarter. After the Opening Date, any Capital Expenditures for the Restaurant paid by Caesars shall reduce the amount of the Capital Reserve Account (but not below zero). Caesars may draw upon the Capital Reserve Account to fund Capital Expenditures in the Restaurant from time to time.

7.1.2 Initial Capital Payback. Out of any Net Profits remaining after the retention and payment of all amounts described in Section 7.1.1, Caesars shall be entitled to retain, and LLTQ shall be entitled to be paid, pro rata, an amount for any month not to exceed 1/60th of their respective Initial Capital Accounts. Should the amount of Net Profits for any period after the retention and payment of all amounts described in Section 7.1.1 be insufficient to cover the full retention and payment contemplated by this Section 7.1.2, Caesars and LLTQ shall be entitled to any remaining Net Profits and any shortfall shall be retained or paid from the Net Profits in any subsequent period before payment of any other amount pursuant to the remaining paragraphs of this Section 7.1.

7.1.3 Retention by Caesars. Out of any Net Profits remaining after the retention and payment of all amounts described in the foregoing Sections 7.1.1 and 7.1.2, Caesars shall be entitled to retain an amount not to exceed the Baseline Amount.

7.1.4 Retention by/Payment to the Parties. Caesars shall be entitled to retain and LLTQ shall be entitled to be paid Net Profits remaining after the retention and payment of all amounts described in the foregoing paragraphs of this Section 7.1 in an amount not to exceed \$1,000,000 in the aggregate, which amount shall be split equally by Caesars, on the one hand, and LLTQ, on the other hand.

7.1.5 Retention by Caesars. Out of any Net Profits remaining after the retention and payment of all amounts described in the foregoing paragraphs of this Section 7.1, Caesars shall be entitled to retain an amount not to exceed the Baseline Amount.

7.1.6 Retention by/Payment to the Parties. Caesars shall be entitled to retain and LLTQ shall be entitled to be paid the amount of any Net Profits remaining after the retention and payment of all amounts described in the foregoing paragraphs of this Section 7.1, which amount shall be split equally by Caesars, on the one hand, and LLTQ, on the other hand.

7.2 Timing and Manner of Payments. The amounts payable or retainable pursuant to Section 7.1 shall be payable or retainable, as the case may be, on a calendar quarter basis. Amounts payable to LLTQ under Section 7.1 shall be paid by Caesars no later than thirty (30) days after the end of 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 LLTQ from time to time.

7.3 Calculations. Caesars shall be solely responsible for maintaining and shall maintain, all books and records necessary to calculate the amounts retainable and payable under Section 7.1 and, within thirty (30) days after the end of each quarter during each Fiscal Year shall deliver notice to LLTQ reasonably detailing the calculation of all such amounts. Caesars' calculations shall be conclusive and binding unless, (i) within sixty (60) calendar days' of Caesars' delivery of such notice, LLTQ notifies Caesars in writing of any claimed manifest calculation error therein; or (ii) such calculations are determined to be inaccurate as the result of any audit pursuant to Section 7.4. Upon receipt of any such notification, Caesars shall review the claimed manifest calculation error and, within thirty (30) calendar days of such notification, advise LLTQ as to the corrected calculation, if any. If LLTQ still disagrees with such calculation, the calculation shall not be binding and LLTQ shall be deemed to have reserved all of its rights related thereto under this Agreement.

7.4 Audit. Subject to the remaining provisions of this Section 7.4, LLTQ shall be entitled at any time, and its sole cost and expense, upon ten (10) calendar days' notice to Caesars, but not more than two (2) times per calendar year, to cause an audit to be made, during normal business hours, by any Person designated by LLTQ and approved by Caesars (who shall not unreasonably withhold, delay or condition said approval), of all books, records, accounts and receipts required to be kept for the calculation of the amounts retainable and payable under Section 7.1, which shall not include tax returns of Caesars filed on a consolidated basis, which audit shall be conducted without material disruption or disturbance to Caesars' operations. If such audit discloses that any amount retainable or payable under Section 7.1 was calculated in error, Caesars shall be entitled to review such audit materials and to conduct its own audit related to such period. If Caesars does not dispute the result of LLTQ's audit within ninety (90) days after conclusion and presentation by LLTQ to Caesars of LLTQ's findings, Caesars shall (in the next quarterly allocation) pay to LLTQ such additional monies necessary to compensate LLTQ. If such audit discloses that the amount owed by Caesars to LLTQ for any Fiscal Year exceeds the amount paid to LLTQ for such year by more than five (5%) percent, Caesars shall pay LLTQ the actual third party costs

of such audit. Caesars may condition any audit under this Section 7.4 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 satisfactory to Caesars.

8. **OPERATIONS.**

8.1 **Marketing and Publicity.** As reasonably required by Caesars from time to time during the Term, LLTQ shall cause Rowen Seibel to consult with Caesars, and provide Caesars with advice regarding the marketing of the Restaurant. Notwithstanding the foregoing or anything to the contrary contained herein, Caesars shall have the right to make all determinations regarding advertising, sales and promotional materials, press releases and other publicity materials and statements relating to the Restaurant or the transactions contemplated by this Agreement and LLTQ will not, and will cause its Affiliates not to, publish, make or use any such materials or statements without the prior written consent of Caesars. Marketing consultations and meetings with respect to same, shall take place in Las Vegas, Nevada. Throughout the Term Caesars shall, without charge and not as an Operating Expense, market and advertise the Restaurant in a manner reasonably consistent with how other partnered, first class, gourmet restaurants are marketed by Caesars and subject to compliance with Section 9.1 of the GR Agreement.

8.2 **Operational Efficiencies.** As reasonably required by Caesars from time to time during the Term, LLTQ shall cause Rowen Seibel to consult with Caesars and provide Caesars with advice regarding the Restaurant's food and beverage menus, quality standards, and operational, efficiency and profitability issues; provided, however, that Caesars, after considering all reasonable recommendations received from LLTQ, shall have final approval with respect to all aspects of same. Such operational consulting and advice and meetings with respect to same shall take place in Las Vegas, Nevada.

9. **REPRESENTATIONS AND WARRANTIES.**

9.1 **Caesars' Representations and Warranties.** Caesars hereby represents and warrants to LLTQ that:

(a) Caesars is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization;

(b) Caesars has the valid corporate 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 action on the part of Caesars;

(c) no consent or approval or authorization of any Person is required in connection with Caesars' 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 Caesars, threatened against Caesars in any court or administrative agency that would prevent Caesars from completing the transactions provided for herein;

(e) this Agreement constitutes the legal, valid and binding obligation of Caesars, enforceable in accordance with its terms;

(f) as of the Effective Date, no representation or warranty made herein by Caesars contains any untrue statement of material fact, or omits to state a material fact necessary to make such statements not misleading; and

(g) at all times during the Term, the Restaurant shall be a first-class gourmet restaurant and the Hotel shall maintain the standard and quality of the Hotel existing on the Effective Date.

9.2 LLTQ's Representations and Warranties. LLTQ hereby represents and warrants to Caesars that:

(a) LLTQ is a limited liability company duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization;

(b) LLTQ has the legal capacity to execute and deliver, and perform its obligations under, this Agreement;

(c) no consent or approval or authorization of any applicable governmental authority or Person is required in connection with the execution and delivery by LLTQ of, and performance by LLTQ of its obligations under, this Agreement;

(d) there are no actions, suits or proceedings pending or, to the best knowledge of LLTQ, threatened against LLTQ in any court or before any administrative agency that would prevent LLTQ from completing the transactions provided for herein;

(e) this Agreement constitutes the legal, valid and binding obligation of LLTQ, enforceable in accordance with its terms;

(f) as of the Effective Date, 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; and

(g) to the best knowledge of LLTQ, Gordon Ramsay is not in breach of the GR Agreement in any respect.

10. STANDARDS; PRIVILEGED LICENSE.

10.1 Standards. LLTQ acknowledges that the Caesars Las Vegas is an exclusive first-class resort hotel casino and that the Restaurant shall be an exclusive first-class restaurant and that the maintenance of Caesars', the Caesars Las Vegas' and the Restaurant's reputation and the goodwill of all of Caesars', the Caesars Las Vegas' and the Restaurant's guests and invitees is absolutely essential to Caesars, and that any impairment thereof whatsoever will cause great damage to Caesars. LLTQ therefore covenants and agrees that (a) it shall not and shall cause its Affiliates not to take any action that dilutes or denigrates the current level of quality, integrity and upscale positioning associated with the GR Marks and General GR Materials (each as defined in the GR Agreement) and (b) 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 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 casino and an exclusive, first-class restaurant. LLTQ 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.

10.2 Privileged License. LLTQ acknowledges that Caesars and Caesars' Affiliates are businesses that are or may be subject to and exist because of privileged licenses issued U.S., state, local

and foreign governmental, regulatory and administrative authorities, agencies, boards and officials (the "Gaming Authorities") responsible for or involved in the administration of application of laws, rules and regulations relating to gaming or gaming activities or the sale, distribution and possession of alcoholic beverages. The Gaming Authorities require Caesars, and Caesars deems it advisable, to have a compliance committee (the "Compliance Committee") that does its own background checks on, and issues approvals of, Persons involved with Caesars and its Affiliates. Prior to the execution of this Agreement and, in any event, prior to the payment of any monies by Caesars to LLTQ hereunder, and thereafter on each anniversary of the Opening Date during the Term, (a) LLTQ shall provide to Caesars written disclosure regarding the LLTQ Associates, and (b) the Compliance Committee shall have issued approvals of the LLTQ Associates. Additionally, during the Term, on ten (10) calendar days written request by Caesars to LLTQ, LLTQ shall disclose to Caesars all LLTQ Associates. To the extent that any prior disclosure becomes inaccurate, LLTQ shall, within ten (10) calendar days from that event, update the prior disclosure without Caesars making any further request. LLTQ shall cause all LLTQ Associates to provide all requested information and apply for and obtain all necessary approvals required or requested by Caesars or the Gaming Authorities. If any LLTQ Associate fails to satisfy or 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 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 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 10.2 shall not be subject to dispute by LLTQ and shall not be the subject of any proceeding under Article 12.

11. CONDEMNATION; CASUALTY; FORCE MAJEURE.

11.1 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 Caesars 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 (thirty percent (30%) or more) shall be taken under power of eminent domain by any governmental authority or conveyed by Caesars to any governmental authority in lieu of such taking (as determined by Caesars in its sole and absolute discretion), Caesars may, in the exercise of its sole discretion, terminate this Agreement upon written notice give not more than thirty (30) calendar days after the date of such taking. Except to the extent otherwise provided in Section 4.3.3, all compensation awarded by any such governmental authority shall be the sole property of Caesars and LLTQ shall have no right, title or interest in and to same except that LLTQ may pursue its own separate claim; provided, that its claim will not reduce the award granted to Caesars.

11.2 Casualty.

11.2.1 Permanent and Substantial Damage. If the Caesars Las Vegas or the Restaurant experiences any Permanent Damage or any Substantial Damage, in each case Caesars shall have the right to terminate this Agreement upon written notice having immediate effect delivered to LLTQ within one hundred twenty (120) days after the occurrence of the Permanent Damage or Substantial Damage, as the case may be. Except to the extent otherwise provided in Section 4.3.3, all insurance proceeds recovered

in connection with any damage or casualty to the Caesars Las Vegas or the Restaurant shall be the sole property of Caesars and LLTQ shall have no right, title or interest in and to same.

11.2.2 Obligation in Connection With a Casualty. If (i) Caesars does not terminate this Agreement the event of a Substantial Damage to the Caesars Las Vegas or the Restaurant within the time periods provided in Section 11.2.1, (ii) restoration and repair of the damage is permitted under applicable Law and the terms of any agreement to which Caesars or any of its Affiliates is a party and (iii) Caesars has received net insurance proceeds sufficient to complete restoration and repair, Caesars shall use commercially reasonable restore and repair the Caesars Las Vegas 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 hundred eighty (180) days following the occurrence of the damage, LLTQ shall have the right to terminate this Agreement upon written notice having immediate effect delivered to Caesars within one hundred twenty (120) days after one hundred eighty (180) days following the date of the damage and Caesars shall have no liability related to the failure of such completion to have occurred.

11.3 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 laws, 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 11.3 shall be deemed waived.

11.4 No Extension of Term. Nothing in this Article 11 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.

12. ARBITRATION.

12.1 Dispute Resolution. Except for a breach by LLTQ of Section 2.3, 2.4 or 13.18, in the event of any other dispute, controversy or claim arising out of or relating to this Agreement between the parties to this Agreement ("Dispute"), either party may serve written notice (a "Dispute Notice") upon the other party setting forth the nature of the Dispute and the relief sought, and the parties shall attempt to resolve the Dispute by negotiation. If the Dispute has not been resolved within thirty (30) days of receipt of a Dispute Notice, either party may serve on the other party a request to resolve the Dispute by arbitration. All Disputes not resolved by the foregoing negotiation shall be finally settled by binding arbitration. Such arbitration shall be held in Las Vegas, Nevada in accordance with the Commercial Rules of Arbitration of the American Arbitration Association ("AAA"), in effect on the date of the Dispute Notice (the "Rules") by one or more arbitrators appointed in accordance with Section 12.2 hereof.

12.2 Arbitrator(s). If the claim in the Dispute Notice does not exceed Two Hundred Thousand and 00/100 Dollars (\$200,000.00), there shall be a single arbitrator nominated by mutual agreement of the parties and appointed according to the Rules. If the claim in the Dispute Notice exceeds Two Hundred Thousand and 00/100 Dollars (\$200,000.00), the arbitration panel shall consist of three (3) members unless both parties agree to use a single arbitrator. One of the arbitrators shall be nominated by Caesars, one of the arbitrators shall be nominated by LLTQ and the third, who shall serve as chairman, shall be nominated by the two (2) party-arbitrators within thirty (30) days of the confirmation of the nomination of

the second arbitrator. If either party fails to timely nominate an arbitrator in accordance with the Rules, or if the two (2) arbitrators nominated by the parties fail to timely agree upon a third arbitrator, then such arbitrator will be selected by the AAA Court of Arbitration in accordance with the Rules. The arbitral award shall be final and binding on the parties and may be entered and enforced in any court having jurisdiction over any of the parties or any of their assets.

13. MISCELLANEOUS.

13.1 No Partnership or Joint Venture. Nothing expressed or implied by the terms of this Agreement shall make or constitute any party hereto the agent, partner or joint venturer of and with any other party. Accordingly, the parties acknowledge and agree that all payments made to LLTQ under this Agreement shall be for services rendered as an independent contractor and, unless otherwise required by law, Caesars 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.

13.2 Successors, Assigns and Delagees. No party may assign this agreement or any right, benefit or obligation hereunder, or delegate any obligation hereunder, without the prior written of the other parties (which consent may be withheld in such other parties' sole discretion); provided, however, that Caesars may assign or delegate all or any portion of this Agreement to an Affiliate of Caesars and may assign this Agreement in whole as contemplated by Section 13.4; provided further, that LLTQ may assign this Agreement in its entirety to a Person approved by Caesars (subject to: (i) LLTQ having first provided to Caesars written disclosure regarding such Person; and (ii) the Compliance Committee having issued its necessary approvals, and (iii) the assignee shall affirm in writing its assumption of all obligations of LLTQ under this Agreement other than Seibel Restaurant Visits). Without limiting the foregoing, the parties acknowledge and agree that Caesars is relying upon the skill and expertise of Rowen Seibel in entering into this Agreement and accordingly, the obligations and duties of LLTQ specifically designated hereunder to be performed by Rowen Seibel are personal to Rowen Seibel and are not assignable or delegable by LLTQ or Rowen Seibel to any other Person without the prior written consent of Caesars (which consent may be withheld in Caesars' sole discretion). Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns and delagees.

13.3 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 anyone 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 Caesars' or LLTQ's right to any other remedy.

13.4 Divestiture or Transfer of Management Rights of Caesars Las Vegas. Notwithstanding Section 13.2, Caesars may assign this Agreement to any purchaser or other acquirer of the Caesars Las Vegas or to any entity to which Caesars assigns management or operational responsibility of the Caesars Las Vegas. Notwithstanding the foregoing, Section 2.3 and Section 2.4 shall terminate upon consummation of such divestiture or assignment unless otherwise agreed by the acquirer or assignee and LLTQ.

13.5 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, or (d) ten (10) calendar days after being placed in the mail, as applicable, registered or certified, postage prepaid

addressed to the following addresses (each of the parties shall be entitled to specify a different address by giving notice as aforesaid):

If to Caesars:

Desert Palace Inc.
One Caesars Palace Drive
Las Vegas, Nevada 89109
Attention: General Counsel

With a copy (which shall not constitute notice) to:

Caesars Entertainment Corporation
One Caesars Palace Drive
Las Vegas, Nevada 89109
Attention: General Counsel

If to LLTQ:

LLTQ Enterprises, LLC
200 Central Park South
New York, NY 10019

With a copy (which shall not constitute notice) to:

Certilman Balin
90 Merrick Avenue
East Meadow, NY 11554
United States of America
Attention: Brian K. Ziegler, Esq.

