

IN THE SUPREME COURT OF THE  
STATE OF NEVADA

ROWEN SEIBEL, MOTI PARTNERS,  
LLC; MOTI PARTNERS 16, LLC; LLTQ  
ENTERPRISES, LLC; LLTQ  
ENTERPRISES 16, LLC; TPOV  
ENTERPRISES, LLC; TPOV  
ENTERPRISES 16, LLC; FERG, LLC;  
FERG 16, LLC; CRAIG GREEN;  
R SQUARED GLOBAL SOLUTIONS,  
LLC, Derivatively on Behalf of DNT  
ACQUISITION, LLC; and GR BURGR,  
LLC,

Appellants,

vs.

DESERT PALACE, INC.; PARIS LAS  
VEGAS OPERATING COMPANY, LLC;  
PHWLTV, LLC; and BOARDWALK  
REGENCY CORPORATION,

Respondents.

Supreme Court Case No. 86462

District Court Case No. A-17-751759-B  
Consolidated with District Court Case  
No. A-17-760537-B

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**APPENDIX OF EXHIBITS TO  
DOCKETING STATEMENT, CIVIL  
APPEALS**

**VOLUME 1 OF 2**

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## **CERTIFICATE OF SERVICE**

I certify that I am an employee of BAILEY ♦ KENNEDY and that on the 18<sup>th</sup> day of May, 2023, service of the foregoing was made by mandatory electronic service through the Nevada Supreme Court's electronic filing system and/or by depositing a true and correct copy in the U.S. Mail, first class postage prepaid, and addressed to the following at their last known address:

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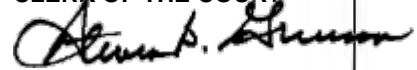
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12 **DISTRICT COURT**

13 **CLARK COUNTY, NEVADA**

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

Case No.: A-17-760537-B

Dept. No.: Department 27

**COMPLAINT**

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

18 Plaintiffs,  
19 vs.

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

Defendants.

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

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

10 Caesars alleges as follows:

#### 11 PRELIMINARY STATEMENT

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

24 2. Unbeknownst to Caesars, when the parties entered into each of the agreements,  
25 Mr. Seibel was engaged in criminal conduct that rendered him "Unsuitable" under the terms of each  
26 agreement. In 2004, Mr. Seibel began using foreign bank accounts to defraud the IRS. In 2009,  
27 when Mr. Seibel was assuring Caesars that he had not been a party to a felony and there was nothing  
28



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

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

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

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

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

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



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

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

#### 16 PARTIES, JURISDICTION, AND VENUE

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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



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

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

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

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

## STATEMENT OF FACTS

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

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

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

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

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

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

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

24           31.     The prior written disclosures referenced in the MOTI Agreement included and were  
25 intended to include the information that Mr. Seibel provided in the MOTI Business Information  
26 Form. Accordingly, MOTI was obligated to update the Business Information Form in accordance  
27 with the provisions in the MOTI Agreement.  
28



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

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

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

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

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



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

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

7 (b) *The DNT Agreement.*

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

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

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

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



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

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

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

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

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

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



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

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

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

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

24 *(c) The TPOV Agreement.*

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

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



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

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

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

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

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

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



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

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

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

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

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



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

3 (d) *The LLTQ Agreement.*

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

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

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

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

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

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



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

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

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

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

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



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

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

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

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

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

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

1                   (e)     *The GR Burgr Agreement.*

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

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

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

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

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



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

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

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

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

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



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

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

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

13 (f) *The FERG Agreement*

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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



1                   (d)     *Termination of the LLTQ Agreement.*

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

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

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

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

20                   (e)     *Termination of the GRB Agreement.*

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

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

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

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

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



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

6 ***(f) Termination of the FERG Agreement.***

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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

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

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.









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

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

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

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

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



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

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

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

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

### 13 COUNT III

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

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

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

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

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

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

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

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

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

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



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

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

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

11 Prayer for Relief

12 WHEREFORE, Caesars respectfully prays for judgment as follows:

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

17 DATED this 24th day of August, 2017.

18 PISANELLI BICE PLLC

19 By: 

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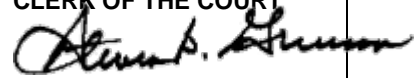
26 and

27 Jeffrey J. Zeiger, P.C., Esq.  
28 (pro hac vice forthcoming)  
William E. Arnault, IV, Esq.  
(pro hac vice forthcoming)  
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Attorneys for Plaintiffs

TAB 2





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*Attorney for J. Jeffrey Frederick*

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

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

Plaintiffs,

v.

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

Defendants.

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

**DEFENDANT J. JEFFREY  
FREDERICK'S ANSWER TO  
PLAINTIFF'S COMPLAINT**

J. JEFFREY FREDERICK ("Frederick"), by and through counsel, hereby answers  
the claims asserted by the above-captioned plaintiffs ("Plaintiffs") in their complaint filed on  
August 25, 2017, as follows:

**PRELIMINARY STATEMENT**

1. Frederick recalls that six such agreements existed, but does not recall whether  
he personally saw (and thus has personal knowledge of) any or all of the final contracts or  
their contents. To the extent that he has seen final versions, he has forgotten the details of  
their contents, and thus any such documents speak for themselves. Accordingly, due to lack  
of specific knowledge, Frederick generally denies the allegations of Paragraph 1 on that  
basis.

1           2.       Frederick has no personal knowledge of the allegations made in this  
2 paragraph, and generally denies on that basis.

3           3.       Frederick has no personal knowledge of the allegations made in this  
4 paragraph, and generally denies on that basis.

5           4.       Frederick has no personal knowledge of the allegations made in this  
6 paragraph, and generally denies on that basis.

7           5.       Frederick has no personal knowledge of the allegations made in this  
8 paragraph, and generally denies on that basis.

9           6.       Frederick has no personal knowledge of the allegations made in this  
10 paragraph, and generally denies on that basis.

11          7.       Frederick has no personal knowledge of the allegations made in this  
12 paragraph, and generally denies on that basis.

13          8.       Plaintiff's complaint speaks for itself.

14                               **PARTIES, JURISDICTION, AND VENUE**

15          9.       Admit.

16          10.      Admit.

17          11.      Admit.

18          12.      Frederick has no personal knowledge of the allegations made in this  
19 paragraph, and generally denies on that basis.

20          13.      Frederick has no personal knowledge of the current residence of Mr. Seibel,  
21 but he did reside at that address in the past. Frederick has no personal knowledge of the  
22 remainder of the allegations made in this paragraph, and generally denies on that basis.

23          14.      Frederick admits that the MOTI Agreement was negotiated in Nevada. He  
24 does not recall whether he personally saw (and thus has personal knowledge of) the final  
25 MOTI Agreement contract or its contents. To the extent that he has seen the final version, he  
26 has forgotten the details of its contents, and thus any such document speaks for itself.  
27 Accordingly, due to lack of specific knowledge, Frederick generally denies all other  
28 allegations of Paragraph 1 (excepting that negotiations occurred in Nevada) on that basis.

          15.      Frederick has no personal knowledge of the allegations made in this  
paragraph, and generally denies on that basis.



1           16. Frederick admits that the DNT Agreement was negotiated in Nevada. He  
2 does not recall whether he personally saw (and thus has personal knowledge of) the final  
3 DNT Agreement contract or its contents. To the extent that he has seen the final version, he  
4 has forgotten the details of its contents, and thus any such document speaks for itself.  
5 Accordingly, due to lack of specific knowledge, Frederick generally denies all other  
6 allegations of Paragraph 1 (excepting that negotiations occurred in Nevada) on that basis.

7           17. Frederick admits that the TPOV Agreement was negotiated in Nevada. He  
8 does not recall whether he personally saw (and thus has personal knowledge of) the final  
9 TPOV Agreement contract or its contents. To the extent that he has seen the final version, he  
10 has forgotten the details of its contents, and thus any such document speaks for itself.  
11 Accordingly, due to lack of specific knowledge, Frederick generally denies all other  
12 allegations of Paragraph 1 (excepting that negotiations occurred in Nevada) on that basis.

13           18. Frederick has no personal knowledge of the allegations made in this  
14 paragraph, and generally denies on that basis.

15           19. Frederick admits that the LLTQ Agreement was primarily negotiated in  
16 Nevada. He does not recall whether he personally saw (and thus has personal knowledge of)  
17 the final LLTQ Agreement contract or its contents. To the extent that he has seen the final  
18 version, he has forgotten the details of its contents, and thus any such document speaks for  
19 itself. Accordingly, due to lack of specific knowledge, Frederick generally denies all other  
20 allegations of Paragraph 1 (excepting that negotiations occurred in Nevada) on that basis.

21           20. Frederick has no personal knowledge of the allegations made in this  
22 paragraph, and generally denies on that basis.

23           21. Frederick admits that the GRB Agreement was primarily negotiated in  
24 Nevada. He does not recall whether he personally saw (and thus has personal knowledge of)  
25 the final GRB Agreement contract or its contents. To the extent that he has seen the final  
26 version, he has forgotten the details of its contents, and thus any such document speaks for  
27 itself. Accordingly, due to lack of specific knowledge, Frederick generally denies all other  
28 allegations of Paragraph 1 (excepting that negotiations occurred in Nevada) on that basis.

          22. Frederick admits that the FERG Agreement was primarily negotiated in  
Nevada. He does not recall whether he personally saw (and thus has personal knowledge of)  
the final FERG Agreement contract or its contents. To the extent that he has seen the final  
version, he has forgotten the details of its contents, and thus any such document speaks for

1       itself. Accordingly, due to lack of specific knowledge, Frederick generally denies all other  
2       allegations of Paragraph 1 (excepting that negotiations occurred in Nevada) on that basis.

3               23.       Frederick has no personal knowledge of the allegations made in this  
4       paragraph, and generally denies on that basis.

5               24.       Frederick admits that his residence is 31 Grand Masters Drive. Frederick did  
6       not sign any agreement in which Mr. Seibel purportedly assigned his duties and obligations  
7       under the LLTQ, FERG, TPOV, and MOTI Agreements to Frederick. Deny that Frederick  
8       currently considers Seibel to be his best friend, but admits that previously that was true, for a  
9       while. Frederick has no personal knowledge of the allegations relating to Caesars  
10      contentions made in this paragraph, and generally denies on that basis.

11              25.       Admit.

### 12                                      **STATEMENT OF FACTS**

13              26.       Admit that negotiations began in 2009. Frederick has no personal knowledge  
14      of the remainder of the allegations made in this paragraph, and generally denies on that basis.

15              27.       Admit that Caesars has a compliance program. Frederick has no personal  
16      knowledge of the remainder of the allegations made in this paragraph, and generally denies  
17      on that basis.

18              28.       Although Frederick was involved in the general deal negotiations of the  
19      MOTI Agreement, Frederick has no personal knowledge of the contents of the final MOTI  
20      Agreement contract, and generally denies the allegations of this paragraph on that basis.

21              29.       Although Frederick was involved in the general deal negotiations of the  
22      MOTI Agreement, Frederick has no personal knowledge of the contents of the final MOTI  
23      Agreement contract, and generally denies the allegations of this paragraph on that basis.

24              30.       Although Frederick was involved in the general deal negotiations of the  
25      MOTI Agreement, Frederick has no personal knowledge of the contents of the final MOTI  
26      Agreement contract, and generally denies the allegations of this paragraph on that basis.

27              31.       Frederick has no personal knowledge of the contents of the MOTI Agreement,  
28      and generally denies the allegations of this paragraph on that basis.

              32.       Although Frederick was involved in the general deal negotiations of the  
MOTI Agreement, Frederick has no personal knowledge of the contents of the final MOTI  
Agreement contract, and generally denies the allegations of this paragraph on that basis.



1           33.     Although Frederick was involved in the general deal negotiations of the  
2 MOTI Agreement, Frederick has no personal knowledge of the contents of the final MOTI  
3 Agreement contract, and generally denies the allegations of this paragraph on that basis.

4           34.     Although Frederick was involved in the general deal negotiations of the  
5 MOTI Agreement, Frederick has no personal knowledge of the contents of the final MOTI  
6 Agreement contract, and generally denies the allegations of this paragraph on that basis.

7           35.     Frederick has no personal knowledge of the allegations made in this  
8 paragraph, and generally denies on that basis.

9           36.     Admit that five more agreements were entered. Frederick has no personal  
10 knowledge of the remainder of the allegations made in this paragraph, and generally denies  
11 on that basis.

12           37.     Although Frederick was involved in the general deal negotiations of the DNT  
13 Agreement, Frederick has no personal knowledge of the contents of the final DNT  
14 Agreement contract, and generally denies the allegations of this paragraph on that basis.

15           38.     Frederick has no personal knowledge of the allegations made in this  
16 paragraph, and generally denies on that basis.

17           39.     Although Frederick was involved in the general deal negotiations of the DNT  
18 Agreement, Frederick has no personal knowledge of the contents of the final DNT  
19 Agreement contract, and generally denies the allegations of this paragraph on that basis.

20           40.     Although Frederick was involved in the general deal negotiations of the DNT  
21 Agreement, Frederick has no personal knowledge of the contents of the final DNT  
22 Agreement contract, and generally denies the allegations of this paragraph on that basis.

23           41.     Although Frederick was involved in the general deal negotiations of the DNT  
24 Agreement, Frederick has no personal knowledge of the contents of the final DNT  
25 Agreement contract, and generally denies the allegations of this paragraph on that basis.

26           42.     Although Frederick was involved in the general deal negotiations of the DNT  
27 Agreement, Frederick has no personal knowledge of the contents of the final DNT  
28 Agreement contract, and generally denies the allegations of this paragraph on that basis.

          43.     Although Frederick was involved in the general deal negotiations of the DNT  
Agreement, Frederick has no personal knowledge of the contents of the final DNT  
Agreement contract, and generally denies the allegations of this paragraph on that basis.

1           44.     Although Frederick was involved in the general deal negotiations of the DNT  
2 Agreement, Frederick has no personal knowledge of the contents of the final DNT  
3 Agreement contract, and generally denies the allegations of this paragraph on that basis.

4           45.     Although Frederick was involved in the general deal negotiations of the DNT  
5 Agreement, Frederick has no personal knowledge of the contents of the final DNT  
6 Agreement contract, and generally denies the allegations of this paragraph on that basis.

7           46.     Frederick has no personal knowledge of the allegations made in this  
8 paragraph, and generally denies on that basis.

9           47.     Admit.

10          48.     Although Frederick was involved in the general deal negotiations of the  
11 TPOV Agreement, Frederick has no personal knowledge of the contents of the final TPOV  
12 Agreement contract, and generally denies the allegations of this paragraph on that basis.

13          49.     Although Frederick was involved in the general deal negotiations of the  
14 TPOV Agreement, Frederick has no personal knowledge of the contents of the final TPOV  
15 Agreement contract, and generally denies the allegations of this paragraph on that basis.

16          50.     Although Frederick was involved in the general deal negotiations of the  
17 TPOV Agreement, Frederick has no personal knowledge of the contents of the final TPOV  
18 Agreement contract, and generally denies the allegations of this paragraph on that basis.

19          51.     Although Frederick was involved in the general deal negotiations of the  
20 TPOV Agreement, Frederick has no personal knowledge of the contents of the final TPOV  
21 Agreement contract, and generally denies the allegations of this paragraph on that basis.

22          52.     Although Frederick was involved in the general deal negotiations of the  
23 TPOV Agreement, Frederick has no personal knowledge of the contents of the final TPOV  
24 Agreement contract, and generally denies the allegations of this paragraph on that basis.

25          53.     Although Frederick was involved in the general deal negotiations of the  
26 TPOV Agreement, Frederick has no personal knowledge of the contents of the final TPOV  
27 Agreement contract, and generally denies the allegations of this paragraph on that basis.

28          54.     Although Frederick was involved in the general deal negotiations of the  
TPOV Agreement, Frederick has no personal knowledge of the contents of the final TPOV  
Agreement contract, and generally denies the allegations of this paragraph on that basis.

          55.     Frederick has no personal knowledge of the allegations made in this  
paragraph, and generally denies on that basis.



1           56.     Frederick has no personal knowledge of the allegations made in this  
2 paragraph, and generally denies on that basis.

3           57.     Admit.

4           58.     Although Frederick was involved in the general deal negotiations of the  
5 LLTQ Agreement, Frederick has no personal knowledge of the contents of the final LLTQ  
6 Agreement contract, and generally denies the allegations of this paragraph on that basis.

7           59.     Although Frederick was involved in the general deal negotiations of the  
8 LLTQ Agreement, Frederick has no personal knowledge of the contents of the final LLTQ  
9 Agreement contract, and generally denies the allegations of this paragraph on that basis.

10          60.     Although Frederick was involved in the general deal negotiations of the  
11 LLTQ Agreement, Frederick has no personal knowledge of the contents of the final LLTQ  
12 Agreement contract, and generally denies the allegations of this paragraph on that basis.

13          61.     Although Frederick was involved in the general deal negotiations of the  
14 LLTQ Agreement, Frederick has no personal knowledge of the contents of the final LLTQ  
15 Agreement contract, and generally denies the allegations of this paragraph on that basis.

16          62.     Although Frederick was involved in the general deal negotiations of the  
17 LLTQ Agreement, Frederick has no personal knowledge of the contents of the final LLTQ  
18 Agreement contract, and generally denies the allegations of this paragraph on that basis.

19          63.     Although Frederick was involved in the general deal negotiations of the  
20 LLTQ Agreement, Frederick has no personal knowledge of the contents of the final LLTQ  
21 Agreement contract, and generally denies the allegations of this paragraph on that basis.

22          64.     Although Frederick was involved in the general deal negotiations of the  
23 LLTQ Agreement, Frederick has no personal knowledge of the contents of the final LLTQ  
24 Agreement contract, and generally denies the allegations of this paragraph on that basis.

25          65.     Frederick has no personal knowledge of the allegations made in this  
26 paragraph, and generally denies on that basis.

27          66.     Frederick has no personal knowledge of the allegations made in this  
28 paragraph, and generally denies on that basis.

          67.     Although Frederick was involved in the crafting of Section 13.22 of the LLTQ  
Agreement, Frederick has no personal knowledge of the contents of the final LLTQ  
Agreement contract, and generally denies the allegations of this paragraph on that basis.

1           68.     Frederick has no personal knowledge of the allegations made in this  
2 paragraph, and generally denies on that basis.

3           69.     Admit.

4           70.     Although Frederick was involved in the general deal negotiations of the GRB  
5 Agreement, Frederick has no personal knowledge of the contents of the final GRB  
6 Agreement contract, and generally denies the allegations of this paragraph on that basis.

7           71.     Although Frederick was involved in the general deal negotiations of the GRB  
8 Agreement, Frederick has no personal knowledge of the contents of the final GRB  
9 Agreement contract, and generally denies the allegations of this paragraph on that basis.

10          72.     Although Frederick was involved in the general deal negotiations of the GRB  
11 Agreement, Frederick has no personal knowledge of the contents of the final GRB  
12 Agreement contract, and generally denies the allegations of this paragraph on that basis.

13          73.     Although Frederick was involved in the general deal negotiations of the GRB  
14 Agreement, Frederick has no personal knowledge of the contents of the final GRB  
15 Agreement contract, and generally denies the allegations of this paragraph on that basis.

16          74.     Although Frederick was involved in the general deal negotiations of the GRB  
17 Agreement, Frederick has no personal knowledge of the contents of the final GRB  
18 Agreement contract, and generally denies the allegations of this paragraph on that basis.

19          75.     Although Frederick was involved in the general deal negotiations of the GRB  
20 Agreement, Frederick has no personal knowledge of the contents of the final GRB  
21 Agreement contract, and generally denies the allegations of this paragraph on that basis.

22          76.     Although Frederick was involved in the general deal negotiations of the GRB  
23 Agreement, Frederick has no personal knowledge of the contents of the final GRB  
24 Agreement contract, and generally denies the allegations of this paragraph on that basis.