13.6 Entire Agreement. This Agreement 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.

13.7 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.

13.8 Amendment and Modification. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound. 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.

13.9 Headings. 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.

13.10 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) 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 LLTQ of the covenants contained in Section 2.3, 2.4 or 13.18 of this Agreement. Accordingly, Caesars 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 each party (on behalf of itself and its Affiliates) consents to the entry thereof. In the event that any proceeding is brought in equity to enforce the provisions of this Agreement, no party hereto shall allege, and each party hereto hereby waives the defense or counterclaim that there is an adequate remedy at law.

(c) Subject to the provisions of Section 13.1, LLTQ and Caesars each agree to submit to the exclusive jurisdiction of any state or federal court within the Clark County Nevada (the "Nevada Courts") for any court action or proceeding to compel or in support of arbitration or for provisional remedies in aid of arbitration, including but not limited to any action to enforce the provisions of Article 12 (each an "Arbitration Support Action") or for any action or proceeding contemplated by Section 13.10(b). Each of the parties hereto irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding in a Nevada Court arising out of this Agreement including, but not limited to, an Arbitration Support Action or action or proceeding contemplated by Section 13.10(b) 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.

13.11 Interpretation. 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. The use of the terms "includes" or "including" shall in all cases herein mean "includes, without limitation" and "including, without limitation", respectively. When an obligation or duty under this Agreement is to be performed by Rowen Seibel, this Agreement shall be interpreted as if such obligation or duty was an obligation or duty of LLTQ for purposes of responsibility for any breach of such obligation or duty.

13.12 Third Persons. Except as provided in Section 13.15 and 13.17, nothing in this Agreement, expressed or implied, is intended to confer upon any Person other than the parties hereto any rights or remedies under or by reason of this Agreement.

13.13 Attorneys' Fees. The prevailing party in any dispute that arises out of or relates to 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 attorneys' fees and costs, incurred in such action.

13.14 Counterparts. This Agreement may be executed in counterparts, each one of which so executed shall be deemed an original, and both of which shall together constitute one and the same agreement.

13.15 Indemnification Against Third Party Claims.

13.15.1 By Caesars. Caesars covenants and agrees to defend, indemnify and save and hold harmless LLTQ, its Affiliates and LLTQ's and its Affiliates' 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 attorneys' fees, incurred or suffered by them arising directly or indirectly from any claim, action, suit, demand, assessment, investigation, arbitration or other proceeding by or in respect of a any third Person (a "Third-Party Claim") arising out of Caesars' performance of its obligations under or in connection with this Agreement.

13.15.2 By LLTQ. LLTQ covenants and agrees to defend, indemnify and save and hold harmless Caesars and its Affiliates and Caesars' and its Affiliates' 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 attorneys' fees, incurred or suffered by them arising directly or indirectly from any Third-Party Claim arising out of (a) LLTQ's performance of its obligations under or in connection with this Agreement or (b) to the extent covered by the insurance coverage required to be maintained by LLTQ pursuant to this Agreement, Gordon Ramsay's performance of his obligations under or in connection with the GR Agreement.

13.15.3 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 Section 13.15, the Indemnified Person asserting a claim for indemnification under this Section 13.15 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 Indemnifying Person and reasonably acceptable to the Indemnified 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 such Third Party Claim in a timely manner or, in the case of Caesars, if the Third Party Claim is asserted by any Governmental Authority, may defend such 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 Section 13.15 without the prior written consent of the other.

13.16 Insurance. LLTQ will maintain at all times during the Term, insurance for claims which may arise from, or in connection with, services performed/products furnished by LLTQ, its agents, representatives, employees or subcontractors with coverage at least as broad and with limits of liability not less than those stated below. Notwithstanding LLTQ's obligation to maintain the coverage described herein, Caesars shall pay for the policy premium related to said coverage, with said premium payment not being treated as an Operating Expense as such is defined herein.

- 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

Evidence of Insurance: Before the Effective Date, immediately upon the renewal of any policy required above, and upon request, LLTQ shall provide Caesars and Caesars Operating Company, Inc. ("Caesars") with a Certificate of Insurance in accordance with the foregoing and referencing the services to be provided. Such certificate of insurance is to be delivered to Caesars and in electronic format to Ins_Certs@Caesars.com.

General Terms: All policies of insurance shall (1) provide for cancellation of not less than thirty (30) days prior written notice to Caesars and Caesars, (2) have a minimum A.M. Best rating of A+, (3) be primary and non-contributory with respect to any other insurance or self-insurance program of Caesars or Caesars, and (4) provide a waiver of subrogation in favor of Caesars and Caesars. LLTQ further agrees that any subcontractors engaged by LLTQ will carry like and similar insurance with the same additional insured requirements.

Additional Insured. Insurance required to be maintained by LLTQ pursuant to this Section 13.16 (excluding workers compensation) shall name Caesars and Caesars, including their Affiliates (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 LLTQ even if those limits of liability are in excess of those required by this contract.

Failure to Maintain Insurance. Failure to maintain the insurance required in this Section 13.16 will constitute a material breach and may result in termination of this Agreement at Caesars' option except if failure to maintain such insurance is caused by Caesars' acts or omissions.

Representation of Insurance. By requiring the insurance as set out in this Section 13.16, Caesars does not represent that coverage and limits will necessarily be adequate to protect LLTQ, and such coverage and limits shall not be deemed as a limitation on LLTQ's liability under the indemnities provided to Caesars in this Agreement, or any other provision of the Agreement.

13.17 Withholding and Tax Indemnification.

(a) LLTQ represents that no amounts due to be paid to LLTQ hereunder are subject to withholding. If Caesars is required to deduct and withhold from any payments or other consideration payable or otherwise deliverable pursuant to this Agreement to LLTQ any amounts under the Internal Revenue Code of 1986, as amended (the "Code"), or any provision of United States federal, state, local or foreign law, statute, regulation, treaty, administrative ruling, pronouncement or other authority or judicial opinion, Caesars agrees that, prior to said deduction and withholding, it shall provide LLTQ with 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 Caesars, LLTQ shall promptly deliver to Caesars all the appropriate Internal Revenue Service forms necessary for Caesars, in its sole and absolute discretion, deems necessary 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, LLTQ shall be responsible for and shall indemnify and hold harmless Caesars and its Affiliates against (i) all Taxes (including any interest and penalties imposed thereon) payable by or assessed against Caesars or any of its Affiliates with respect to all amounts payable by Caesars to LLTQ pursuant to this Agreement and (ii) any and all claims, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) suffered or paid by Caesars or any of its Affiliates as a result of or in connection with such Taxes. Caesars shall have the right to reduce any payment payable by Caesars to LLTQ pursuant to this Agreement in order to satisfy any indemnity claim pursuant to this Section 13.17. For purposes of this Section 13.17, the term "Tax" or "Taxes" 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.

13.18 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 the Representatives 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 laws, regulation or legal process (but only after compliance with Section 13.18(b)); and (iii) except as otherwise agreed by the party to which the Confidential Information belongs in writing. Each party receiving, or whose Representatives receive, Confidential Information of another party (a "Recipient") shall inform its 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, regulation 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 sole 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.

13.19 Subordination. For the avoidance of doubt, the Agreement does not create in favor of LLTQ any interest in real or personal property or any lien or encumbrance on the Caesars Las Vegas or any ground or similar lease affecting all or any portion of the Caesars Las Vegas (as the same may be

renewed, modified, consolidated, replaced or extended, a "Ground Lease"). LLTQ acknowledges and agrees that Caesars may from time to time assign or encumber all or any part of its interest in the Caesars Las Vegas 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 LLTQ hereunder whether with respect to the Caesars Las Vegas and the revenue thereof or otherwise, 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, LLTQ shall have no right to encumber or subject the Caesars Las Vegas or the Restaurant, or any interest of Caesars therein, to any lien, charge or security interest, including any mechanic's or materialman's lien, charge or encumbrance of any kind. LLTQ, 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 Caesars in its sole discretion) within ten (10) days after LLTQ first has notice thereof. If LLTQ fails to timely take such action, Caesars may pay the claim relating to such lien, charge or security interest and any amounts so paid by Caesars shall be reimbursed by LLTQ upon demand.

13.20 Comps and Reward Points. LLTQ shall be entitled to reasonable comp privileges to be reasonably agreed to by the parties. Caesars 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 Caesars Las Vegas. For purposes of this Agreement, one reward point shall entitle the holder thereof to \$1.00 of food or beverage in the Restaurant.

13.21 Intellectual Property Rights. Except with respect to the GR Marks and GR Materials, LLTQ acknowledges and agrees that Caesars shall own: (a) any works, trade names, trademarks, designs, trade dress, service names and service marks, and registrations thereof and applications for registration thereof, and all works of authorship, programs, techniques, processes, formulas, 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 any party for use in association with the Restaurant or otherwise pursuant to this Agreement; (b) any materials that that are created by any party pursuant to this Agreement in which any intellectual property rights of LLTQ or any of its Affiliates are embodied or incorporated, including all photographic or video images, all promotional materials and all marketing materials produced in accordance with this Agreement; and (c) any other works, designs, trademarks, trade names, services marks and registrations thereof, programs, techniques, processes, formulas, developmental or experimental work, work-in-process, plans and specifications and any other materials or work product that were created by Caesars. LLTQ acknowledges and agrees that LLTQ shall not have or obtain any right, title or interest in or to any of such marks or materials.


13.22 Additional Restaurant Projects. 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 development and operation agreement entered into December 5, 2011 between TPOV Enterprises, LLC (an affiliate of LLTQ), on the one hand, and Paris Las Vegas Operating Company, LLC, on the other hand (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).

13.23 Submission of Agreement. Submission of this Agreement to LLTQ does not constitute an offer to contract; this Agreement shall become effective only upon execution and delivery thereof by Caesars to LLTQ. LLTQ acknowledges, understands and agrees that Caesars' willingness to enter into this Agreement is predicated upon successful approval of this Agreement by Caesars' capital committee (the "Capital Committee") (a definition and determination of which shall be in the Capital Committee's sole and exclusive discretion).

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the Effective Date first written hereinabove.

Desert Palace, Inc


By: 

Name: John Payne

Its: President, Enterprise Shared Services

Date: 4/13/2012

LLTQ Enterprises, LLC

By: 

Name: Rowen Seibel

Its: Managing Member

Date: 4/4/12

EXHIBIT A

RESTAURANT PREMISES

(SEE ATTACHED)

EXHIBIT B

DEVELOPMENT, OPERATION AND LICENSE AGREEMENT

AMONG

GORDON RAMSAY,

GORDON RAMSAY HOLDINGS LIMITED

AND

DESERT PALACE, INC.

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DEVELOPMENT, OPERATION AND LICENSE AGREEMENT

THIS DEVELOPMENT, OPERATION AND LICENSE AGREEMENT (the "Agreement") shall be deemed made, entered into and effective as at the [] day of November, 2011 by and among Desert Palace, Inc., a Nevada corporation having its principal place of business at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109 ("Caesars"), Gordon Ramsay Holdings Limited a UK limited company having its principal place of business located at 1 Catherine Place London SW1E 6DX ("GRH"), and to the extent specifically provided herein Gordon Ramsay, an individual.

RECITALS

A. Caesars leases that certain real property located at 3570 Las Vegas Boulevard South, Las Vegas, Nevada on which Caesars operates a resort hotel casino known as Caesars Palace ("Caesars Las Vegas" or "Hotel");

B. GRH has exclusive rights to use and exploit the GR Marks and General GR Materials and also has certain qualifications, expertise and reputation in development and operation of first-class restaurants;

C. Caesars desires to design, develop, construct and operate a restaurant featuring primarily pub-style food and beverages known as "Gordon Ramsay Pub" (collectively, the "Restaurant") in those certain premises within the Caesars Las Vegas more particularly shown on Exhibit A attached hereto (the "Restaurant Premises"); and

D. Caesars desires to obtain a royalty-free license to use the GR Marks and General GR Materials from GRH and for GRH to supply the services of Gordon Ramsay and/or his team to perform certain services and fulfill certain obligations with respect to consultation concerning the design, development, construction and operation of the Restaurant, and GRH desires to grant a royalty-free license to use the GR Marks and General GR Materials to Caesars and GRH shall procure that Gordon Ramsay and/or other employees shall perform such services and fulfill such obligations, and the parties desire to enter into this Agreement to set forth their respective rights and obligations with respect thereto, all as more particularly set forth herein.

NOW THEREFORE, in consideration of the promises 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 hereto agree that the foregoing recitals are true and correct and further agree as follows:

I. DEFINITIONS

As used herein, the following terms have the meanings set forth or referenced below. Other terms may be defined in other Articles and Sections of this Agreement.

"Additional GR Restaurant Visits" has the meaning set forth in Section 7.2.

"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 or comparable principal of, the specified Person or such other Person. For purposes of this definition, "control", "controlling", "controlled" mean the right to exercise, directly or indirectly, at least five percent (5%) of the voting power of the stockholders, members or owners and, with respect to any individual, partnership, trust or other entity or association, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled Person.

Notwithstanding the foregoing, with respect to Caesars, the term "Affiliate" shall only include Caesars Parent and its direct and indirect controlled subsidiaries and shall not include any shareholder or director of Caesars Parent or any Affiliate of any such shareholder or director of Caesars Parent other than an Affiliate that is Caesars Parent or its direct or indirect controlled subsidiaries.

"Arbitration Support Action" has the meaning set forth in Section 14.10(c).

"Caesars Marks and Materials" has the meaning set forth in Section 6.2.

"Caesars Parent" means Caesars Entertainment Corporation, a corporation organized under the laws of Delaware of the United States, and its successors and assigns.

"Competing Concepts" has the meaning set forth in Section 2.3(a).

"Confidential Information" means, as to a party, information about that party and its Affiliates, including information such as business plans, strategies, costing information, prospects and locations, that (i) is furnished by or on behalf of the party to a Recipient or its Representatives, 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.

"Dispute" has the meaning set forth in Section 13.1.

"Dispute Notice" has the meaning set forth in Section 13.1.

"Early Termination Payment" means an amount equal to fifty percent (50%) of the amount paid or payable to GRH pursuant to Section 8.1 for the six (6) complete months ended at the end of the calendar month immediately prior to the effective date of termination of this Agreement.

"Effective Date" means the later of the date of this Agreement and the date on which Caesars determines, in its sole discretion, that none of the GR Associates is an Unsuitable Person.

"Exchange Act" has the meaning set forth the definition of GR Change of Control.

"Exclusivity Provisions" has the meaning set forth in Section 2.3(a)(ii).

"Excusable Delay" has the meaning set forth in Section 12.3.

"Existing Restaurants" has the meaning set forth in Section 2.4(c).

"Fiscal Year" means (a) for the first Fiscal Year shall mean the period commencing on the Opening Date and ending on December 31 of the calendar year in which the Opening Date occurs and (b) each subsequent period of twelve months commencing on January 1 and ending on December 31 of any calendar year.

"GR Associates" has the meaning set forth in Section 2.2.

"GR Marks" means the trademark "Gordon Ramsay Pub & Grill", and the name, likeness, voice, image and sobriquet of Gordon Ramsay and the other trademarks for Gordon Ramsay Pub & Grill set forth on Exhibit B.

"General GR Materials" means such menus and recipes (a) created by or for Gordon Ramsay or GRH or containing trade secrets of Gordon Ramsay or GRH as of the Effective Date and (b) as are provided from time to time by Gordon Ramsay or GRH to Caesars for the purposes of this Agreement.

"GR Promotional Visits" has the meaning set forth in Section 7.1.

"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, room rental fees and sale of merchandise computed on an accrual basis in accordance with generally accepted accounting principles consistently applied by Caesars, 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 Caesars and paid by Caesars to such employees) by patrons with respect to functions which generate Gross Restaurant Sales, (iii) amounts collected by Caesars 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 Caesars, (vii) any proceeds or other economic benefit from any sale, exchange or other disposition of all or any part of the Caesars Las Vegas or Restaurant, including any furniture, furnishings, decorations, and equipment, or any other similar items, (viii) funds provided by Caesars, (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 Caesars in a manner consistent with the determination of gross revenues of operations of Caesars 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 Caesars 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 and beverages offered on a complimentary basis by Caesars to its customers and, unless the promotion was made with the prior consent of LLTQ and GRH, shall include the full menu price of all food and beverages provided on a discounted basis to its customers (except that employees of Caesars or its Affiliates shall be entitled to a twenty (20%) percent discount off the full menu price and such twenty (20%) percent discount amount shall not be included in Gross Restaurant Sales).