25          77.     Frederick has no personal knowledge of the allegations made in this  
26 paragraph, and generally denies on that basis.

27          78.     Frederick has no personal knowledge of the allegations made in this  
28 paragraph, and generally denies on that basis.

          79.     Admit.

          80.     Although Frederick was involved in the general deal negotiations of the  
FERG Agreement, Frederick has no personal knowledge of the contents of the final FERG  
Agreement contract, and generally denies the allegations of this paragraph on that basis.



1           81.     Although Frederick was involved in the general deal negotiations of the  
2     FERG Agreement, Frederick has no personal knowledge of the contents of the final FERG  
3     Agreement contract, and generally denies the allegations of this paragraph on that basis.

4           82.     Although Frederick was involved in the general deal negotiations of the  
5     FERG Agreement, Frederick has no personal knowledge of the contents of the final FERG  
6     Agreement contract, and generally denies the allegations of this paragraph on that basis.

7           83.     Although Frederick was involved in the general deal negotiations of the  
8     FERG Agreement, Frederick has no personal knowledge of the contents of the final FERG  
9     Agreement contract, and generally denies the allegations of this paragraph on that basis.

10          84.     Although Frederick was involved in the general deal negotiations of the  
11     FERG Agreement, Frederick has no personal knowledge of the contents of the final FERG  
12     Agreement contract, and generally denies the allegations of this paragraph on that basis.

13          85.     Although Frederick was involved in the general deal negotiations of the  
14     FERG Agreement, Frederick has no personal knowledge of the contents of the final FERG  
15     Agreement contract, and generally denies the allegations of this paragraph on that basis.

16          86.     Although Frederick was involved in the general deal negotiations of the  
17     FERG Agreement, Frederick has no personal knowledge of the contents of the final FERG  
18     Agreement contract, and generally denies the allegations of this paragraph on that basis.

19          87.     Frederick has no personal knowledge of the allegations made in this  
20     paragraph, and generally denies on that basis.

21          88.     Frederick has no personal knowledge of the allegations made in this  
22     paragraph, and generally denies on that basis.

23          89.     Although Frederick was involved in the general deal negotiations of the  
24     FERG Agreement, Frederick has no personal knowledge of the contents of the final FERG  
25     Agreement contract, and generally denies the allegations of this paragraph on that basis.

26          90.     Frederick has no personal knowledge of the allegations made in this  
27     paragraph, and generally denies on that basis.

28          91.     Frederick has no personal knowledge of the allegations made in this  
29     paragraph, and generally denies on that basis.

30          92.     Frederick has no personal knowledge of the allegations made in this  
31     paragraph, and generally denies on that basis.

1           93.     Frederick has no personal knowledge of the allegations made in this  
2 paragraph, and generally denies on that basis.

3           94.     Frederick has no personal knowledge of the allegations made in this  
4 paragraph, and generally denies on that basis.

5           95.     Frederick has no personal knowledge of the allegations made in this  
6 paragraph, and generally denies on that basis.

7           96.     Frederick has no personal knowledge of the allegations made in this  
8 paragraph, and generally denies on that basis.

9           97.     Frederick has no personal knowledge of the allegations made in this  
10 paragraph, and generally denies on that basis.

11          98.     Frederick has no personal knowledge of the allegations made in this  
12 paragraph, and generally denies on that basis.

13          99.     Frederick has no personal knowledge of the allegations made in this  
14 paragraph, and generally denies on that basis.

15          100.    Frederick has no personal knowledge of the allegations made in this  
16 paragraph, and generally denies on that basis.

17          101.    Frederick has no personal knowledge of the allegations made in this  
18 paragraph, and generally denies on that basis.

19          102.    Frederick has no personal knowledge of the allegations made in this  
20 paragraph, and generally denies on that basis.

21          103.    Frederick has no personal knowledge of the allegations made in this  
22 paragraph, and generally denies on that basis.

23          104.    Frederick has no personal knowledge of the allegations made in this  
24 paragraph, and generally denies on that basis.

25          105.    Frederick has no personal knowledge of the allegations made in this  
26 paragraph, and generally denies on that basis.

27          106.    Frederick has no personal knowledge of the allegations made in this  
28 paragraph, and generally denies on that basis.

          107.    Frederick has no personal knowledge of the allegations made in this  
paragraph, and generally denies on that basis.

          108.    Frederick has no personal knowledge of the allegations made in this  
paragraph, and generally denies on that basis.



1           109. Frederick has no personal knowledge of the allegations made in this  
2 paragraph, and generally denies on that basis.

3           110. Frederick has no personal knowledge of the allegations made in this  
4 paragraph, and generally denies on that basis.

5           111. Frederick has no personal knowledge of the allegations made in this  
6 paragraph, and generally denies on that basis.

7           112. Frederick has no personal knowledge of the allegations made in this  
8 paragraph, and generally denies on that basis.

9           113. Frederick has no personal knowledge of the allegations made in this  
10 paragraph, and generally denies on that basis.

11           114. Frederick has no personal knowledge of the allegations made in this  
12 paragraph, and generally denies on that basis.

13           115. Frederick has no personal knowledge of the allegations made in this  
14 paragraph, and generally denies on that basis.

15           116. Frederick has no personal knowledge of the allegations made in this  
16 paragraph, and generally denies on that basis.

17           117. Frederick has no personal knowledge of the allegations made in this  
18 paragraph, and generally denies on that basis.

19           118. Frederick has no personal knowledge of the allegations made in this  
20 paragraph, and generally denies on that basis.

21           119. Frederick has no personal knowledge of the allegations made in this  
22 paragraph, and generally denies on that basis.

23           120. The bankruptcy court docket speaks for itself.

24           121. The bankruptcy court docket speaks for itself.

25           122. The bankruptcy court docket speaks for itself.

26           123. The bankruptcy court docket speaks for itself.

27           124. The bankruptcy court docket speaks for itself.

28           125. The bankruptcy court docket speaks for itself.

          126. Frederick has no personal knowledge of the allegations made in this  
paragraph, and generally denies on that basis. The referenced state court docket speaks for  
itself.

          127. The referenced state court docket speaks for itself.

- 1           128.   The referenced state court docket speaks for itself.  
2           129.   The referenced federal court docket speaks for itself  
3           130.   The referenced federal court docket speaks for itself

4  
5                                   **COUNT 1**

- 6           131.   Frederick's responses to the above paragraphs are reiterated.  
7           132.   The statute speaks for itself.  
8           133.   Deny that Frederick has any dispute with Caesars. Deny that there is a  
9 justiciable controversy between Frederick and Caesars.  
10          134.   This paragraph requires a legal conclusion, and thus is generally denied on the  
11 basis that it requires the Court to adjudicate.  
12          135.   Deny.

13                                   **COUNT 2**

- 14          136.   Frederick's responses to the above paragraphs are reiterated.  
15          137.   The statute speaks for itself.  
16          138.   Deny that Frederick has any dispute with Caesars. Deny that there is a  
17 justiciable controversy between Frederick and Caesars.  
18          139.   Deny that Caesars has any current or future financial obligations or  
19 commitments to Frederick. Deny that Frederick is a Seibel-Affiliated Entity.  
20          140.   This paragraph requires a legal conclusion, and thus is generally denied on the  
21 basis that it requires the Court to adjudicate.  
22          141.   This paragraph requires a legal conclusion, and thus is generally denied on the  
23 basis that it requires the Court to adjudicate.  
24          142.   This paragraph requires a legal conclusion, and thus is generally denied on the  
25 basis that it requires the Court to adjudicate.  
26          143.   This paragraph requires a legal conclusion, and thus is generally denied on the  
27 basis that it requires the Court to adjudicate.  
28          144.   This paragraph requires a legal conclusion, and thus is generally denied on the  
basis that it requires the Court to adjudicate.  
145.   This paragraph requires a legal conclusion, and thus is generally denied on the  
basis that it requires the Court to adjudicate.  
146.   Deny.

1 **COUNT 3**

2 147. Frederick's responses to the above paragraphs are reiterated.

3 148. The statute speaks for itself.

4 149. Deny that Frederick has any dispute with Caesars over Section 13.22 of the  
5 LLTQ Agreement or Section 4.1 of the FERG Agreement. Deny that there is a justiciable  
6 controversy between Frederick and Caesars.

7 150. This paragraph requires a legal conclusion, and thus is generally denied on the  
8 basis that it requires the Court to adjudicate.

9 151. This paragraph requires a legal conclusion, and thus is generally denied on the  
10 basis that it requires the Court to adjudicate.

11 152. This paragraph requires a legal conclusion, and thus is generally denied on the  
12 basis that it requires the Court to adjudicate.

13 153. This paragraph requires a legal conclusion, and thus is generally denied on the  
14 basis that it requires the Court to adjudicate.

15 154. This paragraph requires a legal conclusion, and thus is generally denied on the  
16 basis that it requires the Court to adjudicate.

17 155. This paragraph requires a legal conclusion, and thus is generally denied on the  
18 basis that it requires the Court to adjudicate.

19 156. Deny.

20 **AFFIRMATIVE DEFENSES**

- 21 i. With respect to Count I, Plaintiffs aver that "[t]he parties dispute whether Caesars  
22 properly terminated the Seibel Agreements." This statement is not correct, as it relates  
23 to Frederick; he holds no claim on that subject and thus no dispute exists as between  
24 Caesars and Frederick. Frederick is not a party to the Seibel Agreements, nor is or  
25 was he a third-party beneficiary of them. Frederick holds no interest in the subject  
26 "whether the Seibel Agreements were properly terminated" which is adverse to  
27 Plaintiffs. Accordingly, no judiciable controversy exists between Plaintiffs and  
28 Frederick on this Count.
- ii. With respect to Count I, Plaintiffs have failed to properly plead this cause of action as  
against Frederick, because the Complaint fails to identify, with specificity: (i) any  
interest that Frederick holds that is adverse to Plaintiffs, or (ii) any dispute made by,  
brought by, or asserted by Frederick which would give rise to a judiciable controversy  
between these parties.



- 1       iii.     With respect to Count II, Plaintiffs aver that “[t]he parties dispute whether Caesars  
2       has any current or future financial obligations or commitments to Mr. Seibel or the  
3       Seibel-Affiliated Entities.” Frederick holds no claim on that subject and thus no  
4       dispute exists as between Caesars and Frederick. Frederick holds no interest in the  
5       subject “whether Caesars has any current or future financial obligations or  
6       commitments to Mr. Seibel or the Seibel-Affiliated Entities” which is adverse to  
7       Plaintiffs. Accordingly, no judicable controversy exists between Plaintiffs and  
8       Frederick on this Count.
- 9       iv.     With respect to Count II, Plaintiffs have failed to properly plead this cause of action  
10       as against Frederick, because the Complaint fails to identify, with specificity: (i) any  
11       interest that Frederick holds that is adverse to Plaintiffs, or (ii) any dispute made by,  
12       brought by, or asserted by Frederick which would give rise to a judicable controversy  
13       between these parties.
- 14       v.     With respect to Count III, Plaintiffs aver that “[t]he parties dispute whether section  
15       13.22 of the LLTQ Agreement and Section 4.1 of the FERG Agreement are  
16       enforceable and require Caesars to include Mr. Seibel, LLTQ, and/or FERG in  
17       current of future ventures between Caesars and Mr. Ramsey.” Frederick holds no  
18       claim on that subject and thus no dispute exists as between Caesars and Frederick.  
19       Frederick holds no interest in the subject “whether section 13.22 of the LLTQ  
20       Agreement and Section 4.1 of the FERG Agreement are enforceable and require  
21       Caesars to include Mr. Seibel, LLTQ, and/or FERG in current of future ventures  
22       between Caesars and Mr. Ramsey” which is adverse to Plaintiffs. Accordingly, no  
23       judicable controversy exists between Plaintiffs and Frederick on this Count.
- 24       vi.     With respect to Count III, Plaintiffs have failed to properly plead this cause of action  
25       as against Frederick, because the Complaint fails to identify, with specificity: (i) any  
26       interest that Frederick holds that is adverse to Plaintiffs, or (ii) any dispute made by,  
27       brought by, or asserted by Frederick which would give rise to a judicable controversy  
28       between these parties.

# # # # #

DATED: September 28, 2017

**ATKINSON LAW ASSOCIATES LTD.**

By:           /s/ Robert Atkinson            
ROBERT E. ATKINSON, ESQ.  
Nevada Bar No. 9958  
*Attorney for J. Jeffrey Frederick*

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that, on September 29, 2017, I caused to be served the foregoing document  
3 on the following persons and entities, using the means so indicated:

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

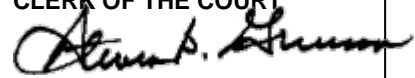
6		
7	Pisanelli Bice	lit@pisanellibice.com
8	Magali Mercera	mmm@pisanellibice.com
9	Debra L Spinelli	dls@pisanellibice.com
10	Cinda Towne	cct@pisanellibice.com
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12	Lisa Heller	lah@mcnuttlawfirm.com
13	Dan McNutt	drm@mcnuttlawfirm.com
14	Jackie Witt	jnw@mcnuttlawfirm.com
15	Matt Wolf	mcw@mcnuttlawfirm.com

16 DATED: September 29, 2017

17 /s/ Robert Atkinson  
18 ROBERT ATKINSON, ESQ.  
19 *Attorney for J. Jeffrey Frederick*  
20  
21  
22  
23  
24  
25  
26  
27  
28

**TAB 3**





ANS

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Attorneys for Defendant Rowen Seibel

**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.: 11

Consolidated with:  
Case No.: A-17-760537-B

**DEFENDANT ROWEN SEIBEL'S ANSWER  
TO PLAINTIFFS' COMPLAINT**

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

Defendant Rowen Seibel ("Seibel") hereby answers the claims asserted by Plaintiffs in the  
above-captioned matter as follows:

**PRELIMINARY STATEMENT**

1. Seibel denies the allegations contained in paragraph 1, except admit that Caesars  
entered into multiple agreements with entities previously owned by, managed by or affiliated with  
Seibel, and that Caesars requested and received "Business Information Forms" from Seibel at the  
outset of the MOTI and DNT business relationships. The contents of the agreements and "Business

1 Information Forms” speak for themselves, and Seibel respectfully refers to those documents for the  
2 full and complete contents thereof.

3 2. Seibel denies the allegations contained in paragraph 2.

4 3. Seibel denies the allegations contained in paragraph 3, except admits that on April 18,  
5 2016, he pled guilty to one count of a corrupt endeavor to obstruct and impede the due administration  
6 of the Internal Revenue Laws under 26 U.S.C. § 7212, which is a class E felony and served one month  
7 in prison.

8 4. Seibel denies the allegations contained in paragraph 4.

9 5. Seibel denies the allegations contained in paragraph 5, except admits that Caesars  
10 wrongfully purported to terminate the agreements and state that the contents of the certain agreements  
11 referenced in paragraph 5 speak for themselves, and respectfully refers to the aforementioned  
12 agreements for the full and complete contents thereof.

13 6. Seibel denies the allegations contained in paragraph 6, except admit that Caesars  
14 wrongfully attempted to the agreements, that Caesars cannot continue to operate the restaurants subject  
15 to such agreements absent providing compensation, that certain defendants have initiated legal  
16 proceedings against Caesars relating to the termination of the agreements, and that Caesars  
17 commenced the present action against Seibel and other Defendants by a complaint that speaks for  
18 itself, and Seibel respectfully refers to the complaint for the full and complete contents thereof.

19 7. Seibel denies the allegations contained in paragraph 7, except admit that certain  
20 defendants are seeking monetary relief from Caesars in different courts across the country related to  
21 the agreements, and that Caesars commenced the present action by a complaint that speaks for itself,  
22 and Seibel respectfully refers to the complaint for the full and complete contents thereof.

23 8. Seibel denies knowledge and information sufficient to form a belief as to the truth of  
24 the allegations contained in paragraph 8, except admits that Caesars commenced the present action by  
25 a complaint that speaks for itself, and Seibel respectfully refer to the complaint for the full and  
26 complete contents thereof.

27 **PARTIES, JURISDICTION, AND VENUE**

28 9. Seibel admits the allegations contained in paragraph 9.

1           10.     Seibel admits the allegations contained in paragraph 10.

2           11.     Seibel admits the allegations contained in paragraph 11.

3           12.     Seibel admits the allegations contained in paragraph 12.

4           13.     Seibel admits that he currently resides in New York and admits that a lawsuit is  
5 currently pending in the District Court, Clark County, Nevada styled *Rowen Seibel, derivatively as*  
6 *Nominal Plaintiff on behalf of Real Party in Interest GR BURGR, LLC v. PHWLTV, LLC et. al.*, Case  
7 No. A-17-751759-B. As to the remaining allegations contained in paragraph 13, deny.

8           14.     Seibel denies the allegations contained in paragraph 14 except admits that MOTI  
9 Parnters, LLC is a New York limited liability company and that the MOTI Agreement was entered  
10 into in or about March 2009, the contents of which speak for themselves, and respectfully refers to the  
11 MOTI Agreement for the full and complete contents thereof.

12          15.     Seibel denies knowledge and information sufficient to form a belief as to the truth of  
13 the allegations contained in the first sentence of paragraph 15. Seibel denies the allegations contained  
14 in the second sentence, except admits that the referenced letter was sent in or about April 2016, the  
15 contents of which speak for themselves, and respectfully refers to the aforementioned letter for the full  
16 and complete contents thereof. Seibel denies the allegations contained in the third sentence.

17          16.     Seibel denies the allegations contained in paragraph 16 except admits that DNT  
18 Acquisition, LLC is a Delaware limited liability company and that the DNT Agreement was entered  
19 into on or about June 21, 2011, the contents of which speak for themselves, and respectfully refers to  
20 the DNT Agreement for the full and complete contents thereof.

21          17.     Seibel denies the allegations contained in paragraph 17 except admits that TPOV  
22 Enterprises, LLC is a New York limited liability company and that the TPOV Agreement was entered  
23 into in or about November 2011, the contents of which speak for themselves, and respectfully refers  
24 to the TPOV Agreement for the full and complete contents thereof.

25          18.     Seibel denies knowledge and information sufficient to form a belief as to the truth of  
26 the allegations contained in the first sentence of paragraph 18. Seibel denies the allegations contained  
27 in the second sentence, except admits that the referenced letter was sent in or about April 2016, the  
28 contents of which speak for themselves, and respectfully refers to the aforementioned letter for the full



1 and complete contents thereof. Seibel denies the allegations contained in the third sentence.

2 19. Seibel denies the allegations contained in paragraph 19 except admits that LLTQ  
3 Enterprises, LLC is a Delaware limited liability company and that the LLTQ Agreement was entered  
4 into on or about April 4, 2012, the contents of which speak for themselves, and respectfully refers to  
5 the LLTQ Agreement for the full and complete contents thereof.

6 20. Seibel denies knowledge and information sufficient to form a belief as to the truth of  
7 the allegations contained in the first sentence of paragraph 20. Seibel denies the allegations contained  
8 in the second sentence, except admits that the referenced letter was sent in or about April 2016, the  
9 contents of which speak for themselves, and respectfully refers to the aforementioned letter for the full  
10 and complete contents thereof. Seibel denies the allegations contained in the third sentence.

11 21. Seibel denies the allegations contained in paragraph 21 except admits that GR Burgr,  
12 LLC is a Delaware limited liability company and that the GRB Agreement was entered into on or  
13 about December 13, 2012, the contents of which speak for themselves, and respectfully refers to the  
14 GRB Agreement for the full and complete contents thereof.

15 22. Seibel denies the allegations contained in paragraph 22 except admits that FERG, LLC  
16 is a Delaware limited liability company and that the FERG Agreement was entered into in or about  
17 May 2014, the contents of which speak for themselves, and respectfully refers to the FERG Agreement  
18 for the full and complete contents thereof.

19 23. Seibel denies knowledge and information sufficient to form a belief as to the truth of  
20 the allegations contained in the first sentence of paragraph 15. Seibel denies the allegations contained  
21 in the second sentence, except admits that the referenced letter was sent in or about April 2016, the  
22 contents of which speak for themselves, and respectfully refers to the aforementioned letter for the full  
23 and complete contents thereof. Seibel denies the allegations contained in the third sentence.

24 24. Seibel admits that he assigned his duties and obligations under the LLTQ, FERG,  
25 TPOV, and MOTI Agreements to Mr. Frederick. Seibel denies knowledge and information sufficient  
26 to form a belief as to the truth of the balance of the allegations contained in paragraph 24.

27 25. Seibel denies the allegations contained in paragraph 25.  
28

**STATEMENT OF FACTS**

26. Seibel denies the allegations contained in paragraph 26 except admits that Seibel is a restaurateur, that the negotiations for a Serendipity restaurant with Caesars began in or around 2009, and that the MOTI Agreement was entered into in or about March 2009, the contents of which speak for themselves, and respectfully refers to the MOTI Agreement for the full and complete contents thereof.

27. Seibel denies knowledge and information sufficient to form a belief as to the truth of whether, “In reliance on those representations (among other things), Caesars Palace and MOTI entered into the MOTI Agreement.” Seibel denies the balance of the allegations contained in paragraph 27 except admits that Seibel submitted a “Business Information Form” to Caesars, the contents of said “Business Information Form” speak for themselves, and respectfully refers to the “Business Information Form” for the full and complete contents thereof.

28. Seibel denies the allegations contained in paragraph 28 except admits that that the MOTI Agreement was entered into in or about March 2009, the contents of which speak for themselves, and respectfully refers to the MOTI Agreement for the full and complete contents thereof.

29. Seibel denies the allegations contained in paragraph 29 except admits that the MOTI Agreement was entered into in or about March 2009, the contents of which speak for themselves, and respectfully refers to the MOTI Agreement for the full and complete contents thereof.

30. Seibel denies the allegations contained in paragraph 30 except admits that the MOTI Agreement was entered into in or about March 2009, the contents of which speak for themselves, and respectfully refers to the MOTI Agreement for the full and complete contents thereof.

31. Seibel denies the allegations contained in paragraph 31 except admits that the MOTI Agreement was entered into in or about March 2009, the contents of which speak for themselves, and respectfully refers to the MOTI Agreement for the full and complete contents thereof, and admits that Seibel submitted a “Business Information Form”, the contents of the referenced “Business Information Form” speak for themselves, and respectfully refers to the aforementioned “Business Information Form” for the full and complete contents thereof.

32. Seibel denies the allegations contained in paragraph 32 except admits that the MOTI

1 Agreement was entered into in or about March 2009, the contents of which speak for themselves, and  
2 respectfully refers to the MOTI Agreement for the full and complete contents thereof.

3 33. Seibel denies the allegations contained in paragraph 33 except admits that the MOTI  
4 Agreement was entered into in or about March 2009, the contents of which speak for themselves, and  
5 respectfully refers to the MOTI Agreement for the full and complete contents thereof.

6 34. Seibel denies the allegations contained in paragraph 34 except admits that the MOTI  
7 Agreement was entered into in or about March 2009, the contents of which speak for themselves, and  
8 respectfully refers to the MOTI Agreement for the full and complete contents thereof.

9 35. Seibel denies the allegations contained in paragraph 35 except admits that the MOTI  
10 Agreement was entered into in or about March 2009, the contents of which speak for themselves, and  
11 respectfully refers to the MOTI Agreement for the full and complete contents thereof.

12 36. Seibel denies the allegations contained in paragraph 36, except admits that Caesars  
13 entered into multiple agreements with entities previously owned by, managed by or affiliated with  
14 Seibel, the contents of which speak for themselves, and respectfully refer to the aforementioned  
15 agreements for the full and complete contents thereof.

16 37. Seibel denies the allegations contained in paragraph 37 except admits that the DNT  
17 Agreement was entered into on or about June 21, 2011 concerning the Old Homestead Restaurant, the  
18 contents of which speak for themselves, and respectfully refers to the DNT Agreement for the full and  
19 complete contents thereof.

20 38. Seibel denies the allegations contained in paragraph 38 except admits that the DNT  
21 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
22 and respectfully refers to the DNT Agreement for the full and complete contents thereof, and admits  
23 that Seibel submitted a “Business Information Form”, the contents of the referenced “Business  
24 Information Form” speak for themselves, and respectfully refers to the aforementioned “Business  
25 Information Form” for the full and complete contents thereof.

26 39. Seibel denies the allegations contained in paragraph 39 except admits that the DNT  
27 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
28 and respectfully refers to the DNT Agreement for the full and complete contents thereof.



1           40.     Seibel denies the allegations contained in paragraph 40 except admits that the DNT  
2 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
3 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

4           41.     Seibel denies the allegations contained in paragraph 41 except admits that the DNT  
5 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
6 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

7           42.     Seibel denies the allegations contained in paragraph 42 except admits that the DNT  
8 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
9 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

10          43.     Seibel denies the allegations contained in paragraph 43 except admits that the DNT  
11 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
12 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

13          44.     Seibel denies the allegations contained in paragraph 44 except admits that the DNT  
14 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
15 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

16          45.     Seibel denies the allegations contained in paragraph 45 except admits that the DNT  
17 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
18 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

19          46.     Seibel denies the allegations contained in paragraph 46.

20          47.     Seibel denies the allegations contained in paragraph 47 except admits that the TPOV  
21 Agreement was entered into in or about November 2011 concerning a restaurant at the Paris casino  
22 known as Gordon Ramsay Steak, the contents of which speak for themselves, and respectfully refers  
23 to the TPOV Agreement for the full and complete contents thereof.

24          48.     Seibel denies the allegations contained in paragraph 48 except admits that the TPOV  
25 Agreement was entered into in or about November 2011, the contents of which speak for themselves,  
26 and respectfully refers to the TPOV Agreement for the full and complete contents thereof.

27          49.     Seibel denies the allegations contained in paragraph 49 except admits that the TPOV  
28 Agreement was entered into in or about November 2011, the contents of which speak for themselves,

1 and respectfully refers to the TPOV Agreement for the full and complete contents thereof.

2         50.     Seibel denies the allegations contained in paragraph 50 except admits that the TPOV  
3 Agreement was entered into in or about November 2011, the contents of which speak for themselves,  
4 and respectfully refers to the TPOV Agreement for the full and complete contents thereof.

5         51.     Seibel denies the allegations contained in paragraph 51 except admits that the TPOV  
6 Agreement was entered into in or about November 2011, the contents of which speak for themselves,  
7 and respectfully refers to the TPOV Agreement for the full and complete contents thereof.

8         52.     Seibel denies the allegations contained in paragraph 52 except admits that the TPOV  
9 Agreement was entered into in or about November 2011, the contents of which speak for themselves,  
10 and respectfully refers to the TPOV Agreement for the full and complete contents thereof.

11         53.     Seibel denies the allegations contained in paragraph 53 except admits that the TPOV  
12 Agreement was entered into in or about November 2011, the contents of which speak for themselves,  
13 and respectfully refers to the TPOV Agreement for the full and complete contents thereof.

14         54.     Seibel denies the allegations contained in paragraph 54 except admits that the TPOV  
15 Agreement was entered into in or about November 2011, the contents of which speak for themselves,  
16 and respectfully refers to the TPOV Agreement for the full and complete contents thereof.

17         55.     Seibel denies the allegations contained in paragraph 55.

18         56.     Seibel denies the allegations contained in paragraph 56.

19         57.     Seibel denies the allegations contained in paragraph 57 except admits that the LLTQ  
20 Agreement was entered into on or about April 4, 2012 concerning the restaurant at Caesars Palace  
21 known as Gordon Ramsay Pub, the contents of which speak for themselves, and respectfully refers to  
22 the LLTQ Agreement for the full and complete contents thereof.

23         58.     Seibel denies the allegations contained in paragraph 58 except admits that the LLTQ  
24 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
25 and respectfully refers to the LLTQ Agreement for the full and complete contents thereof.

26         59.     Seibel denies the allegations contained in paragraph 59 except admits that the LLTQ  
27 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
28 and respectfully refers to the LLTQ Agreement for the full and complete contents thereof.

1           60.     Seibel denies the allegations contained in paragraph 60 except admits that the LLTQ  
2 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
3 and respectfully refers to the LLTQ Agreement for the full and complete contents thereof.

4           61.     Seibel denies the allegations contained in paragraph 61 except admits that the LLTQ  
5 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
6 and respectfully refers to the LLTQ Agreement for the full and complete contents thereof.

7           62.     Seibel denies the allegations contained in paragraph 62 except admits that the LLTQ  
8 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
9 and respectfully refers to the LLTQ Agreement for the full and complete contents thereof.

10          63.     Seibel denies the allegations contained in paragraph 63 except admits that the LLTQ  
11 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
12 and respectfully refers to the LLTQ Agreement for the full and complete contents thereof.

13          64.     Seibel denies the allegations contained in paragraph 64 except admits that the LLTQ  
14 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
15 and respectfully refers to the LLTQ Agreement for the full and complete contents thereof.

16          65.     Seibel denies the allegations contained in paragraph 65.

17          66.     Seibel denies the allegations contained in paragraph 66.

18          67.     Seibel denies the allegations contained in paragraph 67 except admits that the LLTQ  
19 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
20 and respectfully refers to the LLTQ Agreement for the full and complete contents thereof.

21          68.     Seibel denies knowledge and information sufficient to form a belief as to the truth of  
22 the allegations contained in paragraph 68, except admit that the LLTQ Agreement was entered into on  
23 or about April 4, 2012, the contents of which speak for themselves, and respectfully refer to the LLTQ  
24 Agreement for the full and complete contents thereof.

25          69.     Seibel denies the allegations contained in paragraph 69 except admits that the GRB  
26 Agreement was entered into on or about December 13, 2012 concerning a restaurant in Planet  
27 Hollywood known as BURGR Gordon Ramsay, the contents of which speak for themselves, and  
28 respectfully refers to the GRB Agreement for the full and complete contents thereof.



1           70.     Seibel denies the allegations contained in paragraph 70 except admits that the GRB  
2 Agreement was entered into on or about December 13, 2012, the contents of which speak for  
3 themselves, and respectfully refers to the GRB Agreement for the full and complete contents thereof.

4           71.     Seibel denies the allegations contained in paragraph 71 except admits that the GRB  
5 Agreement was entered into on or about December 13, 2012, the contents of which speak for  
6 themselves, and respectfully refers to the GRB Agreement for the full and complete contents thereof.

7           72.     Seibel denies the allegations contained in paragraph 72 except admits that the GRB  
8 Agreement was entered into on or about December 13, 2012, the contents of which speak for  
9 themselves, and respectfully refers to the GRB Agreement for the full and complete contents thereof.

10          73.     Seibel denies the allegations contained in paragraph 73 except admits that the GRB  
11 Agreement was entered into on or about December 13, 2012, the contents of which speak for  
12 themselves, and respectfully refers to the GRB Agreement for the full and complete contents thereof.

13          74.     Seibel denies the allegations contained in paragraph 74 except admits that the GRB  
14 Agreement was entered into on or about December 13, 2012, the contents of which speak for  
15 themselves, and respectfully refers to the GRB Agreement for the full and complete contents thereof.

16          75.     Seibel denies the allegations contained in paragraph 75 except admits that the GRB  
17 Agreement was entered into on or about December 13, 2012, the contents of which speak for  
18 themselves, and respectfully refers to the GRB Agreement for the full and complete contents thereof.

19          76.     Seibel denies the allegations contained in paragraph 76 except admits that the GRB  
20 Agreement was entered into on or about December 13, 2012, the contents of which speak for  
21 themselves, and respectfully refers to the GRB Agreement for the full and complete contents thereof.

22          77.     Seibel denies the allegations contained in paragraph 77.

23          78.     Seibel denies the allegations contained in paragraph 78.

24          79.     Seibel denies the allegations contained in paragraph 79 except admits that the FERG  
25 Agreement was entered into in or about May 2014 concerning a restaurant in Caesars Atlantic City  
26 known as Gordon Ramsay Pub& Grill, the contents of which speak for themselves, and respectfully  
27 refers to the FERG Agreement for the full and complete contents thereof.

28          80.     Seibel denies the allegations contained in paragraph 80 except admits that the FERG

1 Agreement was entered into in or about May 2014, the contents of which speak for themselves, and  
2 respectfully refers to the FERG Agreement for the full and complete contents thereof.

3 81. Seibel denies the allegations contained in paragraph 81 except admits that the FERG  
4 Agreement was entered into in or about May 2014, the contents of which speak for themselves, and  
5 respectfully refers to the FERG Agreement for the full and complete contents thereof.

6 82. Seibel denies the allegations contained in paragraph 82 except admits that the FERG  
7 Agreement was entered into in or about May 2014, the contents of which speak for themselves, and  
8 respectfully refers to the FERG Agreement for the full and complete contents thereof.

9 83. Seibel denies the allegations contained in paragraph 83 except admits that the FERG  
10 Agreement was entered into in or about May 2014, the contents of which speak for themselves, and  
11 respectfully refers to the FERG Agreement for the full and complete contents thereof.

12 84. Seibel denies the allegations contained in paragraph 84 except admits that the FERG  
13 Agreement was entered into in or about May 2014, the contents of which speak for themselves, and  
14 respectfully refers to the FERG Agreement for the full and complete contents thereof.

15 85. Seibel denies the allegations contained in paragraph 85 except admits that the FERG  
16 Agreement was entered into in or about May 2014, the contents of which speak for themselves, and  
17 respectfully refers to the FERG Agreement for the full and complete contents thereof.

18 86. Seibel denies the allegations contained in paragraph 86 except admits that the FERG  
19 Agreement was entered into in or about May 2014, the contents of which speak for themselves, and  
20 respectfully refers to the FERG Agreement for the full and complete contents thereof.

21 87. Seibel denies the allegations contained in paragraph 87.

22 88. Seibel denies the allegations contained in paragraph 88.

23 89. Seibel denies the allegations contained in paragraph 89 except admits that the FERG  
24 Agreement was entered into in or about May 2014, the contents of which speak for themselves, and  
25 respectfully refers to the FERG Agreement for the full and complete contents thereof.

26 90. Seibel denies knowledge and information sufficient to form a belief as to the truth of  
27 the allegations contained in paragraph 90, except admits except admits that the FERG Agreement was  
28 entered into in or about May 2014, the contents of which speak for themselves, and respectfully refers

1 to the FERG Agreement for the full and complete contents thereof.

2 91. Seibel denies the allegations contained in paragraph 91.

3 92. Seibel denies the allegations contained in paragraph 92, except to state that the  
4 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
5 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
6 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
7 proceeding for the full and complete recitation of facts.

8 93. Seibel denies the allegations contained in paragraph 93, except to state that the  
9 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
10 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
11 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
12 proceeding for the full and complete recitation of facts.

13 94. Seibel denies the allegations contained in paragraph 94, except to state that the  
14 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
15 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
16 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
17 proceeding for the full and complete recitation of facts.

18 95. Seibel denies the allegations contained in paragraph 95, except to state that the  
19 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
20 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
21 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
22 proceeding for the full and complete recitation of facts.

23 96. Seibel denies the allegations contained in paragraph 96, except to state that the  
24 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
25 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
26 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
27 proceeding for the full and complete recitation of facts.

28 97. Seibel denies the allegations contained in paragraph 97, except to state that the



1 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
2 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
3 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
4 proceeding for the full and complete recitation of facts.

5 98. Seibel denies the allegations contained in paragraph 98, except to state that the  
6 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
7 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
8 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
9 proceeding for the full and complete recitation of facts.

10 99. Seibel denies the allegations contained in paragraph 99, except to state that the  
11 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
12 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
13 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
14 proceeding for the full and complete recitation of facts.

15 100. Seibel denies the allegations contained in paragraph 100, except to state that the  
16 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
17 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
18 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
19 proceeding for the full and complete recitation of facts.

20 101. Seibel denies the allegations contained in paragraph 101, Seibel denies the allegations  
21 contained in paragraph 99. except to state that the allegations in this paragraph concern matters that  
22 were the subject of Seibel's guilty plea to one count of a corrupt endeavor to obstruct and impede the  
23 due administration of the Internal Revenue Laws under 26 U.S.C. § 7212, and Seibel respectfully  
24 refers to his guilty plea and related documents in that proceeding for the full and complete recitation  
25 of facts.

26 102. Seibel deniess the allegations contained in paragraph 102, Seibel denies the allegations  
27 contained in paragraph 99. except to state that the allegations in this paragraph concern matters that  
28 were the subject of Seibel's guilty plea to one count of a corrupt endeavor to obstruct and impede the

1 due administration of the Internal Revenue Laws under 26 U.S.C. § 7212, and Seibel respectfully  
2 refers to his guilty plea and related documents in that proceeding for the full and complete recitation  
3 of facts.

4 103. Seibel does not have knowledge and information sufficient to form a belief as to the  
5 allegations contained in paragraph 103.

6 104. Seibel denies the allegations contained in paragraph 104, except to state that the  
7 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
8 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
9 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
10 proceeding for the full and complete recitation of facts.

11 105. Seibel denies the allegations contained in paragraph 105, except to state that the  
12 allegations in this paragraph concern matters that were the subject of Seibel's guilty plea to one count  
13 of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws  
14 under 26 U.S.C. § 7212, and Seibel respectfully refers to his guilty plea and related documents in that  
15 proceeding for the full and complete recitation of facts.

16 106. Seibel denies the allegations contained in paragraph 106 except admits that on April  
17 18, 2016, Seibel pled guilty to one count of a corrupt endeavor to obstruct and impede the due  
18 administration of the Internal Revenue Laws under 26 U.S.C. § 7212, which is a class E felony, and  
19 refers to the transcript from that plea for the full and complete contents of statements made by Seibel  
20 on that date.

21 107. Seibel admits the allegations contained in paragraph 107.

22 108. Seibel denies the allegations contained in paragraph 108 except admits that the letter  
23 referenced in paragraph 108 was sent on or about April 8, 2016, the contents of which speak for  
24 themselves, and respectfully refers to the aforementioned letter for the full and complete contents  
25 thereof.

26 109. Seibel denies the allegations contained in paragraph 109.

27 110. Seibel denies the allegations contained in paragraph 110 except admits that the letter  
28 referenced in paragraph 110 was dated September 2, 2016, the contents of which speak for themselves,

1 and respectfully refers to the aforementioned letter for the full and complete contents thereof.

2       111. Seibel denies the allegations contained in paragraph 111 except admits that the letter  
3 referenced in paragraph 111 was dated September 2, 2016, the contents of which speak for themselves,  
4 and respectfully refers to the aforementioned letter for the full and complete contents thereof.

5       112. Seibel denies the allegations contained in paragraph 112.

6       113. Seibel denies the allegations contained in paragraph 113 except admits that the letter  
7 referenced in paragraph 113 was dated September 2, 2016, the contents of which speak for themselves,  
8 and respectfully refers to the aforementioned letter for the full and complete contents thereof.

9       114. Seibel denies the allegations contained in paragraph 114 except admits that the letter  
10 referenced in paragraph 114 was dated September 2, 2016, the contents of which speak for themselves,  
11 and respectfully refers to the aforementioned letter for the full and complete contents thereof.

12       115. Seibel denies the allegations contained in paragraph 115 except admits that the letter  
13 referenced in paragraph 115 was dated September 2, 2016, the contents of which speak for themselves,  
14 and respectfully refers to the aforementioned letter for the full and complete contents thereof.

15       116. Seibel denies the allegations contained in paragraph 116.

16       117. Seibel denies the allegations contained in paragraph 117 except admits that the letter  
17 referenced in paragraph 117 was dated September 2, 2016, the contents of which speak for themselves,  
18 and respectfully refers to the aforementioned letter for the full and complete contents thereof.

19       118. Seibel denies the allegations contained in paragraph 118 except admit that the contents  
20 of the certain referenced letters speak for themselves and respectfully refer to the aforementioned  
21 letters for the full and complete contents thereof.