"Ground Lease" has the meaning set forth in Section 14.18.

"GR Restaurant Visits" has the meaning set forth in Section 7.2.

"GR Entities" has the meaning set forth in Section 10.2.5.

"Initial Term" has the meaning set forth in Section 4.1.

"License Fee" has the meaning set forth in Section 8.1(a).

"LLTQ" means LLTQ Enterprises, LLC, a Delaware limited liability company.

"LLTO Agreement" means the Development and Operation Agreement, dated as of the Effective Date, between Caesars and LLTQ with respect to the Restaurant.

"Menu Development Services" has the meaning set forth in has the meaning set forth in Section 3.2.1.

"Mortgages" has the meaning set forth in Section 14.18.

"Nevada Courts" has the meaning set forth in Section 14.10(c).

"Opening Date" has the meaning set forth in Section 4.1.

"Permanent Damage" means any damage by fire or other casualty to the Caesars Las Vegas or Restaurant (a) where the net insurance proceeds are not sufficient to restore and repair the damaged portion of the Caesars Las Vegas or Restaurant substantially to its condition and character just prior to the occurrence of such casualty or (b) where it is not reasonably practicable to restore and repair the Caesars Las Vegas or Restaurant due to restrictions under applicable Law or for other reasons beyond Caesars' reasonable control within three hundred sixty five (365) days from the damage, in each case as reasonably determined by Caesars.

"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 14.17(a).

"Relative" means, with respect to any Person, such Person's mother, father, spouse, brother, sister and children.

"Representatives" means, with respect to any Person, such Person's employees, agents, independent contractors, representatives and Affiliates.

"Restaurant Venture" has the meaning set forth in Section 2.4(a).

"Rules" has the meaning set forth in Section 13.1.

"Senior Management Employee(s)" has the meaning set forth in Section 5.2.

"Services Fee" has the meaning set forth in Section 8.1(b).

"Substantial Damage" means any damage, other than a Permanent Damage, by fire or other casualty to the Caesars Las Vegas or Restaurant (a) that results in more than twenty percent (20%) of the area of the Caesars Las Vegas or Restaurant, as applicable, being rendered unusable, (b) where the estimated length of time required to restore the Caesars Las Vegas or Restaurant, as applicable, substantially to its condition and character just prior to the occurrence of such casualty shall be in excess of one hundred eighty (180) days or (c) if the estimated cost of restoration and repair of the damage exceeds twenty percent (20%) of the then current replacement cost of the Caesars Las Vegas or Restaurant, as applicable, in each case as determined by Caesars in its reasonable discretion.

"Team Visits" has the meaning set forth in Section 7.2.

"Term" has the meaning set forth Section 4.1.

"Third-Party Claim" has the meaning set forth in Section 14.15.1.

"Training" has the meaning set forth in Section 5.1.2.

"Union Agreements" has the meaning set forth in Section 5.3.1.

"Unsuitable Person" is 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.

"USCIS" has the meaning set forth in Section 5.6.

2. APPOINTMENT; CONDITIONS; EXCLUSIVITY; CERTAIN RIGHTS.

2.1 Appointment. On the terms and subject to the conditions set forth in this Agreement, Caesars hereby appoints GRH (including both Gordon Ramsay and other GRH employees), and GRH and Gordon Ramsay hereby agree, to perform their respective services and fulfill those obligations set forth herein as to be performed or fulfilled by them (collectively, the "Services"). In addition to the terms and conditions more particularly set forth in this Agreement, GRH and Gordon Ramsay each agree to perform and cause to be performed the Services (a) in good faith and using sound business practice, due diligence and care, (b) using, at a minimum, the same degree of skill and attention that Gordon Ramsay or his 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), and (c) with sufficient resources and qualified personnel as are reasonably required to perform the Services in accordance with the standards set forth in this Agreement.

2.2 Conditions to Agreement. Notwithstanding anything to the contrary contained herein, the rights and obligations of each party under this Agreement (other than the obligations under Section 2.3, 2.4 and 9.1 and Article 14), is conditioned upon (which conditions may be waived by Caesars in its sole and absolute discretion): (a) submission by or on behalf of Gordon Ramsay and GRH to Caesars of all information requested by Caesars regarding Gordon Ramsay, GRH, their respective Affiliates and their respective directors, officers, employees, agents, representatives and other associates (collectively, the "GR Associates") to ensure that they are not an Unsuitable Person; and (b) Caesars being satisfied, in its sole discretion, that no GR Associate is an Unsuitable Person.

2.3 Exclusivity.

2.3.1 (i) Each of Gordon Ramsay and GRH covenants and agrees that, at all times during the Term, each of Gordon Ramsay and GRH will not and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with Caesars or any of its Affiliates, use, or permit or license or offer or agree to permit or license any other Person to use, any GR Mark or General GR Materials within Clark County, Nevada in connection with the operation of a restaurant substantially similar to the Restaurant, including any Gordon Ramsay "gastro pub" or similar restaurant with a primary focus of serving: (a) premium beers and (b) upscale pub, tavern or bar & grill foods, such as fish & chips, and other classic English fare as well as American bar and grill classics like burgers, carved sandwiches, sausage, hot dogs and steaks and mixed grills (all such substantially similar restaurants, "Competing Concepts"), excluding any operation for Caesars or its Affiliates; and (ii) each of Gordon Ramsay and GRH covenants and agrees that, at all times during the Term, each of Gordon Ramsay and GRH will not and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with Caesars or any of its Affiliates, engage in or become affiliated or associated with, or offer or agree to become engaged in or affiliated or associated with, any activities, business or operations involving any Competing Concept which is located within Clark County, Nevada, including as an owner, investor, operator, director, officer, manager, agent, consultant, licensor or employee of any such Competing Concept (collectively, clauses (i) and (ii), the "Exclusivity Provisions"). For purposes of clarification, nothing in the definition of Competing Concepts shall be deemed to include Gordon Ramsay's current concepts "Fat Cow", "Fat Cow Burger", or "Hell's Kitchen", so long as such concepts do not have Gordon Ramsay's name form part of the core branding of these concepts, i.e. is not used in its name or moniker. In addition, with respect to the Hell's Kitchen concept, it shall not be considered a Competing Concept so long as it: w) has an average check of \$40 or greater; x) is course menu driven not dish header driven (i.e. menu sections titled "Starters", "Entrees" and "Desserts", not "Snacks", "Appetizers", "Burgers/Sliders", "Sandwiches", "Salads", etc.); y) has a beverage menu with a broad selection of wines, followed by cocktails and modest selection of beers, not a typical Bar & Grill, Pub or Tavern format beverage menu format of a broad selection of beer, followed by shots/cocktails and a modest selection of wines; and z) does not use the combination of Bar & Grill, Pub or Tavern in the restaurant name as a subtitle or in signage or logo (but may utilize the word Grill as a primary or secondary header).

2.3.2 If this Agreement is terminated by Caesars prior to the end of the Term originally stated herein, and either Gordon Ramsay or GRH is in default or breach of this Agreement at the time of such termination or the termination is due to the termination of the LLTQ Agreement due to a breach by LLTQ, the Exclusivity Provisions shall continue for a period of eighteen (18) months following such termination.

2.3.3 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 the combined Gordon Ramsay, GRH and their respective 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.

2.3.4 Notwithstanding the foregoing: (i) nothing in this Section 2.3 shall preclude (a) the marketing or sale of any products branded with any GR Marks or any marketing or promotion in Clark County, Nevada of any products or services of Gordon Ramsay that are sold outside of this Agreement (and not in contravention of the Exclusivity Provisions) or (b) the marketing within Clark County, Nevada of other Gordon Ramsay or GRH restaurants and (ii) Caesars shall have no rights with respect to the sale of any products (other than any food products used in the Restaurant) branded with any GR Marks or provision of any services under the GR Marks, other than as specifically set forth in this Agreement.

2.4 Rights of First Refusal.

2.4.1 Each of Gordon Ramsay and GRH covenants and agrees that, at all times during the Term, each of Gordon Ramsay and GRH will not and will cause its Affiliates not to, 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 activities, business or operations involving any restaurant or bar (including any lounge, nightclub, ultra lounge or similar operation), including as an owner, investor, operator, director, officer, manager, agent, consultant, licensor or employee of any such restaurant or bar, if such restaurant or bar is or is to be (a) located within Clark County (a "Restaurant Venture") or (b) located within a casino or other gaming facility within a twenty-five (25) mile radius of any existing or publicly announced hotel or gaming facility owned or operated (or to be owned or operated) by

Caesars or any of its Affiliates outside of Clark County (also a "Restaurant Venture"), except after compliance with this Section 2.4.

2.4.2 Before Gordon Ramsay, GRH or any of their respective Affiliates engages in or becomes affiliated or associated with, or offers or agrees to become engaged in or affiliated or associated with, any Restaurant Venture, Gordon Ramsay or GRH, as applicable, shall provide Caesars and its Affiliates with an offer, in writing, to participate in such Restaurant Venture, which offer shall set forth reasonable detail regarding the proposed Restaurant Venture. If Caesars (or its designated Affiliate) indicates in writing within fifteen (15) days after receipt of such offer its interest in considering such opportunity, Gordon Ramsay and/or his team or GRH, as applicable, shall or shall cause its applicable Affiliates to enter into exclusive discussions, negotiations and due diligence with Caesars (or its designated Affiliate) for the succeeding thirty (30) days to determine if mutually agreeable terms of participation in the Restaurant Venture can be reached. During such period, Gordon Ramsay and/or his team or GRH, as applicable, shall or shall cause its applicable Affiliates to provide Caesars (or its designated Affiliate) with all reasonable supporting or other documents it may reasonably request with respect to the Restaurant Venture.

2.4.3 For the avoidance of doubt, the following shall not be considered to be violative of the provisions of this Section 2.4: (i) the continued operation of Gordon Ramsay at the London West Hollywood (in Los Angeles, California), Gordon Ramsay at the London (in New York, New York), maze by Gordon Ramsay at the London (in New York, New York), Gordon Ramsay at Powerscourt (in Dublin, Ireland), Gordon Ramsay au Triannon (in Paris, France), La Veranda (in Paris, France), Gordon Ramsay at Castel Monastero (in Siena, Italy), Gordon Ramsay at Forte Village (in Sardinia, Italy), maze (in Doha, Qatar), Verre (in Deira, Dubai), Gordon Ramsay at the Conrad Tokyo (in Tokyo, Japan), Cerise (in Tokyo, Japan), Laurier Gordon Ramsay (in Montreal Canada), or maze (in Melbourne, Australia) (the "Existing Restaurants") or (ii) the opening of another location of any Existing Restaurant (i.e., with the same name, concept and menu) within a twenty-five (25) mile radius of its current location other than within a hotel, casino or similar establishment. The opening of another location of any Existing Restaurant (A) within a twenty-five (25) mile radius of its current location within a hotel, casino or similar establishment or (B) outside a twenty-five (25) mile radius of its current location shall be subject to the provisions of this Section 2.4.

2.5 Caesars Exclusivity. Caesars covenants and agrees that, at all times during the Term, Caesars will not and will cause its Affiliates not to, directly or indirectly, except as contemplated by this Agreement or any other Agreement with Gordon Ramsay, GRH or any of their respective Affiliates open a substantially similar "gastro pub" or similar restaurant with a primary focus of serving: (i) premium beers and (ii) upscale pub, tavern or bar & grill foods, within the hotel portion of Caesars Las Vegas; provided, that this Section 2.5 shall not apply to the operation of any restaurant anywhere in the hotel portion of Caesars Las Vegas where, as of the date of this Agreement, there is a gastro pub; provided further, that such restaurant may not be redesigned, rebranded or otherwise modified to be more similar to the Restaurant than it is at the date of this Agreement. For the avoidance of doubt, this Section 2.5 shall not apply to (i) any other type of bar, café or tavern or (ii) any casino or other gaming area or any adjacent facility or structure (including the Forum Shops).

3. RESTAURANT LOCATION, DESIGN, DEVELOPMENT AND OPERATION.

3.1 General. The Restaurant shall be comprised of that approximate square footage indicated on Exhibit A attached hereto. The parties acknowledge that with the consent of LLTQ and Caesars under the LLTQ Agreement the design of the Restaurant and the Restaurant Premises may change following the execution of this Agreement in accordance with the LLTQ Agreement. At all times during the Term and thereafter Caesars shall retain all right, title and interest in and to the Restaurant Premises.

3.2 Menu Development.

3.2.1 Menu Development. GRH (including Gordon Ramsay and/or other GRH employees) shall develop the initial food and beverage menus of the Restaurant, and the recipes for same, and thereafter, GRH (including Gordon Ramsay and/or other GRH employees) shall revise the food and beverage menus of the Restaurant, and the recipes for same (the "Menu Development Services"). Caesars shall have the reasonable opportunity to review any food and beverage menus prior to their implementation and make reasonable recommendations to same based upon the proposed costs and Caesars' experience with the Las Vegas, Nevada fine-dining industry. After consulting with and giving full and proper consideration to all reasonable advice and reasonable recommendations from GRH, Caesars shall establish the pricing of any food and beverage menus, in its sole and absolute but reasonable discretion. Menu Development Services, and meetings with respect to same, shall take place by conference call at times and on dates mutually agreed to by Gordon Ramsay, GRH and Caesars.

3.2.2 Menu Standards. Gordon Ramsay and GRH agree (a) to use commercially reasonable efforts to ensure 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 with the nature and cost menu offerings of fine-dining restaurants in Las Vegas, Nevada and (b) the food menu of the Restaurant shall feature primarily pub-style dishes.

3.3 General Operation of the Restaurant. Unless expressly provided herein to the contrary and subject to the terms of this Agreement, Caesars shall be solely responsible for:

3.3.1 managing the operations, business, finances and Employees of the Restaurant on a day-to-day basis;

3.3.2 maintaining the Restaurant;

3.3.3 developing and enforcing employment and training procedures, marketing plans, pricing policies and quality standards of the Restaurant; and

3.3.4 supervising the use of the food and beverage menus and recipes developed by GRH (including Gordon Ramsay and/or other GRH employees) pursuant to the terms of Section 3.2.

3.4 Merchandise.

3.4.1 GRH (including Gordon Ramsay and/or other GRH employees) shall use commercially reasonable efforts to (a) introduce Caesars to such authorized manufacturers and suppliers of Gordon Ramsay merchandise for the purpose of purchasing and selling such merchandise in the Restaurant and (b) facilitate such services, provided that all such sales shall be included within Gross Restaurant Sales.

3.4.2 No operating supplies bearing, based on or containing GR Marks or General GR Materials, including an menus, wine lists, business cards, tableware, uniforms and napkins, shall be produced or used in connection with the Restaurant without GRH's prior written approval (after, to the extent necessary, consultation with Gordon Ramsay), which shall not be unreasonably withheld, conditioned or delayed. GRH shall give notice of approval or rejection (with reasons) within ten (10) days following Caesars' written request for approval.

3.4.3 In the event that Caesars wishes to produce merchandise of any kind bearing, based on or containing the GR Marks or General GR Materials or otherwise relating to the Restaurant it shall provide full details of the same to GRH and the parties shall negotiate in relation thereto and enter into a separate agreement in connection therewith in the event that an agreement is reached.

3.5 Meetings and Personal Appearances. Whenever scheduling any meeting or personal appearance contemplated by this Agreement, Caesars shall make commercially reasonable efforts to take into account the other then existing commitments of Gordon Ramsay and give Gordon Ramsay 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, Caesars 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 be made by Caesars based upon the best interest of the Restaurant and Gordon Ramsay shall endeavor to make commercially reasonable efforts to meet the appearance schedule proposed by Caesars subject to previously scheduled commitments.

3.6 Additional Obligations. Each of Caesars, Gordon Ramsay and GRH warrants and undertakes to the other parties that it shall:

3.6.1 at all times (a) fully comply with all laws, statutes, ordinances, regulations, promulgations and mandates applicable to its obligations hereunder and the operation of the Restaurant and (b) maintain all applicable business licenses and other licenses and permits relating to its business operations or its obligations hereunder, and in each case any failure to do so shall constitute a breach of this Agreement; and

3.6.2 perform its duties hereunder with reasonable care and skill and shall cultivate and maintain good relations with customers of the Restaurant in accordance with sound commercial principles.

4. TERM.

4.1 Term. The initial term of this Agreement shall commence on the Effective Date and shall expire on that date that is ten (10) years from the date on which the Restaurant first opens to the general public for business (the "Opening Date"), unless extended by the parties or unless earlier terminated pursuant to the terms hereof (the "Initial Term"). Upon the mutual agreement of Caesars and Gordon Ramsay, the term of this Agreement shall be extended 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 be no additional extensions of the term of this Agreement.