22       119. Seibel denies the allegations contained in paragraph 119 except admits that the  
23 aforementioned letter from Caesars Palace was dated September 12, 2016, the contents of which speak  
24 for themselves, and respectfully refer to the aforementioned letter for the full and complete contents  
25 thereof.

26       120. Seibel denies the allegations contained in paragraph 120 except admits that the  
27 bankruptcy court docket speaks for itself.

28       121. Seibel denies the allegations contained in paragraph 121 except admits that the



1 bankruptcy court docket speaks for itself.

2       122. Seibel denies the allegations contained in paragraph 122 except admits that the  
3 bankruptcy court docket speaks for itself.

4       123. Seibel denies the allegations contained in paragraph 123 except admits that the  
5 bankruptcy court docket speaks for itself.

6       124. Seibel denies the allegations contained in paragraph 124 except admits that the  
7 bankruptcy court docket speaks for itself.

8       125. Seibel denies the allegations contained in paragraph 125 except admits that the  
9 bankruptcy court docket speaks for itself.

10       126. Seibel denies the allegations contained in paragraph 126 except admit that the  
11 referenced documents filed in the GRB action and the court docket for that action speak for themselves  
12 and respectfully refer to the aforementioned documents and court docket for the full and complete  
13 contents thereof.

14       127. Seibel denies the allegations contained in paragraph 127 except admits that the  
15 referenced state court decision speaks for itself and respectfully refers to the aforementioned decision  
16 for the full and complete contents thereof.

17       128. Seibel denies the allegations contained in paragraph 128 except admits that the  
18 referenced state court filings and decision speaks for themselves and respectfully refers to the  
19 aforementioned documents for the full and complete contents thereof.

20       129. Seibel denies the allegations contained in paragraph 129 except admits that the  
21 referenced documents filed in the TPOV Federal Action and the court docket for that Action speak for  
22 themselves and respectfully refer to the aforementioned documents and court docket for the full and  
23 complete contents thereof.

24       130. Seibel denies the allegations contained in paragraph 130 except admits that the  
25 referenced documents filed in the TPOV Federal Action and the court docket for that Action speak for  
26 themselves and respectfully refer to the aforementioned documents and court docket for the full and  
27 complete contents thereof.

1 **COUNT I**

2 131. Seibel hereby repeats and realleges each and every one of Seibel's responses in  
3 paragraphs 1-130 above as if fully set forth herein.

4 132. Seibel states that the referenced statute speaks for itself.

5 133. Seibel admits that the parties dispute whether Caesars properly terminated the  
6 agreements, but deny there is a justiciable controversy ripe for adjudication among the parties.

7 134. Seibel denies the allegations contained in paragraph 134, except admit that Caesars  
8 seeks declaratory relief in the present action.

9 135. Seibel denies the allegations set forth in paragraph 135, except admit that the complaint  
10 filed in the present action seeks certain relief, that the complaint that speaks for itself, and Seibel  
11 respectfully refers to the complaint for the full and complete contents thereof.

12 **COUNT II**

13 136. Seibel hereby repeats and realleges each and every one of Seibel's responses to the  
14 above paragraphs as if fully set forth herein.

15 137. Seibel states that the referenced statute speaks for itself.

16 138. Seibel admits that the parties dispute whether Caesars properly terminated the  
17 agreements, but deny there is a justiciable controversy ripe for adjudication among the parties.

18 139. Seibel denies the allegations set forth in paragraph 139.

19 140. Seibel denies the allegations contained in paragraph 140, except admits that the  
20 agreements speak for themselves, and respectfully refers to those documents for the full and complete  
21 contents thereof.

22 141. Seibel denies the allegations contained in paragraph 141, except admit that the  
23 agreements speak for themselves, and respectfully refers to those documents for the full and complete  
24 contents thereof.

25 142. Seibel denies the allegations contained in paragraph 142.

26 143. Seibel denies the allegations contained in paragraph 143.

27 144. Seibel denies the allegations contained in paragraph 144.

28 145. Seibel denies the allegations contained in paragraph 145, except admits that Caesars

1 seeks declaratory relief in the present action.

2 146. Seibel denies the allegations set forth in paragraph 146, except admits that the  
3 complaint filed in the present action seeks certain relief, that the complaint that speaks for itself, and  
4 respectfully refers to the complaint for the full and complete contents thereof.

5 **COUNT III**

6 147. Seibel hereby repeats and realleges each and every one of Seibel's responses to the  
7 above paragraphs as if fully set forth herein.

8 148. Seibel states that the referenced statute speaks for itself.

9 149. Seibel admits that the parties dispute whether the referenced section of the agreements  
10 are enforceable, but denies there is a justiciable controversy ripe for adjudication among the parties.

11 150. Seibel denies the allegations contained in paragraph 150.

12 151. Seibel denies the allegations contained in paragraph 151.

13 152. Seibel denies the allegations contained in paragraph 152.

14 153. Seibel denies the allegations contained in paragraph 153.

15 154. Seibel denies the allegations contained in paragraph 154.

16 155. Seibel denies the allegations contained in paragraph 155, except admits that Caesars  
17 seeks declaratory relief in the present action.

18 156. Seibel denies the allegations set forth in paragraph 156, except admits that the  
19 complaint filed in the present action seeks certain relief, that the complaint that speaks for itself, and  
20 respectfully refers to the complaint for the full and complete contents thereof.

21 **AS AND FOR A FIRST AFFIRMATIVE DEFENSE**

22 157. The Complaint fails to state a claim upon which relief can be granted.

23 **AS AND FOR A SECOND AFFIRMATIVE DEFENSE**

24 158. Seibel expressly incorporates herein as affirmative defenses his allegations and claims  
25 in (a) *TPOV Enterprises 16, LLC v. Paris Las Vegas Operating Company, LLC*, case no. Case 2:17-  
26 cv-00346-JCM-VCF in District of Nevada; (b) *Seibel v. PHWL, LLC, et. al.*, case no. A-17-751759-  
27 B in the Eighth Judicial District Court; and (c) *In re: Caesars Entertainment Operating Company,*  
28 *Inc., et. al.*, case no. 15-01145 (ABG) in the United States Bankruptcy Court for the Northern District



1 of Illinois (Eastern Division) and all related matters and proceedings.

2 **AS AND FOR A THIRD AFFIRMATIVE DEFENSE**

3 159. Seibel expressly incorporates herein as affirmative defenses his argument in his motion  
4 to dismiss this action.

5 **AS AND FOR A FOURTH AFFIRMATIVE DEFENSE**

6 160. Plaintiff's claims warrant dismissal under the first-to-file rule and due to forum  
7 shopping.

8 **AS AND FOR A FIFTH AFFIRMATIVE DEFENSE**

9 161. Plaintiffs are precluded from obtaining the relief they seek because, based on  
10 information and belief, they do or have done business with persons who have criminal records or are  
11 actually or potentially unsuitable.

12 **AS AND FOR A SIXTH AFFIRMATIVE DEFENSE**

13 162. Plaintiffs are precluded from obtaining the relief they seek because they owe money  
14 to Defendants.

15 **AS AND FOR A SEVENTH AFFIRMATIVE DEFENSE**

16 163. Plaintiffs are precluded under the applicable contracts from continuing to operate the  
17 restaurants, use the licensed materials, and do business with Ramsay.

18 **AS AND FOR A EIGHTH AFFIRMATIVE DEFENSE**

19 164. Plaintiffs breached the applicable contracts with Defendants and therefore are  
20 precluded from pursuing their claims.

21 **AS AND FOR A NINTH AFFIRMATIVE DEFENSE**

22 165. Plaintiffs claims are barred by the statute of limitations or statute of repose.

23 **AS AND FOR A TENTH AFFIRMATIVE DEFENSE**

24 166. Plaintiffs' claims are barred, in whole or in part, by the doctrines of acquiescence,  
25 estoppel, laches, ratification, unclean hands, unjust enrichment, or waiver, as well as all other  
26 applicable equitable doctrines.

27 **AS AND FOR AN ELEVENTH AFFIRMATIVE DEFENSE**

28 167. Plaintiffs' claims are barred, in whole or in part, by their own conduct, including but

1 not limited to their failure to mitigate their damages.

2 **AS AND FOR A TWELFTH AFFIRMATIVE DEFENSE**

3 168. The alleged unsuitability of Seibel is immaterial and irrelevant because, inter alia, he  
4 assigned his interests, if any, in Defendants or the contracts.

5 **AS AND FOR A THIRTEENTH AFFIRMATIVE DEFENSE**

6 169. This court lacks jurisdiction over Seibel as he is not a party to any of the agreements  
7 that are the subject of Plaintiffs' claims.

8 **AS AND FOR A FOURTEENTH AFFIRMATIVE DEFENSE**

9 170. This Court lacks jurisdiction over the allegations, claims, and theories alleged by  
10 Plaintiffs that already are pending: (a) before the United States Bankruptcy Court for the Northern  
11 District of Illinois (Eastern Division) in *In re: Caesars Entertainment Operating Company, Inc., et*  
12 *al.*, case no. 15-01145 (ABG); (b) before the United States District Court for the District of Nevada in  
13 *TPOV Enterprises 16, LLC v. Paris Las Vegas Operating Company, LLC*, case no. Case 2:17-cv-  
14 00346-JCM-VCF; and (c) before the Eighth Judicial District Court in *Seibel v. PHWLTV, LLC, et. al.*,  
15 case no. A-17-751759-B and all related matters and proceedings.

16 **AS AND FOR A FOURTEENTH AFFIRMATIVE DEFENSE**

17 171. All possible affirmative defenses may not have been alleged herein insofar as sufficient  
18 facts were not available after reasonable inquiry upon the filing of Defendants' answer. Therefore,  
19 Defendants reserve the right to amend their answer to allege additional affirmative defenses if  
20 subsequent investigation so warrants. Defendants reserve the right to (a) rely upon such other  
21 affirmative defenses as may be supported by the facts to be determined through full and complete  
22 discovery, and (b) voluntarily withdraw any affirmative defense.

23 DATED July 3, 2018.

24 MCNUTT LAW FIRM, P.C.

25  
26 /s/ Dan McNutt

27 DANIEL R. MCNUTT (SBN 7815)  
28 MATTHEW C. WOLF (SBN 10801)  
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Attorneys for Defendant Rowen Seibel

**CERTIFICATE OF MAILING**

I HEREBY CERTIFY that pursuant to Nev. R. Civ. P. 5(b) and EDCR 8.05 on July 3, 2018 I caused service of the foregoing **DEFENDANT ROWEN SEIBEL'S ANSWER TO PLAINTIFFS' COMPLAINT** to be made by depositing a true and correct copy of same in the United States Mail, postage fully prepaid, addressed to the following and/or via electronic mail through the Eighth Judicial District Court's E-Filing system to the following at the e-mail address provided in the e-service list:

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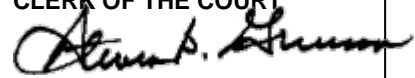
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and MOTI Partners 16, LLC*

**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.: 11

Consolidated with:  
Case No.: A-17-760537-B

**MOTI DEFENDANTS' ANSWER AND  
AFFIRMATIVE DEFENSES TO  
PLAINTIFFS' COMPLAINT**

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

Defendants MOTI PARTNERS, LLC, and MOTI PARTNERS 16, LLC (collectively, the  
"MOTI Defendants") hereby answer the claims asserted by Plaintiffs in the above-captioned matter as  
follows:

**PRELIMINARY STATEMENT**

1  
2           1.       The MOTI Defendants deny the allegations contained in paragraph 1, except admit that  
3 Caesars entered into multiple agreements with entities previously owned by, managed by or affiliated  
4 with Rowen Seibel, and that Caesars requested and received “Business Information Forms” from Mr.  
5 Seibel in connection with the MOTI and DNT business relationships. The contents of the agreements  
6 and “Business Information Forms” speak for themselves, and MOTI Defendants respectfully refer to  
7 those documents for the full and complete contents thereof.

8           2.       The MOTI Defendants deny the allegations contained in paragraph 2.

9           3.       The MOTI Defendants deny the allegations contained in paragraph 3, except admit that  
10 on April 18, 2016, Rowen Seibel pled guilty to one count of a corrupt endeavor to obstruct and impede  
11 the due administration of the Internal Revenue Laws under 26 U.S.C. § 7212, which is a class E felony  
12 and served one month in prison.

13          4.       The MOTI Defendants deny the allegations contained in paragraph 4.

14          5.       The MOTI Defendants deny the allegations contained in paragraph 5, except admit that  
15 Caesars wrongfully purported to terminate the agreements and state that the contents of the certain  
16 agreements referenced in paragraph 5 speak for themselves, and respectfully refer to the  
17 aforementioned agreements for the full and complete contents thereof.

18          6.       The MOTI Defendants deny the allegations contained in paragraph 6, except admit that  
19 Caesars wrongfully attempted to terminate their agreements, that Caesars cannot continue to operate  
20 the restaurants subject to such agreements absent providing compensation to the MOTI Defendants,  
21 that the MOTI Defendants and certain of the Plaintiffs are parties to litigation commenced in the  
22 jointly-administered chapter 11 bankruptcy cases of Caesars Palace in the United States Bankruptcy  
23 Court, Northern District of Illinois, Eastern Division, Case No. 15-01145 (“Bankruptcy Actions”), and  
24 that Caesars commenced the present action by a complaint that speaks for itself, and MOTI Defendants  
25 respectfully refer to the complaint for the full and complete contents thereof.

26          7.       The MOTI Defendants deny the allegations contained in paragraph 7, except admit that  
27 certain defendants are seeking monetary relief from Caesars in different courts across the country  
28 related to the agreements, and that Caesars commenced the present action by a complaint that speaks

1 for itself, and MOTI Defendants respectfully refer to the complaint for the full and complete contents  
2 thereof.

3 8. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
4 to the truth of the allegations contained in paragraph 8, except admit that Caesars commenced the  
5 present action by a complaint that speaks for itself, and MOTI Defendants respectfully refer to the  
6 complaint for the full and complete contents thereof.

7 **PARTIES, JURISDICTION, AND VENUE**

8 9. The MOTI Defendants admit the allegations contained in paragraph 9.

9 10. The MOTI Defendants admit the allegations contained in paragraph 10.

10 11. The MOTI Defendants admit the allegations contained in paragraph 11.

11 12. The MOTI Defendants admit the allegations contained in paragraph 12.

12 13. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
13 to the truth of the allegations contained in paragraph 13.

14 14. The MOTI Defendants deny the allegations contained in paragraph 14 except admit  
15 that Moti Partners, LLC is a New York limited liability company, and the Moti Agreement was entered  
16 into in or about March 2009 in connection with a restaurant in the Caesars Palace casino known as  
17 “Serendipity 3”, the contents of which speak for themselves, and respectfully refer to the MOTI  
18 Agreement for the full and complete contents thereof.

19 15. The MOTI Defendants deny the allegations contained in paragraph 15 except admit  
20 that MOTI Partners 16, LLC is a Delaware limited liability company, and that a letter was sent  
21 informing Caesars of the assignment.

22 16. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
23 to the truth of the allegations contained in paragraph 16.

24 17. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
25 to the truth of the allegations contained in paragraph 17.

26 18. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
27 to the truth of the allegations contained in paragraph 18.

28 19. The MOTI Defendants deny knowledge and information sufficient to form a belief as

1 to the truth of the allegations contained in paragraph 19.

2 20. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
3 to the truth of the allegations contained in paragraph 20.

4 21. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
5 to the allegations contained in paragraph 21.

6 22. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
7 to the allegations contained in paragraph 22.

8 23. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
9 to the allegations contained in paragraph 23.

10 24. The MOTI Defendants admit that Seibel assigned his duties and obligations under the  
11 MOTI Agreement to Mr. Frederick, to the extent any duties existed. The MOTI Defendants deny  
12 knowledge and information sufficient to form a belief as to the truth of the balance of the allegations  
13 contained in paragraph 24.

14 25. The MOTI Defendants deny the allegations contained in paragraph 25.

15 **STATEMENT OF FACTS**

16 26. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
17 to the allegations contained in paragraph 26.

18 27. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
19 to the truth of whether, “In reliance on those representations (among other things), Caesars Palace and  
20 MOTI entered into the MOTI Agreement.” The MOTI Defendants deny the balance of the allegations  
21 contained in paragraph 27 except admit that to the extent that a “Business Information Form” is  
22 referenced in paragraph 27, the contents of said “Business Information Form” speak for themselves,  
23 and respectfully refer to the “Business Information Form” for the full and complete contents thereof.

24 28. The MOTI Defendants deny the allegations contained in paragraph 28 except admit the  
25 MOTI Agreement was entered into in or about March 2009 in connection with a restaurant in the  
26 Caesars Palace casino known as “Serendipity 3”, the contents of which speak for themselves, and  
27 respectfully refer to the MOTI Agreement for the full and complete contents thereof.

28 29. The MOTI Defendants deny the allegations contained in paragraph 29 except admit the



1 MOTI Agreement was entered into in or about March 2009 in connection with a restaurant in the  
2 Caesars Palace casino known as “Serendipity 3”, the contents of which speak for themselves, and  
3 respectfully refer to the MOTI Agreement for the full and complete contents thereof.

4 30. The MOTI Defendants deny the allegations contained in paragraph 30 except admit the  
5 MOTI Agreement was entered into in or about March 2009 in connection with a restaurant in the  
6 Caesars Palace casino known as “Serendipity 3”, the contents of which speak for themselves, and  
7 respectfully refer to the MOTI Agreement for the full and complete contents thereof.

8 31. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
9 to the truth of the allegations contained in paragraph 31 except admit that to the extent a “Business  
10 Information Form” is referenced in paragraph 31, the contents of said “Business Information Form”  
11 speak for themselves, and respectfully refer to the “Business Information Form” for the full and  
12 complete contents thereof.

13 32. The MOTI Defendants deny the allegations contained in paragraph 32 except admit the  
14 MOTI Agreement was entered into in or about March 2009 in connection with a restaurant in the  
15 Caesars Palace casino known as “Serendipity 3”, the contents of which speak for themselves, and  
16 respectfully refer to the MOTI Agreement for the full and complete contents thereof.

17 33. The MOTI Defendants deny the allegations contained in paragraph 33 except admit the  
18 MOTI Agreement was entered into in or about March 2009 in connection with a restaurant in the  
19 Caesars Palace casino known as “Serendipity 3”, the contents of which speak for themselves, and  
20 respectfully refer to the MOTI Agreement for the full and complete contents thereof.

21 34. The MOTI Defendants deny the allegations contained in paragraph 34 except admit the  
22 MOTI Agreement was entered into in or about March 2009 in connection with a restaurant in the  
23 Caesars Palace casino known as “Serendipity 3”, the contents of which speak for themselves, and  
24 respectfully refer to the MOTI Agreement for the full and complete contents thereof.

25 35. The MOTI Defendants deny the allegations contained in paragraph 35.

26 36. The MOTI Defendants deny the allegations contained in paragraph 36, except admit  
27 that Caesars entered into multiple agreements with entities previously owned by, managed by or  
28 affiliated with Rowen Seibel, the contents of which speak for themselves, and respectfully refer to the

1   aforementioned agreements for the full and complete contents thereof.

2           37.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
3   to the truth of the allegations contained in paragraph 37.

4           38.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
5   to the truth of the allegations contained in paragraph 38 except admit that the contents of said  
6   “Business Information Form” speak for themselves, and respectfully refer to the “Business  
7   Information Form” for the full and complete contents thereof.

8           39.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
9   to the truth of the allegations contained in paragraph 39.

10          40.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
11   to the truth of the allegations contained in paragraph 40.

12          41.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
13   to the truth of the allegations contained in paragraph 41.

14          42.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
15   to the truth of the allegations contained in paragraph 42.

16          43.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
17   to the truth of the allegations contained in paragraph 43.

18          44.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
19   to the truth of the allegations contained in paragraph 44.

20          45.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
21   to the truth of the allegations contained in paragraph 45.

22          46.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
23   to the truth of the allegations contained in paragraph 46.

24          47.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
25   to the truth of the allegations contained in paragraph 47.

26          48.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
27   to the truth of the allegations contained in paragraph 48.

28          49.     The MOTI Defendants deny knowledge and information sufficient to form a belief as

1 to the truth of the allegations contained in paragraph 49.

2 50. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
3 to the truth of the allegations contained in paragraph 50.

4 51. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
5 to the truth of the allegations contained in paragraph 51.

6 52. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
7 to the truth of the allegations contained in paragraph 52.

8 53. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
9 to the truth of the allegations contained in paragraph 53.

10 54. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
11 to the truth of the allegations contained in paragraph 54.

12 55. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
13 to the truth of the allegations contained in paragraph 55.

14 56. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
15 to the truth of the allegations contained in paragraph 56.

16 57. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
17 to the truth of the allegations contained in paragraph 57.

18 58. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
19 to the truth of the allegations contained in paragraph 58.

20 59. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
21 to the truth of the allegations contained in paragraph 59.

22 60. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
23 to the truth of the allegations contained in paragraph 60.

24 61. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
25 to the truth of the allegations contained in paragraph 61.

26 62. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
27 to the truth of the allegations contained in paragraph 62.

28 63. The MOTI Defendants deny knowledge and information sufficient to form a belief as

1 to the truth of the allegations contained in paragraph 63.

2 64. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
3 to the truth of the allegations contained in paragraph 64.

4 65. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
5 to the truth of the allegations contained in paragraph 65.

6 66. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
7 to the truth of the allegations contained in paragraph 66.

8 67. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
9 to the truth of the allegations contained in paragraph 67.

10 68. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
11 to the truth of the allegations contained in paragraph 68.

12 69. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
13 to the truth of the allegations contained in paragraph 69.

14 70. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
15 to the truth of the allegations contained in paragraph 70.

16 71. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
17 to the truth of the allegations contained in paragraph 71.

18 72. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
19 to the truth of the allegations contained in paragraph 72.

20 73. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
21 to the truth of the allegations contained in paragraph 73.

22 74. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
23 to the truth of the allegations contained in paragraph 74.

24 75. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
25 to the truth of the allegations contained in paragraph 75.

26 76. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
27 to the truth of the allegations contained in paragraph 76.

28 77. The MOTI Defendants deny knowledge and information sufficient to form a belief as



1 to the truth of the allegations contained in paragraph 77.

2 78. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
3 to the truth of the allegations contained in paragraph 78.

4 79. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
5 to the truth of the allegations contained in paragraph 79.

6 80. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
7 to the truth of the allegations contained in paragraph 80.

8 81. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
9 to the truth of the allegations contained in paragraph 81.

10 82. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
11 to the truth of the allegations contained in paragraph 82.

12 83. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
13 to the truth of the allegations contained in paragraph 83.

14 84. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
15 to the truth of the allegations contained in paragraph 84.

16 85. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
17 to the truth of the allegations contained in paragraph 85.

18 86. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
19 to the truth of the allegations contained in paragraph 86.

20 87. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
21 to the truth of the allegations contained in paragraph 87.

22 88. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
23 to the truth of the allegations contained in paragraph 88.

24 89. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
25 to the truth of the allegations contained in paragraph 89.

26 90. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
27 to the truth of the allegations contained in paragraph 90.

28 91. The MOTI Defendants deny the allegations contained in paragraph 91.

1           92.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
2 to the truth of the allegations contained in paragraph 92.

3           93.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
4 to the truth of the allegations contained in paragraph 93.

5           94.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
6 to the truth of the allegations contained in paragraph 94.

7           95.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
8 to the truth of the allegations contained in paragraph 95.

9           96.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
10 to the truth of the allegations contained in paragraph 96.

11          97.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
12 to the truth of the allegations contained in paragraph 97.

13          98.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
14 to the truth of the allegations contained in paragraph 98.

15          99.     The MOTI Defendants deny knowledge and information sufficient to form a belief as  
16 to the truth of the allegations contained in paragraph 99.

17          100.    The MOTI Defendants aver that paragraph 100 contains conclusions of law to which  
18 no responsive pleading is required. To the extent a response is required, the MOTI Defendants deny  
19 knowledge and information sufficient to form a belief as to the truth of the allegations contained in  
20 paragraph 100.

21          101.    The MOTI Defendants deny knowledge and information sufficient to form a belief as  
22 to the truth of the allegations contained in paragraph 101.

23          102.    The MOTI Defendants deny knowledge and information sufficient to form a belief as  
24 to the truth of the allegations contained in paragraph 102.

25          103.    The MOTI Defendants deny knowledge and information sufficient to form a belief as  
26 to the truth of the allegations contained in paragraph 103.

27          104.    The MOTI Defendants deny knowledge and information sufficient to form a belief as  
28 to the truth of the allegations contained in paragraph 104.

1           105. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
2 to the truth of the allegations contained in paragraph 105.

3           106. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
4 to the truth of the allegations contained in paragraph 106 except admit that on April 18, 2016, Rowen  
5 Seibel pled guilty to one count of a corrupt endeavor to obstruct and impede the due administration of  
6 the Internal Revenue Laws under 26 U.S.C. § 7212, which is a class E felony.

7           107. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
8 to the truth of the allegations contained in paragraph 107 except admit that on August 19, 2016, the  
9 Southern District of New York sentenced Rowen Seibel to serve one month in prison, six months in  
10 home detention, and 300 hours of community service.

11           108. The MOTI Defendants deny the allegations contained in paragraph 108 except admit  
12 that the letter referenced in paragraph 108 was sent on or about April 8, 2016, the contents of which  
13 speak for themselves, and respectfully refers to the aforementioned letter for the full and complete  
14 contents thereof.

15           109. The MOTI Defendants deny the allegations contained in paragraph 109, except admit  
16 that Caesars wrongfully purported to terminate all of its agreements with entities that were associated  
17 or had been associated with Rowen Seibel.

18           110. The MOTI Defendants deny the allegations contained in paragraph 110 except admit  
19 that the aforementioned letter from Caesars Palace to MOTI was dated September 2, 2016, the contents  
20 of which speak for themselves, and respectfully refer to the aforementioned letter for the full and  
21 complete contents thereof.

22           111. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
23 to the truth of the allegations contained in paragraph 111.

24           112. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
25 to the truth of the allegations contained in paragraph 112.

26           113. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
27 to the truth of the allegations contained in paragraph 113.

28           114. The MOTI Defendants deny knowledge and information sufficient to form a belief as

1 to the truth of the allegations contained in paragraph 114.

2 115. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
3 to the truth of the allegations contained in paragraph 115.

4 116. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
5 to the truth of the allegations contained in paragraph 116.

6 117. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
7 to the truth of the allegations contained in paragraph 117.

8 118. The MOTI Defendants deny the allegations contained in paragraph 118 except admit  
9 certain referenced letters were sent to Caesars, which speak for themselves, and respectfully refer to  
10 the aforementioned letters for the full and complete contents thereof.

11 119. The MOTI Defendants deny the allegations contained in paragraph 119 except admit  
12 that the aforementioned letter from Caesars Palace was dated September 12, 2016, the contents of  
13 which speak for themselves, and respectfully refer to the aforementioned letter for the full and  
14 complete contents thereof.

15 120. The MOTI Defendants admit the allegations contained in paragraph 120.

16 121. The MOTI Defendants deny the allegations contained in paragraph 121 except admit  
17 that Caesars Palace filed the motion to reject and that LLTQ and FERG objected to the motion.

18 122. The MOTI Defendants deny the allegations contained in paragraph 122 except admit  
19 that LLTQ and FERG filed the administrative expense request and that Caesars Palace and CAC  
20 objected to the request.

21 123. The MOTI Defendants deny the allegations contained in paragraph 123 except admit  
22 that MOTI filed the administrative expense request and that Caesars Palace objected to the request.

23 124. The MOTI Defendants admit the allegations contained in paragraph 124 except deny  
24 the defenses and contentions made by Caesars Palace and CAC.

25 125. The MOTI Defendants deny the allegations contained in paragraph 125.

26 126. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
27 to the truth of the allegations contained in paragraph 126.

28 127. The MOTI Defendants deny knowledge and information sufficient to form a belief as



1 to the truth of the allegations contained in paragraph 127.

2 128. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
3 to the truth of the allegations contained in paragraph 128.

4 129. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
5 to the truth of the allegations contained in paragraph 129.

6 130. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
7 to the truth of the allegations contained in paragraph 130.

8 **COUNT I**

9 131. The MOTI Defendants hereby repeat and reallege each and every one of the MOTI  
10 Defendants' responses in paragraphs 1-130 above as if fully set forth herein.

11 132. The MOTI Defendants state that the referenced statute speaks for itself.

12 133. The MOTI Defendants admit that the parties dispute whether Caesar properly  
13 terminated the agreements, but deny there is a justiciable controversy ripe for adjudication among the  
14 parties.

15 134. The MOTI Defendants deny the allegations contained in paragraph 134, except admit  
16 that Caesars seeks declaratory relief in the present action.

17 135. The MOTI Defendants deny the allegations set forth in paragraph 135, except admit  
18 that the complaint filed in the present action seeks certain relief, that the complaint that speaks for  
19 itself, and MOTI Defendants respectfully refer to the complaint for the full and complete contents  
20 thereof.

21 **COUNT II**

22 136. The MOTI Defendants hereby repeat and reallege each and every one of the MOTI  
23 Defendants' responses to the above paragraphs as if fully set forth herein.

24 137. The MOTI Defendants state that the referenced statute speaks for itself.

25 138. The MOTI Defendants admit that the parties dispute whether Caesar properly  
26 terminated the agreements, but deny there is a justiciable controversy ripe for adjudication among the  
27 parties.

28 139. The MOTI Defendants deny the allegations set forth in paragraph 139.

140. The MOTI Defendants deny the allegations contained in paragraph 140, except admit that the agreements speak for themselves, and MOTI Defendants respectfully refer to those documents for the full and complete contents thereof.

141. The MOTI Defendants deny the allegations contained in paragraph 141, except admit that the agreements speak for themselves, and MOTI Defendants respectfully refer to those documents for the full and complete contents thereof.

142. The MOTI Defendants deny the allegations contained in paragraph 142.

143. The MOTI Defendants deny the allegations contained in paragraph 143.

144. The MOTI Defendants deny the allegations contained in paragraph 144.

145. The MOTI Defendants deny the allegations contained in paragraph 145, except admit that Caesars seeks declaratory relief in the present action.

146. The MOTI Defendants deny the allegations set forth in paragraph 146, except admit that the complaint filed in the present action seeks certain relief, that the complaint that speaks for itself, and MOTI Defendants respectfully refer to the complaint for the full and complete contents thereof.

### COUNT III

147. The MOTI Defendants hereby repeat and reallege each and every one of the MOTI Defendants' responses to the above paragraphs as if fully set forth herein.

148. The MOTI Defendants state that the referenced statute speaks for itself.

149. The MOTI Defendants deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 149.

150. The MOTI Defendants deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 150.

151. The MOTI Defendants deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 151.

152. The MOTI Defendants deny knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 152.

153. The MOTI Defendants deny knowledge and information sufficient to form a belief as

1 to the truth of the allegations contained in paragraph 153.

2 154. The MOTI Defendants deny knowledge and information sufficient to form a belief as  
3 to the truth of the allegations contained in paragraph 154.

4 155. The MOTI Defendants admit that Caesars seeks declaratory relief in the present action.  
5 The MOTI Defendants deny knowledge and information sufficient to form a belief as to the truth of  
6 the remaining allegations contained in paragraph 155.

7 156. The MOTI Defendants deny the allegations set forth in paragraph 156, except admit  
8 that the complaint filed in the present action seeks certain relief, that the complaint that speaks for  
9 itself, and MOTI Defendants respectfully refer to the complaint for the full and complete contents  
10 thereof.

11 **AS AND FOR A FIRST AFFIRMATIVE DEFENSE**

12 157. The Complaint fails to state a claim upon which relief can be granted.

13 **AS AND FOR A SECOND AFFIRMATIVE DEFENSE**

14 158. The MOTI Defendants expressly incorporate herein as affirmative defenses their  
15 allegations and claims in the contested matters between the MOTI Defendants and Caesars Palace in  
16 the Bankruptcy Actions and all related matters and proceedings.

17 **AS AND FOR A THIRD AFFIRMATIVE DEFENSE**

18 159. The MOTI Defendants expressly incorporate herein as affirmative defenses their  
19 arguments in their motion to dismiss this action.

20 **AS AND FOR A FOURTH AFFIRMATIVE DEFENSE**

21 160. Plaintiff's claims warrant dismissal under the first-to-file rule and due to forum  
22 shopping.

23 **AS AND FOR A FIFTH AFFIRMATIVE DEFENSE**

24 161. By paying money to MOTI 16 under the MOTI Agreement, Plaintiffs consented to and  
25 ratified the assignments from MOTI to MOTI 16 and from Seibel to Frederick.

26 **AS AND FOR A SIXTH AFFIRMATIVE DEFENSE**

27 162. Plaintiffs are precluded from obtaining the relief they seek because, based on  
28 information and belief, they do or have done business with persons who have criminal records or are

1 actually or potentially unsuitable.

2 **AS AND FOR A SEVENTH AFFIRMATIVE DEFENSE**

3 163. Plaintiffs are precluded from obtaining the relief they seek because they owe money to  
4 MOTI Defendants.

5 **AS AND FOR AN EIGHTH AFFIRMATIVE DEFENSE**

6 164. Plaintiffs are precluded under the applicable contracts from continuing to operate the  
7 Serendipity 3 restaurant and use the licensed materials after termination without compensation to the  
8 MOTI Defendants.

9 **AS AND FOR A NINTH AFFIRMATIVE DEFENSE**

10 165. Plaintiffs breached the applicable contracts with MOTI Defendants and therefore are  
11 precluded from pursuing their claims.

12 **AS AND FOR A TENTH AFFIRMATIVE DEFENSE**

13 166. Plaintiffs' claims are barred by the statute of limitations or statute of repose.

14 **AS AND FOR AN ELEVENTH AFFIRMATIVE DEFENSE**

15 167. Plaintiffs' claims are barred, in whole or in part, by the doctrines of acquiescence,  
16 estoppel, laches, ratification, unclean hands, unjust enrichment, or waiver, as well as all other  
17 applicable equitable doctrines.

18 **AS AND FOR A TWELFTH AFFIRMATIVE DEFENSE**

19 168. Plaintiffs' claims are barred, in whole or in part, by their own conduct, including but  
20 not limited to their failure to mitigate their damages.

21 **AS AND FOR A THIRTEENTH AFFIRMATIVE DEFENSE**

22 169. The alleged unsuitability of Seibel is immaterial and irrelevant because, inter alia, he  
23 assigned his interests, if any, in MOTI Defendants or the contracts.

24 **AS AND FOR A FOURTEENTH AFFIRMATIVE DEFENSE**

25 170. This Court lacks jurisdiction over the allegations, claims, and theories alleged by  
26 Plaintiffs that already are pending in the Bankruptcy Actions and all related matters and proceedings.

27 **AS AND FOR A FIFTEENTH AFFIRMATIVE DEFENSE**

28 171. All possible affirmative defenses may not have been alleged herein insofar as sufficient



1 facts were not available after reasonable inquiry upon the filing of MOTI Defendants' answer.  
2 Therefore, Defendants reserve the right to amend their answer to allege additional affirmative defenses  
3 if subsequent investigation so warrants. Defendants reserve the right to (a) rely upon such other  
4 affirmative defenses as may be supported by the facts to be determined through full and complete  
5 discovery, and (b) voluntarily withdraw any affirmative defense.

6 **RESERVATION OF RIGHTS**

7 Pursuant to Rule 13 of the Nevada Rules of Civil Procedure, MOTI Defendants are not  
8 intending to bring and are not bringing at this time any claims that existed at the time this matter was  
9 commenced and which were already (and remain) the subject of the pending matters between the parties  
10 before the United States Bankruptcy Court for the Northern District of Illinois. MOTI Defendants  
11 reserve the right to pursue any such claims before this court in the event the Bankruptcy Court either  
12 stays or abstains from hearing any such claims.

13 In addition, the complaint is subject to a Petition for Writ of Mandamus or Prohibition in  
14 connection with certain defendants' motion to dismiss or stay, and an appeal of the remand of certain  
15 counts of the complaint ordered by the United States Bankruptcy Court, District of Nevada  
16 (collectively, the "Pending Appeals"). Based on the Pending Appeals, the MOTI Defendants do not  
17 concede that this Court should be proceeding with this matter at this time. Accordingly, the MOTI  
18 Defendants reserve their right to further amend, withdraw, or modify this Answer and Affirmative  
19 Defenses, and to bring counterclaims in connection with the complaint pending a final determination  
20 of the Pending Appeals.

21 DATED July 6, 2018.

22 MCNUTT LAW FIRM, P.C.

23  
24 /s/ Dan McNutt

25 DANIEL R. MCNUTT (SBN 7815)  
26 MATTHEW C. WOLF (SBN 10801)  
27 625 South Eighth Street  
28 Las Vegas, Nevada 89101  
*Attorneys for MOTI Partners, LLC  
and MOTI Partners 16, LLC*

1 **CERTIFICATE OF MAILING**

2 I HEREBY CERTIFY that pursuant to Nev. R. Civ. P. 5(b) and EDCR 8.05 on July 6, 2018 I  
3 caused service of the foregoing **MOTI DEFENDANTS' ANSWER AND AFFIRMATIVE**  
4 **DEFENSES TO PLAINTIFFS' COMPLAINT** to be made by depositing a true and correct copy of  
5 same in the United States Mail, postage fully prepaid, addressed to the following and/or via electronic  
6 mail through the Eighth Judicial District Court's E-Filing system to the following at the e-mail address  
7 provided in the e-service list:

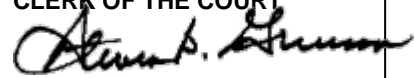
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23 /s/ Lisa A. Heller  
24 Employee of McNutt Law Firm

TAB 5



ANS

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*TPOV Enterprises, LLC and*  
*TPOV Enterprises 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.: 11

Consolidated with:  
Case No.: A-17-760537-B

**DEFENDANTS TPOV ENTERPRISES, LLC  
AND TPOV ENTERPRISES 16, LLC'S  
ANSWER TO PLAINTIFFS' COMPLAINT**

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

Defendants TPOV Enterprises, LLC ("TPOV") and TPOV Enterprises 16, LLC ("TPOV 16")  
(collectively, the "TPOV Defendants") hereby answer the claims asserted by Plaintiffs in the above-  
captioned matter as follows:

**PRELIMINARY STATEMENT**

1. The TPOV Defendants deny the allegations contained in paragraph 1, except admit that  
Caesars entered into multiple agreements with entities previously owned by, managed by or affiliated



1 with Rowen Seibel, and that Caesars requested and received "Business Information Forms" from Mr.  
2 Seibel at the outset of the MOTI and DNT business relationships. The contents of the agreements and  
3 "Business Information Forms" speak for themselves, and TPOV Defendants respectfully refer to those  
4 documents for the full and complete contents thereof.

5         2.       The TPOV Defendants deny the allegations contained in paragraph 2.

6         3.       The TPOV Defendants deny the allegations contained in paragraph 3, except admit that  
7 on April 18, 2016, Rowen Seibel pled guilty to one count of a corrupt endeavor to obstruct and impede  
8 the due administration of the Internal Revenue Laws under 26 U.S.C. § 7212, which is a class E felony  
9 and served one month in prison.

10        4.       The TPOV Defendants deny the allegations contained in paragraph 4.

11        5.       The TPOV Defendants deny the allegations contained in paragraph 5, except admit that  
12 Caesars wrongfully purported to terminate the agreements and state that the contents of the certain  
13 agreements referenced in paragraph 5 speak for themselves, and respectfully refer to the  
14 aforementioned agreements for the full and complete contents thereof.