4.2 Termination.

4.2.1 For Convenience. At any time following the third (3rd) anniversary of the Opening Date, this Agreement may be terminated by Caesars upon six (6) month's written notice to GRH and Gordon Ramsay specifying the date of termination.

4.2.2 Death, Disability or Non-Involvement of Gordon Ramsay. This Agreement may be terminated by Caesars upon written notice to GRH and Gordon Ramsay having immediate effect if (a) Gordon Ramsay dies, (b) Gordon Ramsay suffers a disability, including any physical or mental condition, which impairs the ability of Gordon Ramsay to render, in a timely manner, substantially all of Gordon Ramsay's covenants, agreements and obligations hereunder for a period of four (4) consecutive months or six (6)

1 **IN THE SUPREME COURT OF THE STATE OF NEVADA**

2 ROWEN SEIBEL; LLTQ
3 ENTERPRISES, LLC; LLTQ
4 ENTERPRISES 16, LLC; FERG, LLC;
5 FERG 16, LLC; MOTI PARTNERS,
6 LLC; MOTI PARTNERS 16, LLC; TPOV
7 ENTERPRISES, LLC; TPOV 16
8 ENTERPRISES, LLC; DNT
9 ACQUISITION, LLC, appearing
10 derivatively by one of its two members, R
11 Squared Global Solutions, LLC,

12 Petitioners

13 vs.

14 CLARK COUNTY DISTRICT COURT,
15 THE HONORABLE JOSEPH HARDY,
16 DEPARTMENT 15,

17 Respondent,

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

23 Real Parties in Interest.

Case Number:

Electronic Filed
Eighth Judicial District
Case No. A-17-76037-18
Dept. 15, Honorable Joseph Hardy
Elizabeth A. Brown
Clerk of Supreme Court
Jun 18 2018 04:43 p.m.

**APPENDIX TO PETITION FOR
WRIT OF MANDAMUS OR
PROHIBITION**

VOLUME 7 OF 15

(APP. 1501 – 1750)

24 **MCNUTT LAW FIRM**
25 DANIEL R. MCNUTT (SBN 7815)
26 MATTHEW C. WOLF (SBN 10801)
27 625 South Eighth Street
28 Las Vegas, Nevada 89101
29 *Attorneys for Petitioners*

30 **ADELMAN & GETTLEMAN**
31 STEVEN B. CHAIKEN
32 *Admitted Pro Hac Vice*
33 53 West Jackson Boulevard, Suite 1050
34 Chicago, IL 60604
35 *Attorneys for Petitioners*

36 **CERTILMAN BALIN ADLER &
HYMAN**
37 PAUL SWEENEY
38 *Admitted Pro Hac Vice*
39 90 Merrick Avenue
40 East Meadow, New York 11554
41 *Attorneys for Petitioners*

42 **BARACK FERRAZZANO**
43 **KIRSCHBAUM &
NAGELBERG**
44 NATHAN Q. RUGG
45 *Admitted Pro Hac Vice*
46 200 W. Madison Street, Suite 3900
47 Chicago, IL 60606
48 *Attorneys for Petitioners*

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Honorable Joseph Hardy
District Court Judge, Dept. 15
Regional Justice Center
200 Lewis Ave., Las Vegas, NV 89155
Respondent

/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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In re: Caesars Entertainment Operating Company, Inc.
Core/2002 Service List
Case No. 15-01145 (ABG)

DESCRIPTION	NAME	NOTICE NAME	ADDRESS 1	ADDRESS 2	CITY	STATE	ZIP	COUNTRY	PHONE	FAX	EMAIL
Attorney General	State of Wisconsin Attorney General	Attn: Bankruptcy Department	Wisconsin Dept of Justice State Capital	State Capitol, Room 114 East, P.O. Box 7857	Madison	WI	53707-7857		608-266-1221		
Counsel to NV Energy, Inc., through Nevada Power Company and Sierra Pacific Power Company	Stoel Rives LLP	Attn: Brandy A. Sargent, Esq. & Oren B. Haker, Esq.	900 SW Fifth Avenue	Suite 2600	Portland	OR	97204		503-224-3380	503-220-2480	brandy.sargent@stoel.com oren.haker@stoel.com
Counsel to Dell Marketing, L.P.	Streusand, Landon & Osburn LLP	Attn: Sabrina L. Streusand	811 Barton Springs Road	Suite 811	Austin	TX	78704		512-236-9900	512-236-9904	jason.abrams@stoel.com streusand@stollp.com
Counsel to Ad Hoc Committee of First Lien Bank Lenders	Stroock & Stroock & Lavan LLP	Attn: Jonathan D. Canfield, Kenneth Pasquale, Erez Gilad & Kristopher M. Hansen	180 Maiden Lane		New York	NY	10038		212-806-5400	212-806-6006	jcanfield@stroock.com kpasquale@stroock.com
Counsel to Ad Hoc Committee of First Lien Bank Lenders	Stroock & Stroock & Lavan LLP	Attn: Frank A. Merola	2029 Century Park East		Los Angeles	CA	90067		310-556-5802	310-556-5959	jmerola@stroock.com
Counsel to IGT	Subramni Zauben LLC	Attn: Jennifer A. Troia, Esq.	1624 Pacific Avenue		Atlantic City	NJ	08401		609-347-7000	609-345-4545	jtroia@subramni.com
Counsel to IGT	Subramni Zauben LLC	Attn: John P. Leon & Scott M. Zauben	Willow Ridge Executive Office	750 Route 73 South, Suite 307B	Marlton	NJ	08053		609-347-7000	609-345-4545	jleon@subramni.com mzauber@subramni.com
Counsel to Dorothy Cullen	Testa, Heck, Scrocca & Testa, PA	Attn: Michael I. Testa, Esq.	424 Landis Avenue	P.O. Box 749	Vineland	NJ	08360-0000		856-691-2300		mtesta@testalawyers.com
Counsel to Denise Miller, Creditor	The Franklin Law Firm LLC	Attn: Jamie S. Franklin	53 W. Jackson Blvd.	Suite 803	Chicago	IL	60604		312-662-1008		
Counsel to Alfred Coletta, and Alfred and Rosemary Coletta, as Co-Guardians of Anthony Coletta, an Incapacitated Person and LAD Hotel Partners, LLC, Rothenberg Rubenstein Berliner & Shirod LLC, and Philip Levine and Faye Lenore Levine	The Law Office of William J. Factor, Ltd.	Attn: Sara E. Lorber	105 W. Madison St.	Suite 1500	Chicago	IL	60602		312-373-7227		
Counsel to Comenity Bank	The Law Office of William J. Factor, Ltd.	Attn: William J. Factor & Sara E. Lorber	105 W. Madison Street	Suite 1500	Chicago	IL	60602		312-878-6146		wfactor@wfactorlaw.com slorber@wfactorlaw.com
Counsel to the Dennis Mehninger 401k Profit Sharing Plan	The Law Offices of C. G. Gordon Martin	Attn: C. G. Gordon Martin	99 South Lake Avenue	Suite 501	Pasadena	CA	91101		626-795-4000	626-795-4011	cggordonmartin@earthlink.net
Counsel to Thermal Energy Limited Partnership I	The Law Offices of Roger J. Higgins, LLC	Attn: Roger J. Higgins	1 North Bishop Street	Suite 14	Chicago	IL	60607		312-666-0431		rhiggins@rogerhigginslaw.com
Counsel to Moti Partners, LLC	The Stepnowski Law Offices	Attn: Frank Stepnowski, Esq.	1515 N. Harlem Avenue	Suite 205-2	Oak Park	IL	60302		708-848-3663	708-848-0219	frank@steppegroup.com
Counsel to record for Standard Textile Co., Inc.	Thompson Hine LLP	Attn: Louis F. Solimine, Esq.	312 Walnut Street	Suite 1400	Cincinnati	OH	45202-4029		513-352-6700	513-241-4771	louis.solimine@thompsonline.com
Attorney General	TN Dept of Revenue	Attn: TN Attorney General's Office	Bankruptcy Division	P.O. Box 20207	Nashville	TN	37243		615-532-2504	615-741-3334	bill.mccormick@ag.tn.gov
Counsel to ANV (Lloyds)	Traub Lieberman Straus & Shewsbury	Attn: Christopher J. Nadeau	303 W. Madison Street	Suite 1200	Chicago	IL	60606		312-332-3900	312-332-3908	cnadeau@traublieberman.com
Indenture Trustee for 10.75% Senior Notes and 10.75%/11.5% Toggle Notes	U.S. Bank Global Corporate Trust Services	Attn: Deborah A. Ibrahim, Vice President	One Federal Street		Boston	MA	02110-0000		617-603-6427	617-603-6644	deborah.ibrahim@usbank.com
Indenture Trustee for 10.75% Senior Notes and 10.75%/11.5% Toggle Notes	U.S. Bank National Association	Attn: Corporate Trust Services, Raymond S. Haverstock	60 Livingston Avenue		St. Paul	MN	55107-1419		651-495-3909	651-495-8097	
Indenture Trustee for 11.25% Senior Secured Notes due 2017, 8.5% Senior Secured Notes due 2020, 9% Senior Secured Notes due 2020	UMB Bank, National Association	Attn: Gavin Wilkinson	Corporate Trust and Escrow Services	120 South 6th Street, Suite 1400	Minneapolis	MN	55402		612-337-7001	612-337-7039	
Counsel to Philip G. Satre	Ungaretti & Harris LLP	Attn: R. Scott Alsterda	70 West Madison	Suite 3500	Chicago	IL	60602		312-977-9203	312-977-4405	rsalsterda@uhlaw.com
United States Attorney for the Northern District of Illinois	United States Attorney for the Northern District of Illinois	Attn: Bankruptcy Section	219 S Dearborn St.	9th Fl.	Chicago	IL	60604			312-353-2067	
United States Trustee for the Northern District of Illinois	United States Trustee for the Northern District of Illinois	Attn: Denise DeLaurent	219 S Dearborn St.	Rm 873	Chicago	IL	60604		312-886-5785	312-886-5794	usdregion11.es.usf@usdoj.gov denise.delarent@usdoj.gov
Attorney General	Washington DC Attorney General	Attn: Bankruptcy Department	441 4th Street, NW		Washington	DC	20001		202-727-3400	202-347-8922	oag@dc.gov
Counsel to Hilton Worldwide, Inc. and the Hilton Worldwide, Inc. Global Benefits Administrative Committee (collectively, "Hilton")	Weil, Gotshal & Manges LLP	Attn: Debra A. Dandaneau, David N. Griffiths & Dana M. Kaufman	767 Fifth Avenue		New York	NY	10153		212-310-8000	212-310-8007	debra.dandaneau@weil.com david.griffiths@weil.com dana.kaufman@weil.com
Counsel to Wilmington Trust Corporation, Wilmington Trust, National Association, as successor Indenture Trustee & Ad Hoc Group of Holders of 10.75% Guaranteed Notes	White & Case LLP	Attn: Thomas E. Lauria	Southeast Financial Center	200 South Biscayne Blvd Ste 4900	Miami	FL	33131		305-371-2700	305-358-5744	tlauria@whitecase.com
Counsel to Wilmington Trust Corporation, Wilmington Trust, National Association, as successor Indenture Trustee & Ad Hoc Group of Holders of 10.75% Guaranteed Notes	White & Case LLP	Attn: J. Christopher Shore & Harrison Denman	1155 Avenue of the Americas		New York	NY	10036		212-819-8200	212-354-8113	shore@whitecase.com hdenman@whitecase.com
Counsel for Bossier Parish Policy Jury and Bossier City	Wiener, Weiss & Madison	Attn: R. Joseph Naus	P. O. Box 21990		Shreveport	LA	71120-1990		318-226-9100	318-424-5128	rjnaus@wwmlaw.com
Indenture Trustee for 12.75% Second Lien Notes	Wilmington Savings Fund Society, FSB	Attn: Patrick J. Healy	500 Delaware Avenue		Wilmington	DE	19801		302-888-7420	302-421-9137	pgartland@winston.com
Counsel to Richard J. Davis, Examiner	Winston & Strawn LLP	Attn: Gregory M. Gartland	35 W. Wacker Drive		Chicago	IL	60601		312-558-5600		gartland@winston.com
Counsel to Richard J. Davis, Examiner	Winston & Strawn LLP	Attn: Carrie V. Hardman, Richard W. Reinthaler, David Neier & George E. Mastoris	200 Park Avenue		New York	NY	10166		212-294-6700		reinthaler@winston.com dneier@winston.com gmastoris@winston.com
Counsel to Giessecke & Deviant America, Inc.	Womble Carlyle Sandridge & Rice, LLP	Attn: Kevin J. Mangan, Esq. & Morgan L. Patterson, Esq.	272 Delaware Avenue	Suite 1501	Wilmington	DE	19801		302-352-4320	302-252-4330	kmangan@wcsr.com mpatterson@wcsr.com
Interested Party	WFB Partners LLC	Attn: John Marshall	6800 Paragon Place	Suite 202	Richmond	VA	23130-1656		804-285-0807	804-285-0939	jmarshall@wfbpartnersllc.com
Counsel to Churchill Downs, Incorporated	Wyatt, Tarrant & Combs, LLP	Attn: Daniel I. Waxman	250 West Main Street	Suite 1600	Lexington	KY	40507-1746		859-233-2012	859-259-0649	dwaxman@wyattfirm.com

In re ~~Casam~~ Entertainment Operating Company, Inc.
 Core/2002 Service List
 Case No. 15-01145 (ABG)

DESCRIPTION	NAME	NOTICE NAME	ADDRESS 1	ADDRESS 2	CITY	STATE	ZIP	COUNTRY	PHONE	FAX	EMAIL
Counsel to Certain Second Lien Noteholders	Young Conway Stargatt & Taylor, LLP	Attn: Robert S. Brady, Edmon L. Morton & Robert F. Poppitt, Jr.	Rodney Square	1000 North King Street	Wilmington	DE	19801		302-571-6600	302-571-1253	rbrady@ycst.com emorton@ycst.com rpoppitt@ycst.com
Counsel to Appaloosa Investment Limited Partnership L OCM Opportunities Fund VI, L.P., Special Value Expansion Fund, LLC	Young Conway Stargatt & Taylor, LLP	Attn: John T. Dorsey	1000 North King Street		Wilmington	DE	19801		302-571-6600	302-576-3401	jdorsey@ycst.com

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:	)	Chapter 11
)	
CAESARS ENTERTAINMENT OPERATING	)	Case No. 15-01145
COMPANY, INC., <i>et al.</i> ¹)	
)	
Debtors.	)	(Jointly Administered)
)	
	)	Hearing Date: November 18, 2015
	)	Hearing Time: 1:30 p.m.

REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE

NOW COME FERG, LLC, a Delaware limited liability company ("FERG") and LLTQ ENTERPRISES, LLC, a Delaware limited liability company ("LLTQ", and with FERG, the "Claimants"), by and through their undersigned counsel, and hereby request the entry of an order for allowance and payment of their respective outstanding and ongoing administrative expense claims pursuant to 11 U.S.C. § 503 (the "Request for Payment"). In support of the Request for Payment, the Claimants respectfully state as follows:

I. INTRODUCTION

The debtors cannot continue to enjoy the benefits under their contracts with Claimants post-petition and not pay the distributions required thereunder. The debtors and the Claimants are parties to two contracts for the respective operation of two restaurants located at the debtors' facilities, which are now subject to a motion to reject and a request for retroactive rejection effective June 11, 2015. The debtors continued to operate the restaurants after the petition date and

¹ The last four digits of Caesars Entertainment Operating Company, Inc.'s tax identification number are 1623. Due to the large number of Debtors in these jointly-administrated chapter 11 cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers may be obtained on the website of the Debtor's claims and noticing agent at <http://cases.primeclerk.com/CEOC>.

made the required payments to the Claimants under the contracts in the ordinary course of business for the first six months of the chapter 11 cases. The debtors ceased making distributions contractually due to Claimants effective as of June 11, 2015, notwithstanding their operation of the restaurants thereafter that generated an estimated \$1.8 million in net profits through September 30, 2015.