15        6.       The TPOV Defendants deny the allegations contained in paragraph 6, except admit that  
16 Caesars wrongfully attempted to terminate their agreements, that Caesars cannot continue to operate  
17 the restaurants subject to such agreements absent providing compensation to the TPOV Defendants,  
18 that TPOV 16 commenced litigation against Caesars in February 2017 in the United States District  
19 Court, District of Nevada ("TPOV Federal Action"), and that Caesars commenced the present action  
20 by a complaint that speaks for itself, and TPOV Defendants respectfully refer to the complaint for the  
21 full and complete contents thereof.

22        7.       The TPOV Defendants deny the allegations contained in paragraph 7, except admit that  
23 certain defendants are seeking monetary relief from Caesars in different courts across the country  
24 related to the agreements, and that Caesars commenced the present action by a complaint that speaks  
25 for itself, and TPOV Defendants respectfully refer to the complaint for the full and complete contents  
26 thereof.

27        8.       The TPOV Defendants deny knowledge and information sufficient to form a belief as  
28 to the truth of the allegations contained in paragraph 8, except admit that Caesars commenced the

1 present action by a complaint that speaks for itself, and TPOV Defendants respectfully refer to the  
2 complaint for the full and complete contents thereof.

3 **PARTIES, JURISDICTION, AND VENUE**

4 9. The TPOV Defendants admit the allegations contained in paragraph 9.

5 10. The TPOV Defendants admit the allegations contained in paragraph 10.

6 11. The TPOV Defendants admit the allegations contained in paragraph 11.

7 12. The TPOV Defendants admit the allegations contained in paragraph 12.

8 13. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
9 to the truth of the allegations contained in paragraph 13.

10 14. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
11 to the truth of the allegations contained in paragraph 14.

12 15. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
13 to the truth of the allegations contained in paragraph 15.

14 16. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
15 to the truth of the allegations contained in paragraph 16.

16 17. The TPOV Defendants deny the allegations contained in paragraph 17 except TPOV  
17 admits that TPOV Enterprises, LLC is a New York limited liability company, and that the TPOV  
18 Agreement was entered into in or about November 2011, the contents of which speak for themselves,  
19 and respectfully refer to the TPOV Agreement for the full and complete contents thereof.

20 18. The TPOV Defendants admit the allegations contained in paragraph 18.

21 19. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
22 to the location and corporate status of LLTQ Enterprises, LLC. The TPOV Defendants deny the  
23 remaining allegations contained in paragraph 19 except admit that the LLTQ Agreement was entered  
24 into on or about April 4, 2012, the contents of which speak for themselves, and respectfully refer to  
25 the LLTQ Agreement for the full and complete contents thereof.

26 20. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
27 to the allegations contained in paragraph 20.

28 21. The TPOV Defendants deny knowledge and information sufficient to form a belief as

1 to the allegations contained in paragraph 21.

2 22. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
3 to the allegations contained in paragraph 22.

4 23. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
5 to the allegations contained in paragraph 23.

6 24. The TPOV Defendants admit that Seibel assigned his duties and obligations under the  
7 TPOV Agreement to Mr. Frederick. The TPOV Defendants deny knowledge and information  
8 sufficient to form a belief as to the truth of the balance of the allegations contained in paragraph 24.

9 25. The TPOV Defendants deny the allegations contained in paragraph 25.

10 **STATEMENT OF FACTS**

11 26. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
12 to the allegations contained in paragraph 26.

13 27. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
14 to the truth of whether, “In reliance on those representations (among other things), Caesars Palace and  
15 MOTI entered into the MOTI Agreement.” The TPOV Defendants deny the balance of the allegations  
16 contained in paragraph 27 except admit that to the extent that a “Business Information Form” is  
17 referenced in paragraph 27, the contents of said “Business Information Form” speak for themselves,  
18 and respectfully refer to the “Business Information Form” for the full and complete contents thereof.

19 28. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
20 to the truth of the allegations contained in paragraph 28.

21 29. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
22 to the truth of the allegations contained in paragraph 29.

23 30. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
24 to the truth of the allegations contained in paragraph 30.

25 31. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
26 to the truth of the allegations contained in paragraph 31 except admit that to the extent a “Business  
27 Information Form” is referenced in paragraph 31, the contents of said “Business Information Form”  
28 speak for themselves, and respectfully refer to the “Business Information Form” for the full and

1 complete contents thereof.

2 32. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
3 to the truth of the allegations contained in paragraph 32.

4 33. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
5 to the truth of the allegations contained in paragraph 33.

6 34. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
7 to the truth of the allegations contained in paragraph 34.

8 35. The TPOV Defendants deny the allegations in paragraph 35.

9 36. The TPOV Defendants deny the allegations contained in paragraph 36, except admit  
10 that Caesars entered into multiple agreements with entities previously owned by, managed by or  
11 affiliated with Rowen Seibel, the contents of which speak for themselves, and respectfully refer to the  
12 aforementioned agreements for the full and complete contents thereof.

13 37. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
14 to the truth of the allegations contained in paragraph 37.

15 38. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
16 to the truth of the allegations contained in paragraph 38 except admit that the contents of said  
17 “Business Information Form” speak for themselves, and respectfully refer to the “Business  
18 Information Form” for the full and complete contents thereof.

19 39. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
20 to the truth of the allegations contained in paragraph 39.

21 40. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
22 to the truth of the allegations contained in paragraph 40.

23 41. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
24 to the truth of the allegations contained in paragraph 41.

25 42. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
26 to the truth of the allegations contained in paragraph 42.

27 43. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
28 to the truth of the allegations contained in paragraph 43.



1           44.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
2 to the truth of the allegations contained in paragraph 44.

3           45.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
4 to the truth of the allegations contained in paragraph 45.

5           46.     The TPOV Defendants deny the allegations contained in paragraph 46.

6           47.     The TPOV Defendants deny the allegations contained in paragraph 47 except admit  
7 that the TPOV Agreement was entered into in or about November 2011 in connection with a restaurant  
8 in the Paris casino known as “Gordon Ramsay Steak”, the contents of which speak for themselves,  
9 and respectfully refer to the TPOV Agreement for the full and complete contents thereof.

10          48.     The TPOV Defendants deny the allegations contained in paragraph 48 except admit  
11 that the TPOV Agreement was entered into in or about November 2011, the contents of which speak  
12 for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
13 thereof.

14          49.     The TPOV Defendants deny the allegations contained in paragraph 49 except admit  
15 that the TPOV Agreement was entered into in or about November 2011, the contents of which speak  
16 for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
17 thereof.

18          50.     The TPOV Defendants deny the allegations contained in paragraph 50 except admit  
19 that the TPOV Agreement was entered into in or about November 2011, the contents of which speak  
20 for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
21 thereof.

22          51.     The TPOV Defendants deny the allegations contained in paragraph 51 except admit  
23 that the TPOV Agreement was entered into in or about November 2011, the contents of which speak  
24 for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
25 thereof.

26          52.     The TPOV Defendants deny the allegations contained in paragraph 52 except admit  
27 that the TPOV Agreement was entered into in or about November 2011, the contents of which speak  
28 for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents

1   thereof.

2           53.     The TPOV Defendants deny the allegations contained in paragraph 53 except admit  
3   that the TPOV Agreement was entered into in or about November 2011, the contents of which speak  
4   for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
5   thereof.

6           54.     The TPOV Defendants deny the allegations contained in paragraph 54 except admit  
7   that the TPOV Agreement was entered into in or about November 2011, the contents of which speak  
8   for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
9   thereof.

10          55.     The TPOV Defendants deny the allegations contained in paragraph 55.

11          56.     The TPOV Defendants deny the allegations contained in paragraph 56.

12          57.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
13   to the truth of the allegations contained in paragraph 57 except admit that the LLTQ Agreement was  
14   entered into on or about April 4, 2012 in connection with a restaurant in the Caesars Palace casino  
15   known as the Gordon Ramsay Pub, the contents of which speak for themselves, and respectfully refer  
16   to the LLTQ Agreement for the full and complete contents thereof.

17          58.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
18   to the truth of the allegations contained in paragraph 58 except admit that the LLTQ Agreement was  
19   entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
20   refer to the LLTQ Agreement for the full and complete contents thereof.

21          59.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
22   to the truth of the allegations contained in paragraph 59 except admit that the LLTQ Agreement was  
23   entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
24   refer to the LLTQ Agreement for the full and complete contents thereof.

25          60.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
26   to the truth of the allegations contained in paragraph 60 except admit that the LLTQ Agreement was  
27   entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
28   refer to the LLTQ Agreement for the full and complete contents thereof.

1           61.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
2 to the truth of the allegations contained in paragraph 61 except admit that the LLTQ Agreement was  
3 entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
4 refer to the LLTQ Agreement for the full and complete contents thereof.

5           62.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
6 to the truth of the allegations contained in paragraph 62 except admit that the LLTQ Agreement was  
7 entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
8 refer to the LLTQ Agreement for the full and complete contents thereof.

9           63.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
10 to the truth of the allegations contained in paragraph 63 except admit that the LLTQ Agreement was  
11 entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
12 refer to the LLTQ Agreement for the full and complete contents thereof.

13          64.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
14 to the truth of the allegations contained in paragraph 64 except admit that the LLTQ Agreement was  
15 entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
16 refer to the LLTQ Agreement for the full and complete contents thereof.

17          65.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
18 to the truth of the allegations contained in paragraph 65 except admit that the LLTQ Agreement was  
19 entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
20 refer to the LLTQ Agreement for the full and complete contents thereof.

21          66.     The TPOV Defendants deny the allegations contained in paragraph 66.

22          67.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
23 to the truth of the allegations contained in paragraph 67 except admit that the LLTQ Agreement was  
24 entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
25 refer to the LLTQ Agreement for the full and complete contents thereof.

26          68.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
27 to the truth of the allegations contained in paragraph 68, except admit that the LLTQ Agreement was  
28 entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully

1 refer to the LLTQ Agreement for the full and complete contents thereof, and admit the allegations  
2 contained in the first sentence of paragraph 68 and that the LLTQ/FERG Defendants assert that Section  
3 13.22 is enforceable.

4         69.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
5 to the truth of the allegations contained in paragraph 69.

6         70.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
7 to the truth of the allegations contained in paragraph 70.

8         71.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
9 to the truth of the allegations contained in paragraph 71.

10        72.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
11 to the truth of the allegations contained in paragraph 72.

12        73.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
13 to the truth of the allegations contained in paragraph 73.

14        74.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
15 to the truth of the allegations contained in paragraph 74.

16        75.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
17 to the truth of the allegations contained in paragraph 75.

18        76.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
19 to the truth of the allegations contained in paragraph 76.

20        77.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
21 to the truth of the allegations contained in paragraph 77.

22        78.     The TPOV Defendants deny the allegations contained in paragraph 78.

23        79.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
24 to the truth of the allegations contained in paragraph 79.

25        80.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
26 to the truth of the allegations contained in paragraph 80.

27        81.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
28 to the truth of the allegations contained in paragraph 81.



1           82.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
2 to the truth of the allegations contained in paragraph 82.

3           83.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
4 to the truth of the allegations contained in paragraph 83.

5           84.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
6 to the truth of the allegations contained in paragraph 84.

7           85.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
8 to the truth of the allegations contained in paragraph 85.

9           86.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
10 to the truth of the allegations contained in paragraph 86.

11          87.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
12 to the truth of the allegations contained in paragraph 87.

13          88.     The TPOV Defendants deny the allegations contained in paragraph 88.

14          89.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
15 to the truth of the allegations contained in paragraph 89.

16          90.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
17 to the the truth of allegations contained in paragraph 90.

18          91.     The TPOV Defendants deny the allegations contained in paragraph 91.

19          92.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
20 to the truth of the allegations contained in paragraph 92.

21          93.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
22 to the truth of the allegations contained in paragraph 93.

23          94.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
24 to the truth of the allegations contained in paragraph 94.

25          95.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
26 to the truth of the allegations contained in paragraph 95.

27          96.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
28 to the truth of the allegations contained in paragraph 96.

1           97.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
2 to the truth of the allegations contained in paragraph 97.

3           98.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
4 to the truth of the allegations contained in paragraph 98.

5           99.     The TPOV Defendants deny knowledge and information sufficient to form a belief as  
6 to the truth of the allegations contained in paragraph 99.

7           100.    The TPOV Defendants aver that paragraph 100 contains conclusions of law to which  
8 no responsive pleading is required. To the extent a response is required, the TPOV Defendants deny  
9 knowledge and information sufficient to form a belief as to the truth of the allegations contained in  
10 paragraph 100.

11          101.    The TPOV Defendants deny knowledge and information sufficient to form a belief as  
12 to the truth of the allegations contained in paragraph 101.

13          102.    The TPOV Defendants deny knowledge and information sufficient to form a belief as  
14 to the truth of the allegations contained in paragraph 102.

15          103.    The TPOV Defendants deny knowledge and information sufficient to form a belief as  
16 to the truth of the allegations contained in paragraph 103.

17          104.    The TPOV Defendants deny knowledge and information sufficient to form a belief as  
18 to the truth of the allegations contained in paragraph 104.

19          105.    The TPOV Defendants deny knowledge and information sufficient to form a belief as  
20 to the truth of the allegations contained in paragraph 105.

21          106.    The TPOV Defendants deny knowledge and information sufficient to form a belief as  
22 to the truth of the allegations contained in paragraph 106 except admit that on April 18, 2016, Rowen  
23 Seibel pled guilty to one count of a corrupt endeavor to obstruct and impede the due administration of  
24 the Internal Revenue Laws under 26 U.S.C. § 7212, which is a class E felony.

25          107.    The TPOV Defendants deny knowledge and information sufficient to form a belief as  
26 to the truth of the allegations contained in paragraph 107 except admit that on August 19, 2016, the  
27 Southern District of New York sentenced Rowen Seibel to serve one month in prison, six months in  
28 home detention, and 300 hours of community service.

1           108. The TPOV Defendants deny the allegations contained in paragraph 108 except admit  
2 that the letter referenced in paragraph 108 was sent on or about April 8, 2016, the contents of which  
3 speak for themselves, and respectfully refers to the aforementioned letter for the full and complete  
4 contents thereof.

5           109. The TPOV Defendants deny the allegations contained in paragraph 109, except admit  
6 that Caesars wrongfully purported to terminate all of its agreements with entities that were associated  
7 or had been associated with Rowen Seibel.

8           110. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
9 to the truth of the allegations contained in paragraph 110.

10           111. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
11 to the truth of the allegations contained in paragraph 111.

12           112. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
13 to the truth of the allegations contained in paragraph 112.

14           113. The TPOV Defendants deny the allegations contained in paragraph 113 except admit  
15 that the aforementioned letter from Caesars Palace to TPOV was dated September 2, 2016, the contents  
16 of which speak for themselves, and respectfully refer to the aforementioned letter for the full and  
17 complete contents thereof.

18           114. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
19 to the truth of the allegations contained in paragraph 114.

20           115. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
21 to the truth of the allegations contained in paragraph 115.

22           116. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
23 to the truth of the allegations contained in paragraph 116.

24           117. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
25 to the truth of the allegations contained in paragraph 117.

26           118. The TPOV Defendants deny the allegations contained in paragraph 118 except admit  
27 certain referenced letters were sent to Caesars, which speak for themselves, and respectfully refer to  
28 the aforementioned letters for the full and complete contents thereof.

1           119. The TPOV Defendants deny the allegations contained in paragraph 119 except admit  
2 that the aforementioned letter from Caesars Palace was dated September 12, 2016, the contents of  
3 which speak for themselves, and respectfully refer to the aforementioned letter for the full and  
4 complete contents thereof.

5           120. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
6 to the truth of the allegations contained in paragraph 120.

7           121. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
8 to the truth of the allegations contained in paragraph 121.

9           122. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
10 to the truth of the allegations contained in paragraph 122.

11           123. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
12 to the truth of the allegations contained in paragraph 123.

13           124. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
14 to the truth of the allegations contained in paragraph 124.

15           125. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
16 to the truth of the allegations contained in paragraph 125.

17           126. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
18 to the truth of the allegations contained in paragraph 126.

19           127. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
20 to the truth of the allegations contained in paragraph 127.

21           128. The TPOV Defendants deny knowledge and information sufficient to form a belief as  
22 to the truth of the allegations contained in paragraph 128.

23           129. The TPOV Defendants deny the allegations contained in paragraph 129 except admit  
24 that the referenced documents filed in the TPOV Federal Action and the court docket for that Action  
25 speak for themselves and respectfully refer to the aforementioned documents and court docket for the  
26 full and complete contents thereof.

27           130. The TPOV Defendants deny the allegations contained in paragraph 130 except admit  
28 that the referenced documents filed in the TPOV Federal Action and the court docket for that Action

1 speak for themselves and respectfully refer to the aforementioned documents and court docket for the  
2 full and complete contents thereof.

3 **COUNT I**

4 131. The TPOV Defendants hereby repeat and reallege each and every one of the TPOV  
5 Defendants's responses in paragraphs 1-130 above as if fully set forth herein.

6 132. The TPOV Defendants state that the referenced statute speaks for itself.

7 133. The TPOV Defendants admit that the parties dispute whether Caesars properly  
8 terminated the agreements, but deny there is a justiciable controversy ripe for adjudication among the  
9 parties.

10 134. The TPOV Defendants deny the allegations contained in paragraph 134, except admit  
11 that Caesars seeks declaratory relief in the present action.

12 135. The TPOV Defendants deny the allegations set forth in paragraph 135, except admit  
13 that the complaint filed in the present action seeks certain relief, that the complaint that speaks for  
14 itself, and TPOV Defendants respectfully refer to the complaint for the full and complete contents  
15 thereof.

16 **COUNT II**

17 136. The TPOV Defendants hereby repeat and reallege each and every one of the TPOV  
18 Defendants's responses to the above paragraphs as if fully set forth herein.

19 137. The TPOV Defendants state that the referenced statute speaks for itself.

20 138. The TPOV Defendants admit that the parties dispute whether Caesars properly  
21 terminated the agreements, but deny there is a justiciable controversy ripe for adjudication among the  
22 parties.

23 139. The TPOV Defendants deny the allegations set forth in paragraph 139.

24 140. The TPOV Defendants deny the allegations contained in paragraph 140, except admit  
25 that the agreements speak for themselves, and TPOV Defendants respectfully refer to those documents  
26 for the full and complete contents thereof.

27 141. The TPOV Defendants deny the allegations contained in paragraph 141, except admit  
28 that the agreements speak for themselves, and TPOV Defendants respectfully refer to those documents



1 for the full and complete contents thereof.

2 142. The TPOV Defendants deny the allegations contained in paragraph 142.

3 143. The TPOV Defendants deny the allegations contained in paragraph 143.

4 144. The TPOV Defendants deny the allegations contained in paragraph 144.

5 145. The TPOV Defendants deny the allegations contained in paragraph 145, except admit  
6 that Caesars seeks declaratory relief in the present action.

7 146. The TPOV Defendants deny the allegations set forth in paragraph 146, except admit  
8 that the complaint filed in the present action seeks certain relief, that the complaint that speaks for  
9 itself, and TPOV Defendants respectfully refer to the complaint for the full and complete contents  
10 thereof.

### 11 **COUNT III**

12 147. The TPOV Defendants hereby repeat and reallege each and every one of the TPOV  
13 Defendants's responses to the above paragraphs as if fully set forth herein.

14 148. The TPOV Defendants state that the referenced statute speaks for itself.

15 149. The TPOV Defendants admit that the parties dispute whether the referenced section of  
16 the agreements are enforceable, but deny there is a justiciable controversy ripe for adjudication among  
17 the parties.

18 150. The TPOV Defendants deny the allegations contained in paragraph 150.

19 151. The TPOV Defendants deny the allegations contained in paragraph 151.

20 152. The TPOV Defendants deny the allegations contained in paragraph 152.