Regardless of whether the Court ultimately grants the motion to reject, the debtors cannot obtain retroactive rejection as a matter of law. There is no legal basis for cessation of payments due under the contracts while the debtors operate the restaurants in question. As further detailed below, retroactive rejection is simply not available with respect to the contracts because:

- (1) No legal support exists to retroactively reject a contract still utilized by a debtor. The case law cited in the rejection motion provides no support for applying retroactive rejection beyond **limited “exceptional circumstances” involving rejection of nonresidential leases**. Specifically, a debtor must first vacate the subject property and/or turn over possession to obtain retroactive rejection. There is no lease at issue here, and the debtors’ estates continue to benefit from the subject contracts on a daily basis.
- (2) The debtors continue to operate the restaurants under the contracts and realize a benefit therefrom. Unlike the matters presented in every case cited in the rejection motion, here the debtors have continued to operate the restaurants in question (which is the debtors’ obligation under the contracts) after the proposed rejection date and to receive a substantial benefit therefrom. The Claimants estimate that the restaurant operations from June 11 through September 30, 2015, have **generated over \$1.8 million in operating income**, less than 50% of which must be distributed to Claimants under the contracts.
- (3) Controlling precedent requires continued payments to Claimants. Binding precedent from the Supreme Court and the Seventh Circuit provides that the unpaid distributions will be afforded administrative priority and thus payment in full under section 503 and 507 of the Bankruptcy Code is required. Indeed, the debtors admit in the rejection motion that payments due under the contracts are administrative expenses; that the restaurants are an important part of their operations; and that they continue to operate the restaurants.

The Claimants therefore request an order approving the Request for Payment, awarding an administrative priority claim for all distributions due under the contracts so long as the debtors continue to operate the restaurants post-petition.

II. BACKGROUND

A. The Debtors operate the Ramsay Pubs pursuant to the agreements subject to the rejection motion.

1. LLTQ and Desert Palace, Inc. ("Caesars") entered into that certain Development and Operation Agreement with an effective date of April 12, 2012 (the "LLTQ Agreement"). FERG and Broadway Regency Corporation d/b/a Caesars Atlantic City ("CAC") collectively with "Caesars," the "Debtors") entered into that certain Consulting Agreement with an effective date of May 16, 2014 (the "FERG Agreement").

2. The LLTQ Agreement memorializes the parties' agreement with respect to that certain "Gordon Ramsay Pub" (as defined in the LLTQ Agreement) located at a property owned and operated by Caesars in Las Vegas, Nevada, and was entered into contemporaneously with and on the same date as a licensing agreement between Caesars and Gordon Ramsay (or his affiliate entities). Together, the LLTQ Agreement and the Ramsay contract establish a single transaction and agreement among LLTQ, Caesars and Gordon Ramsay to design, develop, and operate the Gordon Ramsay Pub at the Debtors' location in Las Vegas.

3. Pursuant to the LLTQ Agreement, **LLTQ made a capital contribution to the Gordon Ramsay Pub operation in the amount of \$1 million**, and receives a split of "Net Profits" from the restaurant's operations. Caesars contributed approximately \$1 million in capital as well.

4. Similarly, the FERG Agreement memorializes the parties' agreement with respect to that certain "Gordon Ramsay Pub and Grill" (as defined in the FERG Agreement) located at a

property owned and operated by CAC in Atlantic City, New Jersey, and was entered into contemporaneously with and on the same date as a licensing agreement between CAC and Gordon Ramsay (or his affiliate entities). Together, the FERG Agreement and the Ramsay contract establish a single transaction and agreement among FERG, CAC and Gordon Ramsay to design, develop, and operate the Gordon Ramsay Pub and Grill at the Debtors' location in Atlantic City.

5. The FERG Agreement and LLTQ Agreement (collectively, the "Agreements") contain substantially the same terms, thereby obligating the Debtors to maintain the respective restaurant operations of the Gordon Ramsay Pub and the Gordon Ramsay Pub and Grill (collectively, the "Ramsay Pubs") and to make distributions to FERG and LLTQ based on sales or net income derived from the Ramsay Pubs (the "Distributions").

6. Specifically, under the Agreements, Debtors are obligated to manage the operations, business, finances and employees of the Ramsay Pubs; to maintain the Ramsay Pubs; to develop employment and training procedures, marketing plans, pricing policies and quality standards for the Ramsay Pubs; and to supervise the use of the food and beverage menus and recipes developed by Gordon Ramsay. *See* LLTQ Agreement § 3.4; and FERG Agreement, § 3.4.

B. The Debtors continued to operate the Ramsay Pubs and pay Distributions to the Claimants post-petition.

7. On January 15, 2015 (the "Petition Date"), each of the Debtors filed a voluntary petition with this Court under chapter 11 of the Bankruptcy Code, thereby commencing the above-captioned, joint administered cases (the "Chapter 11 Cases")

8. On June 8, 2015, the Debtors filed that certain *Fourth Omnibus Motion for the Entry of an Order Authorizing the Debtors to Reject Certain Executory Contracts Nunc Pro*

Tunc to June 11, 2015 [Docket No. 1755] (the “Rejection Motion”). The Debtors thereby seek to reject the Agreements retroactively. In the Rejection Motion, the Debtors assert that a bankruptcy court “may grant retroactive rejection of an executory contract or unexpired lease based on a balancing of the equities of the case” and cite five published opinions in alleged support of this statement (Rejection Motion, pp. 8-9).

9. The Claimants filed a *Preliminary Objection and Reservation of Rights* for its initial response to the Rejection Motion consistent with the applicable case management procedures in the Chapter 11 Cases (the “Preliminary Objection”). Among other defenses raised in the Preliminary Objection (at ¶11(f)), the Claimants asserted that the Rejection Motion does not state sufficient grounds to demonstrate that retroactive relief is appropriate.²

10. After filing the Rejection Motion, the Debtors continued to operate the Ramsay Pubs as required under the Agreements and to receive net profits therefrom, but simply decided to stop paying the Claimants the Distributions required under the Agreements from and after June 11, 2015. After the Petition Date and before filing the Rejection Motion, however, the Debtors paid Claimants all Distributions due under the Agreements.

11. Moreover, the Debtors admit in the Rejection Motion that they are attempting to reject the Agreements to prevent incurring additional “administrative expenses.” (Rejection Motion, ¶16). The Debtors also admit in the Rejection Motion that the restaurants “are an

² In an effort to facilitate necessary discovery and potential resolution of the Rejection Motion, the parties initially agreed to a short discovery schedule. In connection therewith, the Claimants affirmed that by agreeing to a discovery and briefing schedule, the “Debtors are not waiving their right to request an effective date of June 11, 2015 if they are ultimately successful in rejecting the contracts.” The Claimants are bringing this Request for Payment at this time given: (i) as a matter of law, regardless of whether the Agreements are rejected, a retroactive effective date of rejection is inappropriate under the facts of this case; (ii) the amount of time that has passed since the filing of the Rejection Motion; and (iii) the Debtors’ admissions contained in the Rejection Motion, resolving now whether retroactive relief is available will not prejudice either party with respect to the ultimate adjudication of the motion.

important and successful element of the Debtors' restaurant offerings in connection with their casino operations. . . ." (*Id.* at ¶13; and Eisenberg Declaration (attached to the Rejection Motion), ¶7).

12. As of the date of this Request for Payment, the Debtors continue to operate and enjoy the benefits from the Agreements and the Ramsay Pubs. That is the fundamental flaw in both the request for retroactive rejection and the attempt to reject in the first instance; the Debtors cannot have it both ways, deriving substantial profits from the restaurants while trying to reject the Agreements that mandate operation and maintenance of the restaurants.

13. LLTQ, FERG and the Debtors have engaged in both discovery and settlement negotiations in attempt to resolve the Rejection Motion. Because retroactive relief is not available with respect to the Agreements, LLTQ and FERG made a demand for payment of all Distributions that have accrued under the Agreements since June 11, 2015 due to the Debtors' continued operation of the Ramsay Pubs. While LLTQ and FERG hope that an appropriate consensual resolution of the Rejection Motion is available, the Debtors cannot continue to hold back contractually-required Distributions while voluntarily operating and benefiting from the Agreements and the Ramsay Pubs.

III. RETROACTIVE REJECTION IS NOT AVAILABLE

14. In the Rejection Motion, the Debtors cite five cases in an attempt to support the proposition that the Court may grant retroactive rejection with respect to executory contracts or unexpired leases, and specifically to the Agreements. **However, each case cited by the Debtors relates to a rejection of an unexpired lease of commercial real estate; none of them apply to facts similar to the present circumstances where the debtor continues to derive the benefits of the underlying contract sought to be rejected.** The cases also reflect that a court should

only apply retroactive relief in **very limited circumstances**, none of which are present in the Rejection Motion or apply to the Agreements.

15. *In re Joseph C. Spiess Co.*, 145 B.R. 597 (Bankr. N.D. Ill. 1992)³, involved a chapter 11 debtor's rejection of a **nonresidential lease** (*i.e.*, a shopping center lease), retroactive to the date the debtor filed notice of the rejection motion. Before the debtor filed the motion it removed fixtures and vacated the premises. The court recognized that at the time of the motion, the Seventh Circuit had not addressed the issue "of when the rejection of an unexpired non-residential lease occurs." 145 B.R. at 604. The *Spiess* court limited its holding to allowing the retroactive rejection of an unexpired non-residential lease (*Id.* at 606) thereby allowing rejection retroactive to March 1, 1992, whereas the order approving rejection was entered on March 9, 1992 (a difference of only 8 days). The debtor ceased operations over one month earlier on January 31, 1992, and removed its fixtures and vacated the premises on February 17, 1992, nearly two weeks before the rejection effective date. *Id.* at 599.

16. In *In re Chi-Chi's, Inc.*, 305 B.R. 396 (Bankr. D. Del. 2004), chapter 11 debtors sought rejection of certain **commercial leases** retroactive to the petition date (October 8, 2003). The Delaware bankruptcy court cited with approval a First Circuit ruling that a "bankruptcy court has discretion to approve a rejection of a **nonresidential lease** pursuant to § 365(a) retroactive to the motion filing date, **when principles of equity so dictate.**" 305 B.R. at 399 (emphasis added). However, the court **denied** the Debtors' request and did not grant retroactive approval to the petition date. "The more appropriate date is the day the Debtors surrendered the premises to the Landlords, and the Landlords were able to enter into agreements with the current

³ This is the only case cited in the Rejection Motion that was decided in the Bankruptcy Court for the Northern District of Illinois, where the Chapter 11 Cases are pending. The Claimants have not found and the Debtors have not cited a Seventh Circuit case that has addressed the issue of retroactive rejection.

tenants.” *Id.* That date was, at the earliest, October 31, 2003, **after** the debtors filed their rejection motion.

17. In *Thinking Machs. Corp. v. Mellon Fin. Servs. Corp.* (*In re Thinking Machs. Corp.*), 67 F.3d 1021 (1st Cir. 1995), the First Circuit cited the above *Spiess* decision favorably, but limited its decision to the following: “we rule that a bankruptcy court, **when principles of equity so dictate, may approve a rejection of a nonresidential lease** pursuant to section 365(a) retroactive to the motion filing date.” 67 F.3d at 1028 (emphasis added). The court did not purport to provide a general or all-encompassing rule. Rather, it specifically stated that “Because no two cases are exactly alike, we eschew any attempt to spell out the range of circumstances that might justify the use of a bankruptcy’s equitable powers in this fashion. That exercise is best handled on a case-by-case basis.” *Id.* at 1029, FN9. Again, in *Thinking Machines* the rejection motion related to an unexpired commercial lease.

18. *Pac. Shores Dev., LLC v. At Home Corp.* (*In re At Home Corp.*), 392 F.3d 1064, 1065–71 (9th Cir. 2004) affirmed a bankruptcy court’s decision to approve rejection of a **nonresidential lease**, retroactively effective upon the filing of the rejection motion. In this unusual case, not only was the property vacant as of the filing of the motion, the debtor had never occupied the premises in the first instance. 392 F.3d at 1073-1074. Further, the Ninth Circuit cited with approval a bankruptcy court decision stating that a court should adopt a retroactive date to reject a lease “**only in exceptional circumstances.**” *Id.* at 1072 (citing *In re O’Neil Theatres, Inc.*, 257 B.R. 806, 808 (Bankr. E.D.La. 2000) (emphasis added)). It also noted that in *Chi-Chi’s*, retroactive relief was **denied** because the tenants remained in the premises after entry of the court’s order. *Id.* at 1074. Finally, the Ninth Circuit observed that “most cases

approving the rejection of a lease retroactively to the motion date highlight the fact that the debtor has vacated the premises.” *Id.*

19. *In re Amber Stores, Inc.*, 193 B.R. 819 (Bank. N.D. Tex. 1996) adopts and follows the First Circuit case *Thinking Machines*. While the court applied retroactive rejection to the petition date, the debtor had vacated the **nonresidential real property** at issue and turned over the keys to the landlord one month **before the petition date**. 193 B.R. at 820. Because the debtor moved out and turned over the keys prior to the bankruptcy filing, the landlord was not entitled to an administrative expense claim for rent. *Id.* at 827.

20. The foregoing cases thus provide no support for the proposition that the Agreements may be retroactively rejected as of June 11, 2015. Rather, these cases suggest that the Debtors have no legal or factual basis to obtain retroactive rejection of the Agreements.

21. First, the case law relied upon by the Debtors has applied retroactive relief only in the case of unexpired commercial leases and not with respect to executory contracts, let alone contracts through which the debtor continues to receive benefits post-petition after the proposed rejection date. Second, the cases stand for the proposition that retroactive relief should be granted rarely and **only** in cases where the subject leased property has been effectively vacated or surrendered to the landlord **prior** to the requested retroactive rejection date.

22. Through the Rejection Motion the Debtors attempt to turn such cases on their head. None of the cases allow a retroactive rejection date to be implemented while the debtor receives the benefits of the lease and occupy the premises pending a disposition of the motion to reject.

23. The debtors and their estates in such cases are thus not deriving any benefit from the properties that would justify an administrative priority expense. In stark contrast, the

Agreements are purported executory contracts for the operation of restaurants that continue to generate substantial profits for the Debtors after the Petition Date and after the proposed rejection effective date. The Debtors have continued to operate the restaurants as required under the Agreements and to receive net profits therefrom, but simply decided to stop paying the Claimants their respective share required under the Agreements.

24. In fact, the only thing that has changed since the filing of the Rejection Motion is the Debtors' unilateral decision to retain all net profits due to the Claimants under the express terms of the Agreements. The Debtors and the Claimants continue to perform all of their respective obligations under the Agreements, as may be required, in exactly the same manner as they had done prior to the filing of the Rejection Motion.

25. The Debtors thus have no factual or legal support for the retroactive relief requested in the Rejection Motion. They should not be allowed to effectively rewrite the Agreements to keep for themselves the Distribution currently due to the Claimants.

IV. RELIEF REQUESTED: THE DISTRIBUTIONS DUE UNDER THE AGREEMENT ARE ADMINISTRATIVE EXPENSES AND MUST BE PAID

26. The Claimants seek the Court's allowance, and the Debtors' payment, of all post-petition Distributions that have accrued and continue to accrue under the Agreements as an administrative expense.

27. 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).

28. A particular expense is entitled 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).

29. The Debtors, who continue to derive substantial net profits under the Agreements by operating the Ramsay Pubs post-petition, have (a) paid all Distributions due under the Agreements after the Petition Date through June 11, 2015; (b) admitted that the restaurant operations under the Agreements are beneficial to the estate; and (c) admitted that the restaurants are important components of the Debtors’ operations. The Distributions thus qualify as administrative claims under *Jartran* and the Court should grant the Request for Payment.

30. If the Debtors operate the restaurants under the Agreements, they must pay for the value of the services received. In most cases, as here, the value is determined by the contract rate. Indeed, the Debtors have paid the contract rate under the Agreements through June 11, 2015.

31. “There is ample authority for the proposition that, pending assumption or rejection, the Debtor may elect to enforce the contract thereby being **required** to pay for the reasonable value of the material or services supplied. Often times that cost will be measured by reference to the contract which presumably has been negotiated at arm's length.” *In re Cont'l Energy Associates Ltd. P'ship*, 178 B.R. 405, 408 (Bankr. M.D. Pa. 1995) (citations omitted) (emphasis added); *see also In re Nat'l Steel Corp.*, 316 B.R. 287, 305 (Bankr. N.D. Ill. 2004).

32. The Supreme Court has addressed this specific issue in context of the existence of an executory contract. “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 those services. . . . which, depending on the circumstances of a particular contract, may be what is specified in the

contract.” *NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 531, 104 S.Ct. 1188, 1199, 79 L.Ed.2d 482 (1984) (citations omitted).

33. The reasoning for applying the contract rate as a baseline presumption is intuitive. “Presumptively, the value of consideration received under an executory contract is the amount set forth in such contract. . . . The basis for such a 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 a contract, the benefit to the debtor is the entire bargained for value pursuant to such agreement.” *In re Beverage Canners Int’l Corp.*, 255 B.R. 89, 93-94 (Bankr. S.D. Fla. 2000).

34. Anything less than the contract rate would deprive LLTQ and FERG the benefit of their bargain under the Agreements. For that reason, “decisions awarding an administrative expense of less than the full contract amount typically involve less than full use of the contract rights.” *Id.* No such limitation is available here where the Debtors continue to operate the restaurants and receive all net income from such operations in the exact same manner and fashion as they did pre-petition and during the first six months of the Chapter 11 Cases, when the Debtors properly paid the Claimants the administrative expenses due and owing under the Agreements.

35. The Seventh Circuit has ruled that continued use of services by the debtor post-petition does not elevate a prepetition claim, but the post-petition claim for services is entitled to administrative priority. *See In re Whitcomb & Keller Mortgage Co., Inc.*, 715 F.2d 375, 379-380 (7th Cir. 1983). In the Rejection Motion, the Debtors admit that the Ramsay Pubs are an “important and successful element” of their operations and that they continue to operate the

restaurants. Similarly, the debtor in *Whitcomb & Keller* admitted that post-petition services provided by a vendor subject to an executory contract were beneficial and essential to the estate.

36. In that regard, the Seventh Circuit noted that “in effect” the debtor “assumed the burdens as it received the benefits during the administration of the estate. If [the debtor] had continued to receive the services of Data-Link during the administration of the estate and not paid for them, the law clearly states that that indebtedness would be entitled to priority status.” *Id.* at 380, FN 5.

37. Here the Debtors have assumed the burdens of paying Distributions to the Claimants by voluntarily obtaining the benefit of restaurant operations under the Agreements, but have impermissibly stopped payment due under the Agreements. Simply put, “during 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) (emphasis added).

IV. CONCLUSION

38. Retroactive relief is by far an exception, not the rule, when adjudicating rejection motions. As demonstrated by the cases relied upon by the Debtors, this exception is applied only in narrow circumstances and is limited to unexpired commercial leases. Accordingly, retroactive relief is not available in connection with the Agreements or pursuant to the Rejection Motion. Conversely, through their payment history to the Claimants and admissions in the Rejection Motion, the Debtors cannot credibly argue that Distributions due under the Agreements are not administrative claims in the Chapter 11 Cases.

39. Based on the *Bildisco*, *Jartran*, *Whitcomb & Keller*, and *National Steel* decisions cited above, among others, it is clear that continued payment of Distributions due under the Agreements will not affect the Court's ultimate resolution of the Rejection Motion; rather, those cases mandate payment while the motion is pending when the Debtors and their estates continue to utilize and receive the benefits derived from the Agreements.

WHEREFORE, FERG, LLC and LLTQ ENTERPRISES, 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 agreements, requiring payment thereof, and granting such further relief as is appropriate under the circumstances.

Dated: November 4, 2015

Respectfully submitted,

FERG, LLC, and

LLTQ ENTERPRISES, LLC

By: /s/ Nathan Q. Rugg
One of Their Attorneys

NATHAN Q. RUGG, ESQ. (ARDC #6272969)
STEVEN B. CHAIKEN, ESQ. (ARDC #6272045)
ADELMAN & GETTLEMAN, LTD.
53 West Jackson Boulevard, Suite 1050
Chicago, Illinois 60604
(312) 435-1050
Counsel for FERG, LLC and LLTQ Enterprises, LLC

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:	)	Chapter 11
)	
CAESARS ENTERTAINMENT OPERATING)	
COMPANY, INC., <i>et al.</i> , ¹	)	Case No. 15-01145 (ABG)
	)	(Jointly Administered)
Debtors.)	
	)	Honorable A. Benjamin Goldgar
)	
	)	Hearing Date: November 29, 2017
	)	Hearing Time: 9:30 a.m.

NOTICE OF MOTION

PLEASE TAKE NOTICE that on **Wednesday, November 29, 2017, at 9:30 a.m.**, we shall appear before the Honorable A. Benjamin Goldgar, United States Bankruptcy Judge for the Northern District of Illinois, in Courtroom No. 642 in the Dirksen Federal Building, 219 S. Dearborn Street, Chicago, Illinois, 60604 and then and there present the **AMENDED REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE**, a copy of which is hereby served upon you.

NATHAN Q. RUGG, ESQ. (ARDC #6272969)
STEVEN B. CHAIKEN, ESQ. (ARDC #6272045)
ADELMAN & GETTLEMAN, LTD.
53 West Jackson Boulevard, Suite 1050
Chicago, Illinois 60604
Telephone: (312) 435-1050
Facsimile: (312) 435-1059
Counsel for FERG, LLC and LLTQ Enterprises, LLC

¹ The last four digits of Caesars Entertainment Operating Company, Inc.'s tax identification number are 1623. Due to the large number of Debtors in these jointly-administrated chapter 11 cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers may be obtained on the website of the Debtor's claims and noticing agent at <http://cases.primeclerk.com/CEOC>.

CERTIFICATE OF SERVICE

The undersigned, an attorney, hereby certifies that true and correct copies of this notice and the documents referred to therein were served upon the parties listed on the below service list via CM/ECF or FedEx Overnight as listed herein, on November 17, 2017.

By: /s/ Nathan Q. Rugg
Nathan Q. Rugg, Esq

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Caesars Entertainment Operating Company, Inc. Claims Processing Center
c/o Prime Clerk LLC
830 3rd Avenue, 3rd Floor
New York, NY 10022
T: (855) 842-4123

via CM/ECF

- David S Adduce dadduce@komdr.com
- David A Agay dagay@mcdonaldhopkins.com, mbrady@mcdonaldhopkins.com, bkfilings@mcdonaldhopkins.com
- Charles G Albert calbert@awpc-law.com, ecrouch@awpc-law.com
- Stephanie Albrecht-Pedrick spedrick@youngbloodlegal.com
- Angela M Allen aallen@jenner.com
- R Scott Alsterda rsalsterda@nixonpeabody.com
- Jeffrey E Altshul jaltshul@altshullaw.com
- Rick Amos amoslaw@cableone.net
- Margaret M Anderson panderson@foxswibel.com, cjelks@foxswibel.com, bkdoCKET@foxswibel.com
- George P Apostolides george.apostolides@saul.com, leanne.solomon@saul.com
- Edmund Aronowitz earonowitz@gelaw.com, alebdjiri@gelaw.com, tschuster@gelaw.com, rwhittman@gelaw.com, gnovod@gelaw.com
- Amy A Aronson amyaronson@comcast.net, amyaronson@comcast.net
- Reuel D Ash rash@ulmer.com
- Brian A. Audette baudette@perkinscoie.com, nbagatti@perkinscoie.com, docketchi@perkinscoie.com, amber-norris-4033@ecf.pacerpro.com, russ-allen-6413@ecf.pacerpro.com, rdallen@perkinscoie.com
- Jason Bach jbach@bachlawfirm.com, aloraditch@bachlawfirm.com, sandra.herbstreit@bachlawfirm.com
- Joseph A Baldi jabaldi@baldiberg.com, jmanola@baldiberg.com, r51351@notify.bestcase.com
- Ronald Barliant ronald.barliant@goldbergkohn.com, kristina.bunker@goldbergkohn.com
- Paige E Barr paige.barr@kattenlaw.com

- William J. Barrett william.barrett@bfkn.com, mark.mackowiak@bfkn.com, gregory.demo@bfkn.com, ecf-6ec602372536@ecf.pacerpro.com, william-barrett-bfkn-3622@ecf.pacerpro.com
- Leslie Allen Bayles leslie.bayles@bryancave.com
- Richard M Bendix rbendix@dykema.com
- Robert R Benjamin rrbenedix@gct.law, mperez@gct.law, myproductionss@gmail.com, tstephenson@gct.law, aleon@gct.law, r61390@notify.bestcase.com
- Bruce Bennett bbennett@jonesday.com, slevinson@jonesday.com, dciarlo@jonesday.com
- Michael T. Benz benz@chapman.com, eickmann@chapman.com
- Peter L Berk plberk@orb-legal.com, hmilman@orb-legal.com, milmanhr42820@notify.bestcase.com, hmbonesteel@gmail.com
- Mark A Berkoff mberkoff@ngelaw.com, cdennis@ngelaw.com, ecfdoCKET@ngelaw.com, mmirkovic@ngelaw.com
- Florence Bonaccorso-Saenz florence.saenz@la.gov
- Ross T Brand rbrand@klueverplatt.com, bknotice@klueverplatt.com
- Adam G. Brief Adam.Brief@usdoj.gov
- Erich S Buck ebuck@ag-ltd.com, agroboski@ag-ltd.com
- Christopher M Cahill ccahill@lowis-gellen.com, abockman@lowis-gellen.com
- Edwin H Caldie ed.caldie@stinson.com, laura.schumm@stinson.com
- Matthew Callister mqc@call-law.com
- Andrew D. Campbell acampbell@novackmacey.com
- Christine M Capitolo cmc@tbpc.net
- John P Carlin jcarlin@suburbanlegalgroup.com, suburbanlegalgroup@iamthewolf.com
- Kurt M. Carlson kcarlson@carlsondash.com, knoonan@carlsondash.com, bmurzanski@carlsondash.com
- Frederick L Carpenter fcarpenter@dfreeland.com
- Timothy R Casey timothy.casey@dbf.com, andrew.groesch@dbf.com
- Steven B Chaiken schaiken@ag-ltd.com, agroboski@ag-ltd.com
- Hugo L Chanez hchanez@cochranfirm.com
- Thomas A Christensen tchristensen@huckbouma.com, mheneghan@huckbouma.com
- Jeffrey Chubak jchubak@storchamini.com
- Scott R Clar sclar@craneheyman.com, mjobberhausen@craneheyman.com, asimon@craneheyman.com
- Joseph E Cohen jcohen@cohenandkrol.com, jcohenattorney@gmail.com, gkrol@cohenandkrol.com, jneiman@cohenandkrol.com, acartwright@cohenandkrol.com, gsullivan@cohenandkrol.com
- Christopher Combest christopher.combest@quarles.com, Faye.Feinstein@quarles.com
- William J Connelly wconnelly@hinshawlaw.com, ihernandez@hinshawlaw.com
- Ryan Dahl ryan.dahl@kirkland.com, david.eaton@kirkland.com, joe.graham@kirkland.com, josh.altman@kirkland.com, alyssa.bachman@kirkland.com, nicole.stringfellow@kirkland.com
- Ryan A Danahey rad@doherty-progar.com
- Debra Dandeneau Debra.Dandeneau@bakermckenzie.com, dana.kaufman@weil.com, lori.seavey@weil.com
- Alex Darcy adarcy@askounisdarcy.com

- Aaron Davis aaron.davis@bryancave.com, CHDocketing@bryancave.com, kat.denk@bryancave.com, kathryn.farris@bryancave.com
- Jason J DeJonker jason.dejonker@bryancave.com, carol.duracka@bryancave.com, chdocketing@bryancave.com
- Denise A Delaurent USTPRegion11.es.ecf@usdoj.gov, Denise.DeLaurent@usdoj.gov, maria.r.kaplan@usdoj.gov
- Maria A Diakoumakis mdiakoumakis@dykema.com, DocketCH@dykema.com, bmederich@dykema.com
- Edward Dial edial@schreiblaw.com
- Chris L. Dickerson chris.dickerson@dlapiper.com, jeremy.hall@dlapiper.com, jonathan.pfleeger@dlapiper.com
- Michael Dimand mdimand@aol.com, bankruptcyfilings@wirbickilaw.com
- Ira S Dizengoff idizengoff@akingump.com, srochester@akingump.com, jrubin@akingump.com, apreis@akingump.com, tyhong@akingump.com
- Kevin W Doherty kwd@doherty-progar.com
- Dino J Domina djd@ddominalaw.com
- Robert L Doty robert.doty@ohioattorneygeneral.gov
- David R Doyle ddoyle@shawfishman.com, kjanecki@shawfishman.com
- Devon J Eggert deggert@freeborn.com, bkdocketing@freeborn.com
- Robert E Eggmann ree@carmodymacdonald.com, wmh@carmodymacdonald.com, pjf@carmodymacdonald.com, reggmann@ecf.inforuptcy.com, ala@carmodymacdonald.com
- William J Factor wfactor@wfactorlaw.com, wfactorlaw@gmail.com, bharlow@wfactorlaw.com, wfactor@ecf.inforuptcy.com, wfactormyecfmail@gmail.com, factorwr43923@notify.bestcase.com
- Scott J Fandre sfandre@kdlegal.com, mjackson@kdlegal.com
- Thomas R. Fawkes tomf@goldmclaw.com, seanw@restructuringshop.com, teresag@restructuringshop.com
- Laura M. Finnegan lmfinnegan@baumsigman.com
- Daniel A Fliman courtnotices@kasowitz.com
- Erik Fox efox@cogburnlaw.com
- Joseph D Frank jfrank@fgllp.com, ccarpenter@fgllp.com, jkleinman@fgllp.com, mmatlock@fgllp.com
- Jamie S Franklin jsf@thefranklinlawfirm.com
- Jonathan P Friedland jfriedland@sfgf.com, bkdocket@sfgf.com
- Adam Friedman afriedman@olshanlaw.com
- Thomas B Fullerton thomas.fullerton@akerman.com
- Richard Gallena rgallena@orrick.com
- Matthew Gartner matthew.gartner@huschblackwell.com, legalsupportteam-10flnorth-slc@huschblackwell.com
- Eugene J Geekie Eugene.geekie@saul.com
- Mary Anne Gerstner gerstlaw2@sbcglobal.net
- Steven A Ginther ndilecf@dor.mo.gov
- Gabriel Glazer gglazer@pszjlaw.com
- David L Going dgoing@armstrongteasdale.com, crupp@armstrongteasdale.com
- Craig T Goldblatt craig.goldblatt@wilmerhale.com
- Lorraine M Greenberg lgreenberg@greenbergglaw.net, r41893@notify.bestcase.com

- Joshua Greenblatt josh.greenblatt@kirkland.com, kenymanningclerk@kirkland.com
- Nicole Greenblatt nicole.greenblatt@kirkland.com, bfriedman@kirkland.com, patrick.evans@kirkland.com, melissa.koss@kirkland.com, alex.cross@kirkland.com
- Lisa S Gretchko lgretchko@howardandhoward.com
- Steven B Gross sbg224@gmail.com
- Cameron M Gulden USTPRegion11.es.ecf@usdoj.gov
- Jonathan Guy jguy@orrick.com, dcmanagingattorneysoffice@orrick.com
- John W Guzzardo jguzzardo@shawfishman.com, orafalovsky@shawfishman.com
- Stephen C Hackney stephen.hackney@kirkland.com
- William S Hackney whackney@salawus.com, jadams@salawus.com, tbeall@salawus.com, mcockcream@salawus.com
- Oren B Haker oren.haker@stoel.com, docketclerk@stoel.com, alexa.kim@stoel.com
- Aaron L. Hammer ahammer@sfgf.com, chorvay@sfgf.com, mbrandess@sfgf.com, joconnor@sfgf.com, mmelickian@sfgf.com, bkdoctet@sfgf.com, dmadden@sfgf.com, evandesteeg@sfgf.com
- Kristopher Hansen mmagzamen@stroock.com, dmohamed@stroock.com, jcanfield@stroock.com, fmerola@stroock.com, jlau@stroock.com, mlaskowski@stroock.com
- Carrie Hardman chardman@winston.com, dcunsolo@winston.com
- B Lane Hasler lanehasler@blhpc.com
- Mark F Hebbeln mhebbeln@foley.com
- Ashley Hendricks ahendricks@cglawms.com
- Bernard A Henry bhenry@rieckerotty.com
- Daniel O Herrera dherrera@caffertyclobes.com
- David R Herzog drhlaw@mindspring.com, herzogschwartz@gmail.com
- Roger J. Higgins rhiggins@rogerhigginslaw.com
- Timothy W Hoffmann thoffmann@jonesday.com, dciarlo@jonesday.com, jjohnston@jonesday.com, aldufault@jonesday.com, mhirst@jonesday.com, SLevinson@jonesday.com, JMester@jonesday.com, kdenton@jonesday.com
- John M Holowach jholowach@jmhlegalgroup.com, bankruptcy@rjlegalgroup.com
- Patrick L Huffstickler phuffstickler@dykema.com, aseifert@dykema.com
- Paula K. Jacobi pjacobi@btlaw.com, jsantana@btlaw.com
- Steve Jakubowski sjakubowski@rsplaw.com
- Elizabeth L Janczak ejanczak@freeborn.com, bkdocteting@freeborn.com
- Bridgette E Jenkins bjenkins@walinskilaw.com
- Julie A. Johnston-Ahlen jjohnston-ahlen@novackandmacey.com, mbianchi@novackmacey.com
- Gary M. Kaplan gkaplan@fbm.com
- Harold L. Kaplan hkaplan@foley.com
- Brett A Kaufman brett@kaufmanlegal.net
- Dennis J Kellogg dennisk@denniskellogglaw.com
- Benjamin Kelly benkellysr@comcast.net
- Michael Kelly michael.kelly@usdoj.gov, MRavelo@usa.doj.gov
- Claire G Kenny cgkenny@mgklaw.com
- Brittany E Kirk brittany.kirk@dinsmore.com, alison.kidney@dinsmore.com
- John Klamo gillt222@gmail.com
- Gregg Kleiner gkleiner@mckennalong.com, wowen@mckennalong.com