21 153. The TPOV Defendants deny the allegations contained in paragraph 153.

22 154. The TPOV Defendants deny the allegations contained in paragraph 154.

23 155. The TPOV Defendants deny the allegations contained in paragraph 155, except admit  
24 that Caesars seeks declaratory relief in the present action.

25 156. The TPOV Defendants deny the allegations set forth in paragraph 156, except admit  
26 that the complaint filed in the present action seeks certain relief, that the complaint that speaks for  
27 itself, and TPOV Defendants respectfully refer to the complaint for the full and complete contents  
28 thereof.

1                                   **AS AND FOR A FIRST AFFIRMATIVE DEFENSE**

2           157.    The Complaint fails to state a claim upon which relief can be granted.

3                                   **AS AND FOR A SECOND AFFIRMATIVE DEFENSE**

4           158.    The TPOV Defendants expressly incorporate herein as affirmative defenses their  
5 allegations and claims in *TPOV Enterprises 16, LLC v. Paris Las Vegas Operating Company, LLC*,  
6 Case 2:17-cv-00346-JCM-VCF in District of Nevada and all related matters and proceedings.

7                                   **AS AND FOR A THIRD AFFIRMATIVE DEFENSE**

8           159.    The TPOV Defendants expressly incorporate herein as affirmative defenses their  
9 argument in their motion to dismiss this action.

10                                  **AS AND FOR A FOURTH AFFIRMATIVE DEFENSE**

11           160.    Plaintiff's claims warrant dismissal under the first-to-file rule and due to forum  
12 shopping.

13                                  **AS AND FOR A FIFTH AFFIRMATIVE DEFENSE**

14           161.    By paying money to TPOV 16 under the TPOV Agreement, Plaintiffs consented to and  
15 ratified the assignments from TPOV to TPOV 16 and from Seibel to Frederick.

16                                  **AS AND FOR A SIXTH AFFIRMATIVE DEFENSE**

17           162.    Plaintiffs are precluded from obtaining the relief they seek because, based on  
18 information and belief, they do or have done business with persons who have criminal records or are  
19 actually or potentially unsuitable.

20                                  **AS AND FOR A SEVENTH AFFIRMATIVE DEFENSE**

21           163.    Plaintiffs are precluded from obtaining the relief they seek because they owe money to  
22 Defendants.

23                                  **AS AND FOR A EIGHTH AFFIRMATIVE DEFENSE**

24           164.    Plaintiffs are precluded under the applicable contracts from continuing to operate the  
25 restaurants, use the licensed materials, and do business with Ramsay.

26                                  **AS AND FOR A NINTH AFFIRMATIVE DEFENSE**

27           165.    Plaintiffs breached the applicable contracts with Defendants and therefore are  
28 precluded from pursuing their claims.

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**AS AND FOR A TENTH AFFIRMATIVE DEFENSE**

166. Plaintiffs’ claims are barred by the statute of limitations or statute of repose.

**AS AND FOR AN ELEVENTH AFFIRMATIVE DEFENSE**

167. Plaintiffs’ claims are barred, in whole or in part, by the doctrines of acquiescence, estoppel, laches, ratification, unclean hands, unjust enrichment, or waiver, as well as all other applicable equitable doctrines.

**AS AND FOR A TWELFTH AFFIRMATIVE DEFENSE**

168. Plaintiffs’ claims are barred, in whole or in part, by their own conduct, including but not limited to their failure to mitigate their damages.

**AS AND FOR A THIRTEENTH AFFIRMATIVE DEFENSE**

169. The alleged unsuitability of Seibel is immaterial and irrelevant because, inter alia, he assigned his interests, if any, in Defendants or the contracts.

**AS AND FOR A FOURTEENTH AFFIRMATIVE DEFENSE**

170. The claims related to the TPOV Agreement are barred by the voluntary payment doctrine on account of the payment of money under that agreement to TPOV 16.

**AS AND FOR A FIFTEENTH AFFIRMATIVE DEFENSE**

171. This Court lacks jurisdiction over the allegations, claims, and theories alleged by Plaintiffs that already are pending before the United States District Court for the District of Nevada in *TPOV Enterprises 16, LLC v. Paris Las Vegas Operating Company, LLC*, case no. Case 2:17-cv-00346-JCM-VCF and all related matters and proceedings.

///  
///  
///

1                                    **AS AND FOR A SIXTEENTH AFFIRMATIVE DEFENSE**

2            172. All possible affirmative defenses may not have been alleged herein insofar as sufficient  
3 facts were not available after reasonable inquiry upon the filing of Defendants' answer. Therefore,  
4 Defendants reserve the right to amend their answer to allege additional affirmative defenses if  
5 subsequent investigation so warrants. Defendants reserve the right to (a) rely upon such other  
6 affirmative defenses as may be supported by the facts to be determined through full and complete  
7 discovery, and (b) voluntarily withdraw any affirmative defense.

8                                    DATED July 6, 2018.

9                                    MCNUTT LAW FIRM, P.C.

10  
11                                    /s/ Dan McNutt  
12                                    DANIEL R. MCNUTT (SBN 7815)  
13                                    MATTHEW C. WOLF (SBN 10801)  
14                                    625 South Eighth Street  
15                                    Las Vegas, Nevada 89101  
16                                    *Attorneys for Defendants TPOV Enterprises, LLC*  
17                                    *and TPOV Enterprises 16, LLC*  
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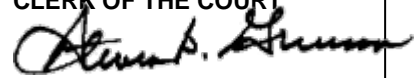
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**TAB 6**



**AACC**

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*Attorneys for R Squared Global  
Solutions, LLC, appearing derivatively  
On behalf of Defendant DNT ACQUISITION 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.: 11

Consolidated with:  
Case No.: A-17-760537-B

**DEFENDANT DNT ACQUISITION, LLC'S  
ANSWER TO PLAINTIFFS' COMPLAINT  
AND COUNTERCLAIMS**

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

Defendant DNT Acquisition, LLC, appearing derivatively by one of its two members, R Squared Global Solutions, LLC ("DNT"), hereby answers the claims asserted by Plaintiffs in the above-captioned matter as follows:

**PRELIMINARY STATEMENT**

1. DNT denies the allegations contained in paragraph 1, except admits that Caesars

1 entered into multiple agreements with entities previously owned by, managed by or affiliated with  
2 Rowen Seibel, and that Caesars requested and received “Business Information Forms” from Mr. Seibel  
3 at the outset of the MOTI and DNT business relationships. The contents of the agreements and  
4 “Business Information Forms” speak for themselves, and DNT respectfully refers to those documents  
5 for the full and complete contents thereof.

6 2. DNT denies the allegations contained in paragraph 2.

7 3. DNT denies the allegations contained in paragraph 3, except admits that on April 18,  
8 2016, Rowen Seibel pled guilty to one count of a corrupt endeavor to obstruct and impede the due  
9 administration of the Internal Revenue Laws under 26 U.S.C. § 7212, which is a class E felony and  
10 served one month in prison.

11 4. DNT denies the allegations contained in paragraph 4.

12 5. DNT denies the allegations contained in paragraph 5, except admits that Caesars  
13 wrongfully purported to terminate the agreements and state that the contents of the certain agreements  
14 referenced in paragraph 5 speak for themselves, and respectfully refers to the aforementioned  
15 agreements for the full and complete contents thereof.

16 6. DNT denies the allegations contained in paragraph 6, except admits that Caesars  
17 wrongfully attempted to terminate their agreements, that Caesars cannot continue to operate the  
18 restaurants subject to such agreements absent providing compensation to DNT, and that Caesars  
19 commenced the present action by a complaint that speaks for itself, and DNT respectfully refers to the  
20 complaint for the full and complete contents thereof.

21 7. DNT denies the allegations contained in paragraph 7, except admits that certain  
22 defendants are seeking monetary relief from Caesars in different courts across the country related to  
23 the agreements, and that Caesars commenced the present action by a complaint that speaks for itself,  
24 and DNT respectfully refers to the complaint for the full and complete contents thereof.

25 8. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
26 allegations contained in paragraph 8, except admits that Caesars commenced the present action by a  
27 complaint that speaks for itself, and DNT respectfully refers to the complaint for the full and complete  
28 contents thereof.

**PARTIES, JURISDICTION, AND VENUE**

9. DNT admits the allegations contained in paragraph 9.

10. DNT admits the allegations contained in paragraph 10.

11. DNT admits the allegations contained in paragraph 11.

12. DNT admits admit the allegations contained in paragraph 12.

13. DNT denies knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 13.

14. DNT denies knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 14.

15. DNT denies knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 15.

16. DNT denies the allegations contained in paragraph 16 except admits that DNT Acquisition, LLC is a Delaware limited liability company, and that the DNT Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves, and respectfully refers to the DNT Agreement for the full and complete contents thereof.

17. DNT denies knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 17.

18. DNT denies knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 18.

19. DNT denies knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph 19.

20. DNT denies knowledge and information sufficient to form a belief as to the allegations contained in paragraph 20.

21. DNT denies knowledge and information sufficient to form a belief as to the allegations contained in paragraph 21.

22. DNT denies knowledge and information sufficient to form a belief as to the allegations contained in paragraph 22.

23. DNT denies knowledge and information sufficient to form a belief as to the allegations

1 contained in paragraph 23.

2 24. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
3 allegations contained in paragraph 24.

4 25. DNT denies the allegations contained in paragraph 25.

5 **STATEMENT OF FACTS**

6 26. DNT denies knowledge and information sufficient to form a belief as to the allegations  
7 contained in paragraph 26.

8 27. DNT denies knowledge and information sufficient to form a belief as to the truth of  
9 whether, “In reliance on those representations (among other things), Caesars Palace and MOTI entered  
10 into the MOTI Agreement.” DNT denies the balance of the allegations contained in paragraph 27  
11 except admits that to the extent that a “Business Information Form” is referenced in paragraph 27, the  
12 contents of said “Business Information Form” speak for themselves, and respectfully refers to the  
13 “Business Information Form” for the full and complete contents thereof.

14 28. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
15 allegations contained in paragraph 28.

16 29. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
17 allegations contained in paragraph 29.

18 30. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
19 allegations contained in paragraph 30.

20 31. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
21 allegations contained in paragraph 31 except admits that to the extent a “Business Information Form”  
22 is referenced in paragraph 31, the contents of said “Business Information Form” speak for themselves,  
23 and respectfully refers to the “Business Information Form” for the full and complete contents thereof.

24 32. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
25 allegations contained in paragraph 32.

26 33. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
27 allegations contained in paragraph 33.

28 34. DNT denies knowledge and information sufficient to form a belief as to the truth of the



1 allegations contained in paragraph 34.

2 35. DNT denies the allegations in paragraph 35.

3 36. DNT denies the allegations contained in paragraph 36, except admits that Caesars  
4 entered into multiple agreements with entities previously owned by, managed by or affiliated with  
5 Rowen Seibel, the contents of which speak for themselves, and respectfully refers to the  
6 aforementioned agreements for the full and complete contents thereof.

7 37. DNT denies the allegations contained in paragraph 37 except admits that the DNT  
8 Agreement was entered into on or about June 21, 2011 in connection with a restaurant in the Caesars  
9 Palace casino known as “Old Homestead Steakhouse”, the contents of which speak for themselves,  
10 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

11 38. DNT denies the allegations contained in paragraph 38 except admits that the contents  
12 of said “Business Information Form” speak for themselves, and respectfully refers to the “Business  
13 Information Form” for the full and complete contents thereof, and admits that the DNT Agreement  
14 was entered into on or about June 21, 2011, the contents of which speak for themselves, and  
15 respectfully refers to the DNT Agreement for the full and complete contents thereof.

16 39. DNT denies the allegations contained in paragraph 39 except admits that the DNT  
17 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
18 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

19 40. DNT denies the allegations contained in paragraph 40 except admits that the DNT  
20 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
21 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

22 41. DNT denies the allegations contained in paragraph 41 except admits that the DNT  
23 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
24 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

25 42. DNT denies the allegations contained in paragraph 42 except admits that the DNT  
26 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
27 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

28 43. DNT denies the allegations contained in paragraph 43 except admits that the DNT

1 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
2 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

3 44. DNT denies the allegations contained in paragraph 44 except admits that the DNT  
4 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
5 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

6 45. DNT denies the allegations contained in paragraph 45 except admits that the DNT  
7 Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
8 and respectfully refers to the DNT Agreement for the full and complete contents thereof.

9 46. DNT denies the allegations contained in paragraph 46.

10 47. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
11 allegations contained in paragraph 47.

12 48. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
13 allegations contained in paragraph 48.

14 49. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
15 allegations contained in paragraph 49.

16 50. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
17 allegations contained in paragraph 50.

18 51. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
19 allegations contained in paragraph 51.

20 52. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
21 allegations contained in paragraph 52.

22 53. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
23 allegations contained in paragraph 53.

24 54. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
25 allegations contained in paragraph 54.

26 55. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
27 allegations contained in paragraph 55.

28 56. DNT denies the allegations contained in paragraph 56.

1           57.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
2 allegations contained in paragraph 57.

3           58.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
4 allegations contained in paragraph 58.

5           59.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
6 allegations contained in paragraph 59.

7           60.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
8 allegations contained in paragraph 60.

9           61.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
10 allegations contained in paragraph 61.

11          62.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
12 allegations contained in paragraph 62.

13          63.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
14 allegations contained in paragraph 63.

15          64.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
16 allegations contained in paragraph 64.

17          65.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
18 allegations contained in paragraph 65.

19          66.     DNT denies the allegations contained in paragraph 66.

20          67.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
21 allegations contained in paragraph 67.

22          68.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
23 allegations contained in paragraph 68.

24          69.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
25 allegations contained in paragraph 69.

26          70.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
27 allegations contained in paragraph 70.

28          71.     DNT denies knowledge and information sufficient to form a belief as to the truth of the

1 allegations contained in paragraph 71.

2 72. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
3 allegations contained in paragraph 72.

4 73. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
5 allegations contained in paragraph 73.

6 74. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
7 allegations contained in paragraph 74.

8 75. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
9 allegations contained in paragraph 75.

10 76. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
11 allegations contained in paragraph 76.

12 77. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
13 allegations contained in paragraph 77.

14 78. DNT denies the allegations contained in paragraph 78.

15 79. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
16 allegations contained in paragraph 79.

17 80. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
18 allegations contained in paragraph 80.

19 81. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
20 allegations contained in paragraph 81.

21 82. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
22 allegations contained in paragraph 82.

23 83. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
24 allegations contained in paragraph 83.

25 84. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
26 allegations contained in paragraph 84.

27 85. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
28 allegations contained in paragraph 85.

1           86.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
2 allegations contained in paragraph 86.

3           87.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
4 allegations contained in paragraph 87.

5           88.     DNT denies the allegations contained in paragraph 88.

6           89.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
7 allegations contained in paragraph 89.

8           90.     DNT denies knowledge and information sufficient to form a belief as to the the truth  
9 of allegations contained in paragraph 90.

10          91.     DNT denies the allegations contained in paragraph 91.

11          92.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
12 allegations contained in paragraph 92.

13          93.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
14 allegations contained in paragraph 93.

15          94.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
16 allegations contained in paragraph 94.

17          95.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
18 allegations contained in paragraph 95.

19          96.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
20 allegations contained in paragraph 96.

21          97.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
22 allegations contained in paragraph 97.

23          98.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
24 allegations contained in paragraph 98.

25          99.     DNT denies knowledge and information sufficient to form a belief as to the truth of the  
26 allegations contained in paragraph 99.

27          100.    DNT avers that paragraph 100 contains conclusions of law to which no responsive  
28 pleading is required. To the extent a response is required, DNT denies knowledge and information



1 sufficient to form a belief as to the truth of the allegations contained in paragraph 100.

2 101. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
3 allegations contained in paragraph 101.

4 102. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
5 allegations contained in paragraph 102.

6 103. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
7 allegations contained in paragraph 103.

8 104. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
9 allegations contained in paragraph 104.

10 105. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
11 allegations contained in paragraph 105.

12 106. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
13 allegations contained in paragraph 106 except admits that on April 18, 2016, Rowen Seibel pled guilty  
14 to one count of a corrupt endeavor to obstruct and impede the due administration of the Internal  
15 Revenue Laws under 26 U.S.C. § 7212, which is a class E felony.

16 107. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
17 allegations contained in paragraph 107 except admits that on August 19, 2016, the Southern District  
18 of New York sentenced Rowen Seibel to serve one month in prison, six months in home detention,  
19 and 300 hours of community service.

20 108. DNT denies the allegations contained in paragraph 108 except admits that the letter  
21 referenced in paragraph 108 was sent on or about April 8, 2016, the contents of which speak for  
22 themselves, and respectfully refers to the aforementioned letter for the full and complete contents  
23 thereof.

24 109. DNT denies the allegations contained in paragraph 109, except admit that Caesars  
25 wrongfully purported to terminate all of its agreements with entities that were associated or had been  
26 associated with Rowen Seibel.

27 110. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
28 allegations contained in paragraph 110.

1           111. DNT denies the allegations contained in paragraph 111 except admit that the  
2           aforementioned letter from Caesars Palace to DNT was dated September 2, 2016, the contents of which  
3           speak for themselves, and respectfully refers to the aforementioned letter for the full and complete  
4           contents thereof.

5           112. DNT denies the allegations contained in paragraph 112 except admits that the DNT  
6           Agreement was entered into on or about June 21, 2011, the contents of which speak for themselves,  
7           and respectfully refers to the DNT Agreement for the full and complete contents thereof.

8           113. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
9           allegations contained in paragraph 113.

10          114. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
11          allegations contained in paragraph 114.

12          115. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
13          allegations contained in paragraph 115.

14          116. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
15          allegations contained in paragraph 116.

16          117. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
17          allegations contained in paragraph 117.

18          118. DNT denies the allegations contained in paragraph 118 except admit certain referenced  
19          letters were sent to Caesars, which speak for themselves, and respectfully refers to the aforementioned  
20          letters for the full and complete contents thereof.

21          119. DNT denies the allegations contained in paragraph 119 except admit that the  
22          aforementioned letter from Caesars Palace was dated September 12, 2016, the contents of which speak  
23          for themselves, and respectfully refers to the aforementioned letter for the full and complete contents  
24          thereof.

25          120. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
26          allegations contained in paragraph 120 except admits that Caesars Entertainment Operating Company,  
27          Inc. and its subsidiaries and affiliates filed for Chapter 11 bankruptcy protection in the United States  
28          Bankruptcy Court, Northern District of Illinois, Eastern Division and that the court docket for that

1 Action speaks for itself and respectfully refers to the aforementioned court docket for the full and  
2 complete contents thereof.

3 121. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
4 allegations contained in paragraph 121.

5 122. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
6 allegations contained in paragraph 122.

7 123. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
8 allegations contained in paragraph 123.

9 124. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
10 allegations contained in paragraph 124.

11 125. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
12 allegations contained in paragraph 125.

13 126. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
14 allegations contained in paragraph 126.

15 127. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
16 allegations contained in paragraph 127.

17 128. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
18 allegations contained in paragraph 128.

19 129. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
20 allegations contained in paragraph 129.

21 130. DNT denies knowledge and information sufficient to form a belief as to the truth of the  
22 allegations contained in paragraph 130.

23 **COUNT I**

24 131. DNT hereby repeats and realleges each and every one of DNT's responses in  
25 paragraphs 1-130 above as if fully set forth herein.

26 132. DNT states that the referenced statute speaks for itself.

27 133. DNT admits that the parties dispute whether Caesars properly terminated the  
28 agreements, but denies there is a justiciable controversy ripe for adjudication among the parties.

134. DNT denies the allegations contained in paragraph 134, except admits that Caesars seeks declaratory relief in the present action.

135. DNT denies the allegations set forth in paragraph 135, except admits that the complaint filed in the present action seeks certain relief, that the complaint that speaks for itself, and DNT respectfully refers to the complaint for the full and complete contents thereof.