- Jeremy C Kleinman jkleinman@fgllp.com, ccarpenter@fgllp.com, mmatlock@fgllp.com
- Richard S Lauter Richard.Lauter@lewisbrisbois.com, lbbscaesars@gmail.com
- Ryan O. Lawlor Ryan.Lawlor@bryancave.com
- Patrick S Layng USTPRegion11.ES.ECF@usdoj.gov
- Vincent E. Lazar vlazar@jenner.com, docketing@jenner.com, thooker@jenner.com
- Caren A Lederer calederer@gct.law, mperez@gct.law, stasciotti@gct.law, tstephenson@gct.law, aleon@gct.law
- Steven H Leech s.leech@gozdel.com
- Mark E Leipold mleipold@gouldratner.com, gferguson@gouldratner.com, lgray@gouldratner.com, mhannon@gouldratner.com, gould-ecfs_notice@juralaw.net
- John P. Leon jleon@subranni.com, desk@subranni.com
- Brandon Levitan blevitan@proskauer.com, npetrov@proskauer.com, mbienenstock@proskauer.com, jliu@proskauer.com, pabelson@proskauer.com, GRAICHT@proskauer.com, vindelicato@proskauer.com, ebarak@proskauer.com, mzerjal@proskauer.com, ctheodoridis@proskauer.com
- Michael Joseph Linneman linnemanm@jbltd.com
- Jordan M Litwin jordan@litwinlawfirm.com
- Sara E Lorber slorber@wfactorlaw.com, slorber@ecf.inforuptcy.com, nbouchard@wfactorlaw.com, bharlow@wfactorlaw.com
- Samuel E. Lovett , cfilburn@paulweiss.com, jsaferstein@paulweiss.com, lclayton@paulweiss.com, mtattnall@paulweiss.com, jjohn@paulweiss.com
- Samuel E. Lovett slovett@paulweiss.com, cfilburn@paulweiss.com, jsaferstein@paulweiss.com, lclayton@paulweiss.com, mtattnall@paulweiss.com, jjohn@paulweiss.com
- Haig M. Maghakian , paronzon@milbank.com, tkreller@milbank.com, rbaggs@milbank.com, dmuhrez@milbank.com, svora@milbank.com, rwindom@milbank.com
- Jeff J Marwil jmarwil@proskauer.com, mzerjal@proskauer.com, ctheodoridis@proskauer.com, sma@proskauer.com
- Richard McCord rmccord@certilmanbalin.com
- William F McCormick bill.mccormick@ag.tn.gov
- Daniel J McGuire dm McGuire@winston.com, ECF_BANK@winston.com
- Regina McIlvaine regina@lowenthalabrams.com, antoinette@lowenthalabrams.com
- Joshua M. Mester jmester@jonesday.com, gmarinelli@jonesday.com, vcrawford@jonesday.com, ekswanholt@jonesday.com, aldufault@jonesday.com
- James H. Millar james.millar@dbr.com
- Nicholas M Miller nmiller@ngelaw.com, ecfdocket@ngelaw.com, cdennis@ngelaw.com, mmirkovic@ngelaw.com
- Bryan E. Minier bminier@lathropgage.com, mvargas@lathropgage.com, krodriquez@lathropgage.com
- Michael L Molinaro michael.molinaro@akerman.com, kelley.evans@akerman.com
- James E. Morgan jem@h2law.com, smckinney@howardandhoward.com
- Margreta Morgulas mmorgulas@okinhollander.com
- Kevin H Morse kevin.morse@saul.com
- C Daniel Motsinger cmotsinger@kdlegal.com, crbpgpleadings@kdlegal.com;shammersley@kdlegal.com
- Daniel R Murray dmurray@jenner.com

- Christopher J. Nadeau cnadeau@traublieberman.com
- Roger J Naus rjnaus@wwmlaw.com, gbrown@wwmlaw.com
- David M Neff dneff@perkinscoie.com, nbagatti@perkinscoie.com, david-neff-perkins-coie-2051@ecf.pacerpro.com
- David Neier dneier@winston.com, dcunsolo@winston.com, chardman@winston.com
- John R O'Connor joconnor@sfggh.com
- Michael V Ohlman mvohlman@ohlmanlaw.com, admin@ohlmanlaw.com
- Mark Page mpage@kelleydrye.com, KDWBankruptcyDepartment@kelleydrye.com, BankruptcyDepartment@Kelleydrye.com
- Robert L. Pattullo Jr pattullo@pattullolaw.com
- Aaron Paushter aaron.paushter@dlapiper.com
- Jeffrey Pawlitz jpawlitz@kirkland.com
- Lars A Peterson lapeterson@foley.com
- Lanora Pettit lpettit@robbinsrussell.com
- Paul V Possinger ppossinger@proskauer.com, mthomas@proskauer.com, mlespinasselee@proskauer.com, nwilliams@proskauer.com, erodriguez@proskauer.com, npetrov@proskauer.com, ddesatnik@proskauer.com
- Jody B Pravecek jody@pcfcash.com
- Megan Preusker mpreusker@mwe.com
- Eric S. Prezant eric.prezant@bryancave.com
- Scott A Pyle spyle@rubinoruman.com, ammanuel@rubinoruman.com, ttoso@rubinoruman.com
- Robert Radasevich rradasevich@ngelaw.com, ewilson@nge.com, ecfdocket@ngelaw.com
- Amy Rapoport agibson@agdglaw.com, wserritella@agdglaw.com, jcole@agdglaw.com
- N. Neville Reid nreid@foxswibel.com, bkddocket@foxswibel.com, bwilson@foxswibel.com
- Richard Reinthaler rreinthaler@winston.com
- Benjamin Rhode benjamin.rhode@kirkland.com, dzott@kirkland.com, jzeiger@kirkland.com, judson.brown@kirkland.com, christopher.greco@kirkland.com, tlambert@caesars.com, gabriel.king@kirkland.com, aaron.david@kirkland.com
- Schonfeld Richard rreyes@cslawoffice.net
- Trent L Richards trichards@blgwins.com, hdaniels@blgwins.com
- Michael J Ripes mripes@rnbk.com
- Zachary A Risk riskz1@michigan.gov
- Peter J Roberts proberts@shawfishman.com
- Daniel P Roeser droeser@goodwinlaw.com
- David Rosner drosner@kasowitz.com, courtnotices@kasowitz.com
- Craig Rothenberg crothenberg@rrbslawnj.com
- Nathan Q. Rugg nrugg@ag-ltd.com, agroboski@ag-ltd.com
- Brandy A Sargent basargent@stoel.com, erheaston@stoel.com, docketclerk@stoel.com, obhaker@stoel.com, cejordan@stoel.com, eleliassen@stoel.com, jason.abrams@stoel.com
- Ryan T Schultz rschultz@foxswibel.com, bkddocket@fslc.com
- Leslee Schwartz lschwartzatty@gmail.com
- Samuel Schwartz ecf@schwartzlawyers.com, schwartzecf@gmail.com
- John Sciacotta jsci@agdglaw.com, molson@agdglaw.com
- Susan H Seabury susan.seabury@bakertilly.com

- David R Seligman dseligman@kirkland.com, maureen.mccarthy@kirkland.com, gregory.pesce@kirkland.com, christopher.hayes@kirkland.com, gerardo.mijaresshafai@kirkland.com, alice.nofzinger@kirkland.com, anthony.abate@kirkland.com, kyle.arendsen@kirkland.com
- Jack M Shapiro jack@danielgoodmanlaw.com
- Brian L Shaw bshaw100@shawfishman.com, cknez@shawfishman.com
- Patrick Sibley psibley@pryorcashman.com, SLieberman@PRYORCASHMAN.com, msilverman@pryorcashman.com
- Peter A Siddiqui peter.siddiqui@kattenlaw.com
- Stephen J Siegel ssiegel@novackandmacey.com, cziganto@novackandmacey.com
- Andrew I Silfen andrew.silfen@arentfox.com, Mark.Joachim@arentfox.com, Jackson.Toof@arentfox.com, Beth.Brownstein@arentfox.com, Manuel.Arreaza@arentfox.com, Lisa.Indelicato@arentfox.com
- Kevin C Smith ksmith@smithsersic.com, dgreen@smithsersic.com
- Wesley J Smith wes@cjmlv.com
- Jeffrey I Snyder jsnyder@bilzin.com, eservice@bilzin.com
- Jean Soh jsoh@polsinelli.com, chicagodocketing@polsinelli.com
- Michael T Sprengnether mts@doherty-progar.com
- Catherine L Steege csteegen@jenner.com, docketing@jenner.com
- Richard A Stieglitz rstieglitz@cahill.com
- Richard M Strassberg rstrassberg@goodwinlaw.com
- Roman Sukley USTPRegion11.es.ecf@usdoj.gov, roman.l.sukley@usdoj.gov, cameron.g.gulden@usdoj.gov
- John E Tangren jtangren@gelaw.com, rwittman@gelaw.com, gnovod@gelaw.com, alebdjiri@gelaw.com
- Mark K Thomas mthomas@proskauer.com
- Joseph M Tiller jtiller@jonesday.com
- L. Judson Todhunter JTodhunter@howardandhoward.com
- Jennifer A Trofa jtrofa@subranni.com, desk@subranni.com
- John D. VanDeventer jvandeventer@jenner.com
- Elizabeth B Vandesteeg evandesteeg@sfg.com, bkdoctet@sfg.com
- Michael D Warner mwarner@coleschotz.com, klbrada@coleschotz.com
- Matthew Warren matthew.warren@lw.com, chefiling@lw.com; beth.arnold@lw.com
- Martin J Wasserman mwasserman@carlsondash.com, knoonan@carlsondash.com
- Louis H Watson louis@watsonnorris.com
- Daniel I Waxman lexbankruptcy@wyattfirm.com
- Jeremy D Webb jwebb@proskauer.com
- Brian P Welch bwelch@burkelaw.com, gbalderas@burkelaw.com
- Paul Michael Weltlich pweltlich@lksu.com
- Latoria Williams lwilliams@goodwin.com, bankruptcy@goodwin.com, bankruptcy paralegal@goodwin.com
- Sean P. Williams seanw@restructuringshop.com
- Jolene M Wise wisej@sec.gov
- Samuel C. Wisotzkey swisotzkey@kmsc.com, kmsc@kmsc.com
- Scott A Wolfson swolfson@wolfsonbolton.com, stravis@wolfsonbolton.com

- Xiaoming Wu notice@billbusters.com, billbusters@iamthewolf.com, billbusters@ecf.inforuptcy.com
- Amanda S Yarusso amanda.yarusso@gmail.com
- Barbara L Yong blyong@gct.law, mperez@gct.law, myproductionss@gmail.com, tstephenson@gct.law, aleon@gct.law
- Artur Zadrozny artur@bzlawn-firm.com
- David I Zalman dzalman@kelleydrye.com
- Scott M. Zaubers szauber@subranni.com, desk@subranni.com
- Jeffrey Zeiger jzeiger@kirkland.com
- David J Zott dzott@kirkland.com, joe.graham@kirkland.com, james.sprayregen@kirkland.com, maureen.mccarthy@kirkland.com, anthony.abate@kirkland.com, jeffrey.zeiger@kirkland.com

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:	)	Chapter 11
)	
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., <i>et al.</i>	)	Case No. 15-01145
)	
Debtors.	)	(Jointly Administered)
)	
	)	Hearing Date: November 29, 2017
	)	Hearing Time: 9:30 a.m.

AMENDED REQUEST FOR PAYMENT OF ADMINISTRATIVE EXPENSE

NOW COME FERG, LLC, a Delaware limited liability company (together with its successors and assigns, “FERG”) and LLTQ ENTERPRISES, LLC, a Delaware limited liability company (together with its successors and assigns, “LLTQ”, and with FERG, the “Claimants”), by and through their undersigned counsel, and hereby submit this amended request for the entry of an order for allowance and payment of their respective outstanding and ongoing administrative expense claims pursuant to 11 U.S.C. § 503 (the “Amended Request”), which amends and supplements that certain *Request for Payment of Administrative Expense* [Docket No. 2531] filed by the Claimants on November 4, 2015 (the “Original Request”)¹. In support of the Amended Request, the Claimants respectfully state as follows:

I. INTRODUCTION

Throughout the Chapter 11 Cases the Debtors operated the Ramsay Pubs that are the object of their contracts with Claimants, but ceased making distributions required thereunder in June, 2015. During that time the Ramsay Pubs generated millions of dollars of net profits for the Debtors and their estates. Supreme Court and the Seventh Circuit precedent provide that the

¹ Capitalized terms not defined herein shall have the same meaning as set forth in the Original Request.

unpaid distributions and other claims under the “Pub Agreements” will be afforded administrative priority under sections 503 and 507 of the Bankruptcy Code. It is undisputed that the Ramsay Pubs are an important part of the Debtors’ operations and that the Debtors continued to operate the restaurants through the “Effective Date” of their plan of reorganization [Docket No. 6318] (the “Plan”). In the Original Request, the Claimants sought an award of an administrative priority claims for all Distributions due from the Debtors under their respective agreements.

In addition, the Debtors’ estates have continued to benefit post-petition from other Ramsay-branded restaurant ventures that are the subject of, and restricted by, the Pub Agreements. For example, the Debtors have opened a Ramsay “Fish & Chips” restaurant venture and have announced a new “Ramsay Steak” venture in violation of the restrictive covenants contained in the Pub Agreements. The Debtors remain liable to the Claimants despite the pending Rejection Motions and the purported termination of the contracts, as the Pub Agreements are integrated with the Ramsay Agreements, the restrictive covenants in the Pub Agreements expressly survive termination, and the Debtors continue to operate the Ramsay Pubs.

Claims related to the Debtors’ post-petition breaches arose in connection with operation of the Debtors’ businesses and are thus entitled to administrative priority. As a result of the occurrence of the “Effective Date” under the Debtors’ Plan, a deadline to file administrative claims has been established. To the extent the Original Request did not cover such claims, the Claimants file this Amended Request to assert same together with any other post-petition breaches by the Debtors.

II. BACKGROUND

A. The LLTQ Agreement is integrated with the Ramsay LV Agreement, and restricts Caesars from operating Ramsay Pubs and similar ventures without a contract with LLTQ or its affiliates.

1. LLTQ and Caesars entered into the LLTQ Agreement with an effective date of April 12, 2012. A true and correct copy of the LLTQ Agreement is attached hereto as Exhibit A.

2. Contemporaneously with entering into the LLTQ Agreement, Caesars entered into that certain Development, Operation and License Agreement (the “Ramsay LV Agreement”) with Gordon Ramsay and his affiliate business, Gordon Ramsay Holdings Limited (collectively, “Ramsay”). A true and correct copy of the Ramsay LV Agreement is attached hereto as Exhibit B.

3. The LLTQ Agreement and the Ramsay LV Agreement were negotiated contemporaneously with one another among Caesars, LLTQ and Ramsay.

4. Representatives of Caesars, LLTQ and Ramsay engaged in multiple meetings and exchanged numerous correspondences to negotiate the terms of the design, development and operation of and the sharing of profits from that certain “Gordon Ramsay Pub” (as defined in the LLTQ Agreement and the Ramsay LV Agreement) located at a property owned and operated by Caesars in Las Vegas, Nevada. Both Caesars and LLTQ contributed an amount not less than \$1,000,000 of the costs required to develop the Gordon Ramsay Pub.

5. The LLTQ Agreement and the Ramsay LV Agreement are integrated and, together, establish a single transaction and agreement among LLTQ, Caesars and Ramsay to design, develop, and operate the Gordon Ramsay Pub and share the profits therefrom.

6. Both the LLTQ Agreement and the Ramsay LV Agreement were (a) executed and effective as of the same day, (b) concern the same subject matter (i.e. the Gordon Ramsay Pub),

and (c) expressly refer to each other in multiple instances. Caesars is a party to both contracts, which contain identical provisions regarding operation and management of the Gordon Ramsay Pub, choice of law, and dispute resolution, among others.

7. For the consideration received under the LLTQ Agreement, including a \$1,000,000 development contribution provided by LLTQ, Caesars agreed that neither it nor its affiliates would pursue a venture similar to, among other ventures, the Gordon Ramsay Pub without entering into an agreement with LLTQ (or its affiliates) similar to the LLTQ Agreement. Specifically, the LLTQ Agreement provides:

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 development and operation agreement entered into December 5, 2011 between TPOV Enterprises, LLC (an affiliate of LLTQ), on the one hand, and Paris Las Vegas Operating Company, LLC, on the other hand (i.e., any venture generally in the nature of a steak restaurant, fine dining steakhouse or chop house) [each a “Restricted Restaurant Venture” and collectively, the “Restricted Restaurant Ventures”], 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).

LLTQ Agmt., §13.22.

8. Pursuant to the terms of the contract, section 13.22 of the LLTQ Agreement survives both expiration and termination of the LLTQ Agreement. The LLTQ Agreement expressly provides:

The provisions of this Section 4.3 and Section 2.3(b), the last sentence of Section 11.2.2 and Articles 12 and 13 (other than Section 13.16) **shall survive any termination** or expiration of this Agreement.

LLTQ Agmt., §4.3.1 (emphasis added).

9. Since its opening, the Gordon Ramsay Pub has been one of the most profitable restaurants for Caesars at its Las Vegas location.

B. The Gordon Ramsay Pub and Grill in Atlantic City is the first Restricted Restaurant Venture, and the object of two integrated contracts among CAC, FERG and Ramsay.

10. Due in part to the restrictions contained in section 13.22 of the LLTQ Agreement and a developing falling out between Rowen Seibel, the former principal of LLTQ, and Ramsay, in December 2013, Caesars made clear to representatives of both LLTQ and Ramsay that both LLTQ and Ramsay were required for Caesars (or its affiliate) to proceed with a restaurant similar to the Gordon Ramsay Pub.

11. In an email to representatives for both LLTQ and Ramsay, Jeffrey Frederick (Caesars' then Regional Vice President Food & Beverage and one of its representatives heavily involved in the negotiations of the LLTQ Agreement and the Ramsay LV Agreement), stated that "we [Caesars] are not able to proceed" with a Ramsay Pub without both Mr. Seibel and Gordon Ramsay "agreeing to do so." A true and correct copy of the Dec. 18, 2013 email from Mr. Frederick is attached hereto as Exhibit C.

12. Mr. Frederick's email goes on to state: "I want to be clear. I've confirmed with Tom [Jenkin – Global President of Caesars Entertainment Operating Company, Inc.] and our legal counsel we are not able to proceed with GR Steak or GR P&G [Gordon Ramsay Pub and Grill] without both you and Rowen agreeing to do so, nor a concept similar in the Steakhouse, Chophouse, Bar & Grill, Pub or Tavern Categories."

13. Representatives of the Debtors, FERG, and Ramsay engaged in multiple meetings and exchanged numerous correspondences to negotiate the terms of the design, development and

operation of and the sharing of profits of a restaurant similar to the Gordon Ramsay Pub to be located at a property owned and operated by CAC, in Atlantic City, New Jersey.

14. As a result of such negotiations, FERG and CAC entered into the FERG Agreement (together with the LLTQ Agreement, the “Pub Agreements”) concerning the Atlantic City venture with an effective date of May 16, 2014. A true and correct copy of the FERG Agreement is attached hereto as Exhibit D.

15. Contemporaneously with entering into the FERG Agreement, CAC entered into that certain Development, Operation and License Agreement concerning the Atlantic City venture (the “Ramsay AC Agreement”) with Ramsay. A true and correct copy of the Ramsay AC Agreement is attached hereto as Exhibit E.

16. The FERG Agreement and the Ramsay AC Agreement were negotiated among all three parties contemporaneously with one another. The FERG Agreement and the Ramsay AC Agreement are integrated and, together, establish a single transaction and agreement among FERG, CAC and Gordon Ramsay to design, develop, and operate the “Gordon Ramsay Pub and Grill” (as defined in the FERG Agreement and in the Ramsay AC Agreement) at the Debtors’ location in Atlantic City.

17. The FERG Agreement and the Ramsay AC Agreement were (a) executed and effective as of the same day, and (b) concern the same subject matter (i.e. Gordon Ramsay Pub and Grill). The FERG Agreement references the Ramsay AC Agreement in numerous provisions. CAC is a party to both contracts, which contain identical provisions regarding operation and management of the Gordon Ramsay Pub and Grill, choice of law, and dispute resolution, among others.

18. Section 4.1 of the FERG Agreement 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 [Gordon Ramsay Pub and Grill] or the [Gordon Ramsay Pub and Grill] Premises, this Agreement shall be in effect and binding on the parties during the term thereof.”

19. Section 4.2(a) and (b) of the FERG Agreement provide certain termination rights of the FERG Agreement only “if CAC simultaneously terminates the [Ramsay AC Agreement] and no different or amended agreement is entered into with Gordon Ramsay and/or his Affiliate(s) relative to the” Gordon Ramsay Pub and Grill or its premises.

20. Section 4.2(c) of the FERG Agreement provides that the FERG Agreement may be terminated upon no less than ninety (90) days written notice “if the [Ramsay AC Agreement] is terminated and no different or amended agreement is entered into with Gordon Ramsay and/or his Affiliate(s) relative to the” Gordon Ramsay Pub and Grill or its premises.

21. Since its opening, the Gordon Ramsay Pub and Grill has been one of the most profitable restaurants for CAC at its Atlantic City location.

C. The Debtors effectively admit the Pub Agreements and Ramsay Agreements are integrated by moving to reject the Ramsay Agreements and seeking approval to simultaneously enter into new contracts with Ramsay for the continued operation of the Ramsay Pubs.

22. While their original Rejection Motion remained pending, on January 14, 2016, the Debtors filed that certain *Motion for the Entry of an Order Authorizing the Debtors to (A) Reject Certain Existing Restaurant Agreements and (B) Enter Into New Restaurant Agreements* [Docket No. 3000] (the “Ramsay Rejection Motion”). In the Ramsay Rejection Motion the Debtors seek to reject the Ramsay Agreements and simultaneously enter into new agreements with Ramsay to continue operating the Ramsay Pubs (the “New Ramsay Agreements”). To ensure the Debtors would continue to receive the valuable benefits of the continued operations of the Ramsay Pubs,

the Debtors only seek rejection of the Ramsay Agreements if the Court also approves the Debtors' entry into the New Ramsay Agreements.

23. LLTQ and FERG filed a Joint Preliminary Objection [Docket No. 3209] to the relief sought in the Ramsay Rejection Motion asserting, among other things, that section 13.22 of the LLTQ Agreement and sections 4.1 and 4.2 of the FERG Agreement are enforceable restrictive covenants (collectively, the "Restrictive Covenants") that survive rejection and prohibit the Debtors from entering into a Ramsay-branded pub venture without involving LLTQ or its affiliates.

D. The Debtors purport to terminate the Pub Agreements, but continue to operate and profit from the Ramsay Pubs.

24. After the Debtors filed the Rejection Motion and the Ramsay Rejection Motion, on February 29, 2016, the United States government filed a Notice of Intent to File an Information against Rowen Seibel. A Notice of Intent to File an Information is not a charging instrument.

25. On April 8, 2016, the Debtors were notified via letters that, among other things, effective as of April 13, 2016: (a) the membership interests in LLTQ and FERG, that were previously owned, directly or indirectly, by Mr. Seibel were being transferred to The Seibel Family 2016 Trust (the "Trust"); and (b) the LLTQ Agreement and the FERG Agreement were being assigned to new entities (i.e. LLTQ Enterprises 16, LLC and FERG 16, LLC) in which Mr. Seibel was neither a manager nor a holder of any membership interests, directly or indirectly.

26. Effective as of April 13, 2016, Mr. Seibel divested himself of any direct or indirect membership or management interests in LLTQ and in FERG.

27. Five days after Mr. Seibel divested himself of any interests relating to the Ramsay Pubs, 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”).

28. 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”).

29. On May 16, 2016, an order was entered in the Seibel Case accepting the Seibel Plea.

30. On August 19, 2016, Mr. Seibel was sentenced and a judgment was entered against him in the Seibel Case.

31. On September 2, 2016, Caesars and CAC issued notices of termination of the LLTQ Agreement and the FERG Agreement “effective immediately” (the “Termination”) due to alleged “suitability” issues related to Mr. Seibel. The Debtors later asserted that Mr. Seibel fraudulently induced the Debtors into entering the Pub Agreements by making misrepresentations related to the Seibel Case. However, in connection with the 2012 LLTQ Agreement and the 2014 FERG Agreement, Caesars and CAC now purport to have “relied” on disclosures made in connection with a separate contract entered into by a separate entity in 2009 for a different restaurant (i.e. the Development, Operation and License Agreement entered into by Moti Partners, LLC for the Serendipity restaurant).

32. Between April and September, 2016, Caesars and CAC remitted payments due under the Pub Agreements to LLTQ Enterprises 16 and FERG 16, the respective assignees.

33. After the Termination, the Debtors were informed that Mr. Seibel had no relationship with the Trust, but if the assignees could be found to jeopardize the Debtors’ gaming licenses, LLTQ, FERG (or their successors and assigns) would work with the Debtors to agree upon different assignees that would not jeopardize any gaming licenses. The Debtors were also

informed that the Trust expressly provides protections to avoid any possible issues concerning “unsuitable” persons.

34. Notwithstanding the purported Termination, both Ramsay Pubs remain open and, upon information and belief, profitable.

E. The Debtors filed a new action in a Nevada in an effort to move the pending contested matters related to the Restrictive Covenants to a new, local court.

35. On August 25, 2017, Caesars and CAC, together with two non-debtor plaintiffs, filed a 3-count complaint against LLTQ and FERG, among others, in the District Court, Clark County Nevada (the “Nevada Complaint”). A true and correct copy of the Nevada Complaint (without its exhibits) is attached hereto as Exhibit F.

36. Count I of the Nevada Complaint seeks, among other relief, a determination that Caesars and CAC properly terminated the Pub Agreements on or about September 2, 2016.

37. In Counts II and III of the Nevada Complaint, Caesars and CAC reassert their defenses to the Original Request in the Chapter 11 Cases, by seeking a determination from the Nevada state court that: (a) the Debtors have no current or future obligations under the LLTQ Agreement or the FERG Agreement because the Pub Agreements should be rescinded due to alleged fraudulent inducement arising from “suitability” issues with Mr. Seibel (Nevada Complaint at ¶¶141, 143); and (b) the Restrictive Covenants are unenforceable as they are allegedly “overly broad, indefinite, vague and ambiguous.” (*Id.* at ¶¶150-155).

38. Prior to filing the Nevada Complaint, this Court described Caesars’ and CAC’s rescission theory (reasserted in Count II) to be to be “thin” and “dubious” and that rescission “did not look like a possibility here.” *See* 5/31/17 hearing transcript, p. 6, line 23 – p. 7, line 7; p. 10, line 3 (a copy of which is attached hereto as Exhibit G); *see also* 6/21/17 hearing transcript, p. 25, lines 19 – 23, a copy of which is attached hereto as Exhibit H. (“In denying FERG and

LLTQ's motion for protective order, I described as "thin" the legal theories the debtors have advanced to justify what they call "suitability" discovery. As I explained, rescission does not seem to be a possibility here . . .").

39. This Court has also expressed doubt over Caesars' assertions concerning the validity of the Restrictive Covenants (reasserted in Count III). *See* 8/17/16 hearing transcript, p. 8, line 24 - p. 9, line 5 (a copy of which is attached as Exhibit I) ("I don't know that the debtors' assertions about the validity of the restrictive covenant under Nevada law are accurate. The cases they cite would not support the proposition that this is invalid. They don't have a case that I saw, at least based on the information in the memorandum, that would support that.").

40. Counts II and III of the Nevada Complaint thus reassert affirmative defenses that Caesars and CAC has already asserted herein. Similarly, the Claimants have previously raised the enforceability of the Restrictive Covenants as defenses to both the Rejection Motion and the Ramsay Rejection Motion. These issues remain pending before this Court. Consequently, this Court is the proper venue for resolving Counts II and III of the Nevada Complaint.

41. On September 27, 2017, the Claimants removed the claims asserted against them in Counts II and III of the Nevada Complaint to the United States Bankruptcy Court, District of Nevada (the "Removed Claims").

42. On October 2, 2017, the Claimants filed a motion seeking to transfer venue of the Removed Claims to this Court. Caesars and CAC filed an objection to the motion to transfer venue and a motion to remand the Removed Claims to the Nevada state court. The competing motions to transfer venue and to remand the Removed Claims remain pending in the Nevada Bankruptcy Court.

F. Caesars has opened and intends to open new Restricted Restaurant Ventures in violation of the Restrictive Covenants.

43. In October 2014, Flamingo Las Vegas Operating Company, LLC (“Flamingo”), an affiliate of Caesars, entered into an agreement with Ramsay for the development and operation of a restaurant (“Fish & Chips”) to be located in Las Vegas at certain premises located at the retail center known as The Linq (the “Linq”). Fish & Chips is a Restricted Restaurant Venture.

44. On or about October 7, 2016, Fish & Chips opened at the Linq. At no time, whether prior to opening Fish & Chips or anytime thereafter, did Caesars or any of its affiliates seek to enter into an agreement with LLTQ or an affiliate thereof in connection with Fish & Chips.

45. Upon and information and belief, Ramsay intends to open six (6) new restaurants in the United States and one or more of such restaurant ventures is: (a) between Ramsay and Caesars or one of its affiliates; and (b) qualifies as a Restricted Restaurant Venture. Included as part of these future ventures, one of Caesars’ affiliates intends to open a Gordon Ramsay Steak restaurant in Baltimore, Maryland (“GR Steak Baltimore”).

46. GR Steak Baltimore is a venture similar to the Gordon Ramsay Steak restaurant at the Paris hotel in Las Vegas and which is the subject of the development and operation agreement entered into December 5, 2011 between TPOV Enterprises, LLC (an affiliate of LLTQ), on the one hand, and Paris Las Vegas Operating Company, LLC (an affiliate of Caesars), on the other hand, and is expressly subject to the restrictions contained in section 13.22 of the LLTQ Agreement.

47. On September 26, 2017, LLTQ sent a letter to Caesars requesting Caesars comply with section 13.22 of the LLTQ Agreement and provide a proposed development and operation

agreement in connection with GR Steak Baltimore along with any proposed changes from the LLTQ Agreement. A true and correct copy of the September 26, 2017 correspondence is attached hereto as Exhibit J.

48. As of the filing of this Amended Request, neither Caesars nor any of its affiliates have sought to enter into or actually entered into an agreement with LLTQ or its affiliates in connection with GR Steak Baltimore.

III. RELIEF REQUESTED

49. The Claimants seek the Court's allowance, and the Debtors' payment, of all post-petition Distributions and all other claims that have accrued post-petition (and prior to the Effective Date) under the Pub Agreements as an administrative expense. Such claims include, without limitation, damages for breach of the Restrictive Covenants.

50. 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 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).

51. The Debtors, who throughout the Chapter 11 Cases derived substantial net profits under the Pub Agreements by operating the Ramsay Pubs, have (a) paid all Distributions due under the Pub Agreements after the Petition Date through June 11, 2015; (b) admitted that the restaurant operations under the Pub Agreements are beneficial to the estates; and (c) admitted that the Ramsay Pubs are important components of the Debtors' operations. The Original

Request sought a determination that the Distributions due under the Pub Agreements are administrative priority claims.

52. The Amended Request broadens the Claimants' request to include all claims under the Pub Agreements, including without limitation, claims for the Debtors' post-petition and on-going breaches of the Restrictive Covenants.

53. 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)). The Debtors' continued post-petition operation of the Ramsay Pubs, the development and operation of the Fish & Chip, and the efforts to open GR Steak Baltimore and other Restricted Restaurant Ventures all constitute breaches of the Pub Agreements—including the Restrictive Covenants, which survive rejection and termination—as part of the Debtors' business operations.

54. The Debtors are responsible for their post-petition breaches of the Pub Agreements because they have continued to operate the Ramsay Pubs (and Fish & Chips), and developed new Ramsay-branded restaurants, for the benefit of their estates.

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 administrative 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).

55. The Debtors have affirmatively asserted that their estates benefit from the Ramsay Pubs. Further, the opening of Fish & Chips and efforts to develop additional Ramsay-branded

restaurants post-petition evidence their belief that operating these restaurant ventures benefit their estates.

IV. CONCLUSION

WHEREFORE, FERG and LLTQ respectfully request that the Court enter an order approving the Amended Request for Payment, awarding an administrative expense claim for all distributions due under the Pub Agreements and all other post-petition claims arising from the Pub Agreements, requiring payment thereof, and granting such further relief as is appropriate under the circumstances.

Dated: November 17, 2017

Respectfully submitted,

**FERG, LLC, FERG 16, LLC, LLTQ
ENTERPRISES, LLC, and LLTQ
ENTERPRISES 16, LLC**

By: /s/ Nathan Q. Rugg
One of Their Attorneys

NATHAN Q. RUGG, ESQ. (ARDC #6272969)
STEVEN B. CHAIKEN, ESQ. (ARDC #6272045)
ADELMAN & GETTLEMAN, LTD.
53 West Jackson Boulevard, Suite 1050
Chicago, Illinois 60604
(312) 435-1050
Counsel for the Claimants