**COUNT II**

136. DNT hereby repeats and realleges each and every one of DNT's responses to the above paragraphs as if fully set forth herein.

137. DNT states that the referenced statute speaks for itself.

138. DNT admits that the parties dispute whether Caesars properly terminated the agreements, but deny there is a justiciable controversy ripe for adjudication among the parties.

139. DNT denies the allegations set forth in paragraph 139.

140. DNT denies the allegations contained in paragraph 140, except admit that the agreements speak for themselves, and DNT respectfully refers to those documents for the full and complete contents thereof.

141. DNT denies the allegations contained in paragraph 141, except admits that the agreements speak for themselves, and DNT respectfully refers to those documents for the full and complete contents thereof.

142. DNT denies the allegations contained in paragraph 142.

143. DNT denies the allegations contained in paragraph 143.

144. DNT denies the allegations contained in paragraph 144.

145. DNT denies the allegations contained in paragraph 145, except admit that Caesars seeks declaratory relief in the present action.

146. DNT denies the allegations set forth in paragraph 146, except admits that the complaint filed in the present action seeks certain relief, that the complaint that speaks for itself, and DNT respectfully refers to the complaint for the full and complete contents thereof.

1 **COUNT III**

2 147. DNT hereby repeats and realleges each and every one of DNT's responses to the above  
3 paragraphs as if fully set forth herein.

4 148. DNT states that the referenced statute speaks for itself.

5 149. DNT admits that the parties dispute whether the referenced section of the agreements  
6 are enforceable, but deny there is a justiciable controversy ripe for adjudication among the parties.

7 150. DNT denies the allegations contained in paragraph 150.

8 151. DNT denies the allegations contained in paragraph 151.

9 152. DNT denies the allegations contained in paragraph 152.

10 153. DNT denies the allegations contained in paragraph 153.

11 154. DNT denies the allegations contained in paragraph 154.

12 155. DNT denies the allegations contained in paragraph 155, except admits that Caesars  
13 seeks declaratory relief in the present action.

14 156. DNT denies the allegations set forth in paragraph 156, except admits that the complaint  
15 filed in the present action seeks certain relief, that the complaint that speaks for itself, and DNT  
16 respectfully refers to the complaint for the full and complete contents thereof.

17 **AS AND FOR A FIRST AFFIRMATIVE DEFENSE**

18 157. The Complaint fails to state a claim upon which relief can be granted.

19 **AS AND FOR A SECOND AFFIRMATIVE DEFENSE**

20 158. DNT expressly incorporates herein as affirmative defenses its allegations and claims in  
21 *In re: Caesars Entertainment Operating Company, Inc., et. al.*, case no. 15-01145 (ABG) in the United  
22 States Bankruptcy Court for the Northern District of Illinois (Eastern Division) and all related matters  
23 and proceedings.

24 **AS AND FOR A THIRD AFFIRMATIVE DEFENSE**

25 159. DNT expressly incorporates herein as affirmative defenses its argument in their motion  
26 to dismiss this action.



1                                   **AS AND FOR A FOURTH AFFIRMATIVE DEFENSE**

2           160.   Plaintiff's claims warrant dismissal under the first-to-file rule and due to forum  
3 shopping.

4                                   **AS AND FOR A FIFTH AFFIRMATIVE DEFENSE**

5           161.   Plaintiffs are precluded from obtaining the relief they seek because, based on  
6 information and belief, they do or have done business with persons who have criminal records or are  
7 actually or potentially unsuitable.

8                                   **AS AND FOR A SIXTH AFFIRMATIVE DEFENSE**

9           162.   Plaintiffs are precluded from obtaining the relief they seek because they owe money to  
10 Defendants.

11                                  **AS AND FOR A SEVENTH AFFIRMATIVE DEFENSE**

12           163.   Plaintiffs are precluded under the applicable contracts from continuing to operate the  
13 restaurants and use the licensed materials.

14                                  **AS AND FOR AN EIGHTH AFFIRMATIVE DEFENSE**

15           164.   Plaintiffs breached the applicable contracts with Defendants and therefore are  
16 precluded from pursuing their claims.

17                                  **AS AND FOR A NINTH AFFIRMATIVE DEFENSE**

18           165.   Plaintiffs' claims are barred by the statute of limitations or statute of repose.

19                                  **AS AND FOR A TENTH AFFIRMATIVE DEFENSE**

20           166.   Plaintiffs' claims are barred, in whole or in part, by the doctrines of acquiescence,  
21 estoppel, laches, ratification, unclean hands, unjust enrichment, or waiver, as well as all other  
22 applicable equitable doctrines.

23                                  **AS AND FOR AN ELEVENTH AFFIRMATIVE DEFENSE**

24           167.   Plaintiffs' claims are barred, in whole or in part, by their own conduct, including but  
25 not limited to their failure to mitigate their damages.

26                                  **AS AND FOR A TWELFTH AFFIRMATIVE DEFENSE**

27           168.   The alleged unsuitability of Seibel is immaterial and irrelevant because, inter alia, he  
28 assigned his interests, if any, in Defendants or the contracts.

1                                   **AS AND FOR A THIRTEENTH AFFIRMATIVE DEFENSE**

2           169.   This Court lacks jurisdiction over the allegations, claims, and theories alleged by  
3 Plaintiffs that already are pending before the United States Bankruptcy Court for the Northern District  
4 of Illinois (Eastern Division) in *In re: Caesars Entertainment Operating Company, Inc., et. al.*, case  
5 no. 15-01145 (ABG) and all related matters and proceedings.

6                                   **AS AND FOR A FOURTEENTH AFFIRMATIVE DEFENSE**

7           170.   All possible affirmative defenses may not have been alleged herein insofar as sufficient  
8 facts were not available after reasonable inquiry upon the filing of Defendants’ answer. Therefore,  
9 Defendants reserve the right to amend their answer to allege additional affirmative defenses if  
10 subsequent investigation so warrants. Defendants reserve the right to (a) rely upon such other  
11 affirmative defenses as may be supported by the facts to be determined through full and complete  
12 discovery, and (b) voluntarily withdraw any affirmative defense.

13                                   **COUNTERCLAIMS**

14           NOW COMES DNT ACQUISITION, LLC (“DNT”), appearing derivatively by one of its two  
15 members, R SQUARED GLOBAL SOLUTIONS, LLC (“RSG”)<sup>1</sup>, by and through its undersigned  
16 counsel, and for its Counterclaims against Desert Palace, Inc. (“Caesars”) alleges as follows:

17                                   **PARTIES**

- 18           1.     DNT is a Delaware limited liability company.
- 19           2.     DNT’s two members are RSG and The Original Homestead Restaurant, Inc. (“OHS”),  
20 a New York corporation.
- 21           3.     Caesars is a Nevada corporation and has a principal place of business of 3570 Las  
22 Vegas Boulevard South, Las Vegas, Nevada, which is a resort hotel casino known as “Caesars Palace.”

23                                   **GENERAL ALLEGATIONS**

24                   **The DNT Agreement and Restrictions**

- 25           4.     Effective as of June 21, 2011, DNT, OHS, and Caesars entered into an agreement for  
26

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27           <sup>1</sup>     The bases for R Squared Global Solutions, LLC’s (“RSG”) derivative appearance are set forth  
28 in exhibit M to the Appendix of Exhibits in support of the DNT Motion to Dismiss filed in the instant  
action.

1 the development, operation, and license with respect to an Old Homestead Steakhouse (the  
2 “Restaurant”) in Caesars Palace, Las Vegas, Nevada (the “DNT Agreement”).

3 5. Representatives of Caesars, DNT, and OHS engaged in multiple meetings to negotiate  
4 the terms of the design, development, construction, and operation of and the sharing of profits from  
5 that certain “Old Homestead Steakhouse” (defined as the “Restaurant” in the DNT Agreement) located  
6 at the “Restaurant Premises” (as defined in the DNT Agreement) in a property owned and operated by  
7 Caesars in Las Vegas, Nevada.

8 6. Since its opening, the Restaurant has been one of the most profitable restaurants for  
9 Caesars at its Las Vegas location.

10 **The Bankruptcy Matters**

11 7. On January 15, 2015 (the “Petition Date”), Caesars, CAC and several of their affiliated  
12 entities (collectively, the “Debtors”) each filed voluntary petitions under Chapter 11 of the Bankruptcy  
13 Code, thereby commencing the Chapter 11 Cases.

14 8. On April 30, 2015, OHS, one of the members of DNT, filed a proof of claim [Docket  
15 No. 1883] asserting a pre-petition debt against Caesars for monies due and owing to DNT under the  
16 DNT Agreement as of the Petition Date in the amount of no less than \$204,964.75 (the “OHS Pre-  
17 Petition Claim”).

18 9. On May 22, 2015, DNT filed a proof of claim [Docket No. 3346] asserting a pre-  
19 petition debt against Caesars for monies due and owing to DNT under the DNT Agreement as of the  
20 Petition Date in the amount of no less than \$204,964.75 (the “DNT Pre-Petition Claim”).

21 10. Also on May 22, 2015, RSG filed a proof of claim [Docket No. 3304] asserting a pre-  
22 petition debt against Caesars for monies due and owing to RSG under the DNT Agreement as of the  
23 Petition Date in the amount of no less than \$91,201.62 (the “RSG Pre-Petition Claim,” and collectively  
24 with the OHS Pre-Petition Claim and the DNT Pre-Petition Claim, are referred to herein as the “DNT  
25 Claims”).

26 11. The filing of the DNT Claims commenced the action between DNT and the Debtor  
27 Plaintiffs in The Illinois Bankruptcy Court.

28

1           12.     Additionally, on November 6, 2017, RSG, in its own right, filed a proof of claim  
2 asserting rejection damages against Caesars (the “RSG Rejection Damages POC”) and derivatively on  
3 behalf of DNT, as a member of DNT (the “DNT Rejection Damages POC,” and collectively with the  
4 RSG Rejection Damages POC, the “DNT/RSG Rejection Damages POCs”).

5           13.     On June 28, 2016, Caesars filed its proposed Second Amended Joint Plan of  
6 Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (the “Proposed Second Amended  
7 Plan”) [Dkt. No. 4218].

8           14.     On July 18, 2016, filed a Supplement to Debtors’ Second Amended Joint Plan of  
9 Reorganization and includes the DNT Agreement on Schedule HH to assume the DNT Agreement  
10 under the proposed Second Amended Plan. [Dkt. No. 4389].

11          15.     On August 17, 2016, DNT filed a limited preliminary objection to the Cure Schedule  
12 asserting that the proper cure amount is no less than \$204,964.75, as reflected in the DNT Claims.  
13 [Dkt. No. 4702].

14          16.     On January 13, 2017, Caesars filed its Third Amended Joint Plan of Reorganization  
15 Pursuant to Chapter 11 of the Bankruptcy Code, dated January 13, 2017 [Dkt. No. 6318]. On January  
16 17, 2017, the Illinois Bankruptcy Court entered an order confirming the Third Amended Plan. [Dkt.  
17 No. 6334].

18          17.     On October 6, 2017 (the “Plan Effective Date”), the Effective Date of the Third  
19 Amended Joint Plan occurred and was consummated.

20          17.     On November 20, 2017, RSG directly, and derivatively on behalf of DNT as a member  
21 of DNT, filed a request for payment of an administrative expense claim [Dkt. No. 7607] (the “DNT  
22 Admin Claim”). The DNT Admin Claim challenges Caesars’ termination of the DNT Agreement and  
23 asserts, among other things, that even if the DNT Agreement was terminated, the effect of termination  
24 provisions in that agreement expressly survive such termination and still bind the parties to the DNT  
25 Agreement.

26          18.     On December 6, 2017, Debtors objected to the DNT Admin Claim (the “Caesars  
27 Objection to DNT Admin Claim”), claiming that Debtors do not owe DNT any payment following  
28 termination of the DNT Agreement. [Docket No. 7658].

1           19. Debtors also claimed in their objection to the DNT Admin Claim to have entered into  
2 a valid contract with OHS with respect to the operation of the Restaurant. [Docket No. 7658].

3           20. The Caesars Objection to DNT Admin Claim also contains averments that the  
4 Restaurant is still in operation “under the same name, in the same manner, and with the same  
5 [intellectual property], menu, and website as [OHS]’s other two restaurants.” [Docket No. 7658].

6           21. The DNT Admin Claim remains pending.

7 **Purported Termination of the DNT Agreement**

8           22. On February 29, 2016, the United States government filed a Notice of Intent to File an  
9 Information against Rowen Seibel. A Notice of Intent to File an Information is not a charging  
10 instrument.

11           23. On April 8, 2016, the Debtors were notified via letter (the “**Assignment Letter**”) that,  
12 among other things, effective as of April 13, 2016, all obligations and duties of DNT and/or Seibel  
13 that were specifically designated to be performed by Seibel would be assigned and delegated by DNT  
14 and/or Seibel to, and would be performed by, J. Jeffrey Frederick.

15           24. Effective as of April 13, 2016, Mr. Seibel divested himself of any direct or indirect  
16 membership interests in DNT by assigning all of his ownership interests in RSG to The Seibel Family  
17 2016 Trust, as permitted under the DNT Agreement.

18           25. Five days after Mr. Seibel divested himself of any interests relating to the Restaurant,  
19 on April 18, 2016, the United States Attorney’s Office filed an information as to Mr. Seibel in case  
20 no. 16-CR-00279, in the U.S. District Court South District of New York (the “Seibel Case”).

21           26. Also on April 18, 2016, Mr. Seibel entered a guilty plea for violation of Title 26, United  
22 States Code, Section 7212(a) (the “Seibel Plea”).

23           27. On May 16, 2016, an order was entered in the Seibel Case accepting the Seibel Plea.

24           28. On August 19, 2016, Mr. Seibel was sentenced and a judgment was entered against him  
25 in the Seibel Case.

26           29. On or about September 2, 2016, Caesars sent a letter addressed to Seibel, one of the  
27 managers of DNT, and to the other managers of DNT warning that if DNT and OHS did not (i)  
28 terminate any relationship with Seibel based on Caesars’ determination that Seibel is an “unsuitable



1 person” under the DNT Agreement based on the Seibel’s recent guilty plea to a single count of  
2 obstruction of the due administration of tax laws and (ii) provide written evidence of the terminated  
3 relationship to Caesars within ten business days, then Caesars would have to terminate the DNT  
4 Agreement under Section 4.2.3 of the DNT Agreement.

5 30. By letter dated September 7, 2016, counsel to DNT responded to the September 2  
6 Letter, referring to an assignment of interests in April 2016 which resulted in Seibel having no interest  
7 in the relevant entities.

8 31. In response, by letter dated September 21, 2016, Caesars advised counsel to DNT that  
9 the assignments and assignees are not approved and the DNT Agreement was purportedly terminated.

10 32. Notwithstanding the purported Termination, the Restaurant remains open and, upon  
11 information and belief, profitable.

12 33. Caesars has not compensated DNT for the monies due under the DNT Agreement from  
13 the period of September 20, 2016 to present.

14 **COUNT I – Breach of the DNT Agreement**

15 (against Caesars)

16 34. All preceding paragraphs are incorporated herein.

17 35. The object of the DNT Agreement is the development, construction, and operation of  
18 the Old Homestead Restaurant.

19 36. The Restaurant was developed and constructed, and Caesars has continued to operate  
20 the Old Homestead Restaurant since it opened in 2011.

21 37. The Restaurant continues to generate revenues and is profitable.

22 38. Caesars continues to operate the Restaurant in the same manner and fashion as Caesars  
23 operated the Restaurant since its opening.

24 39. Caesars intends to continue operating the Restaurant.

25 40. Caesars has not been fined or sanctioned in any manner by any gaming authorities in  
26 connection with its continued operations of the Restaurant.

27 41. Caesars has not compensated DNT as required pursuant to the DNT Agreement despite  
28 Caesars’ continued operation of the Restaurant.

1 **COUNT II – Accounting**

2 (against Caesars)

3 42. All preceding paragraphs are incorporated herein.

4 43. The DNT Agreement permits DNT to request and conduct an audit concerning the  
5 monies owed under the DNT Agreement.

6 44. The laws of equity also allow for DNT to request an accounting of Caesars. Without  
7 an accounting, DNT may not have adequate remedies at law because the exact amount of monies owed  
8 to it could be unknown.

9 45. The accounts between the parties are of such a complicated nature than an accounting  
10 is necessary and warranted.

11 46. DNT has entrusted and relied upon Caesars to maintain accurate and complete records  
12 to compute the amount of monies due under the DNT Agreement.

13 47. DNT requests an accounting of the monies owed to it under the DNT Agreement, as  
14 well as all further relief found just, fair and equitable.

15 **PRAYER FOR RELIEF**

16 WHEREFORE, DNT Acquisition, LLC, appearing derivatively by one of its two members, R  
17 Squared Global Solutions, LLC, respectfully requests the entry of judgment in its favor and against  
18 Caesars as follows:

19 A. Monetary damages in excess of \$15,000, including:

20 i) all payments due under the DNT Agreement accruing since the Plan Effective  
21 Date of October 6, 2017, through the present and continuing through and  
22 including December 22, 2026; and

23 B. Equitable relief;

24 C. Reasonable attorney's fees, costs, and interest associated with the prosecution of this  
25 lawsuit; and

26 D. Any additional relief this Court may deem just and proper.

27 **RESERVATION OF RIGHTS**

28 Pursuant to Rule 13 of the Nevada Rules of Civil Procedure, DNT is not intending to bring and

1 is not bringing at this time any claims that existed at the time this matter was commenced and which  
2 were already (and remain) the subject of the pending matters between the parties before the United  
3 States Bankruptcy Court for the Northern District of Illinois. The foregoing counterclaim is being  
4 asserted because of the timing of the filing of the DNT/RSG Rejection Damages POCs as against the  
5 commencement of this action. To the extent the DNT/RSG Rejection Damages POCs are deemed or  
6 considered to predate the commencement of this action because of any relation-back to the filing of  
7 the DNT Claims or Caesar's filing for bankruptcy, notwithstanding being filed with the Bankruptcy  
8 Court subsequent to the commencement of this action, then such claims would not be compulsory  
9 counterclaims under Rule 13 of the Nevada Rules of Civil Procedure. In any event, regardless of any  
10 timing issues implicated by Rule 13 of the Nevada Rules of Civil Procedure, the aforementioned  
11 claims sought hereunder will not exceed the amounts sought in the Bankruptcy Court, subject to any  
12 rights of amendment to those claims. Regardless, DNT reserves the right to pursue any such claims  
13 before this court in the event the Bankruptcy Court either stays or abstains from hearing any such  
14 claims.

15 In addition, the complaint is subject to a Petition for Writ of Mandamus or Prohibition in  
16 connection with certain defendants' motion to dismiss or stay, and an appeal of the remand of certain  
17 counts of the complaint ordered by the United States Bankruptcy Court, District of Nevada  
18 (collectively, the "Pending Appeals"). Based on the Pending Appeals, DNT does not concede that  
19 this Court should be proceed with this matter at this time. Accordingly, DNT reserves its right to  
20 further amend, modify, or withdraw this Answer, Affirmative Defenses and Counterclaims, and to  
21 bring additional counterclaims in connection with the complaint pending a final determination of the  
22 Pending Appeals.

23 DATED July 2, 2018.

24 MCNUTT LAW FIRM P.C.

25  
26 /s/ Dan McNutt  
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*On behalf of Defendant DNT ACQUISITION LLC*

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**CERTIFICATE OF MAILING**

I HEREBY CERTIFY that pursuant to Nev. R. Civ. P. 5(b) and EDCR 8.05 on July 2, 2018 I caused service of the foregoing **DEFENDANT DNT ACQUISITION, LLC'S ANSWER TO PLAINTIFFS' COMPLAINT AND COUNTERCLAIMS** to be made by depositing a true and correct copy of same in the United States Mail, postage fully prepaid, addressed to the following and/or via electronic mail through the Eighth Judicial District Court's E-Filing system to the following at the e-mail address provided in the e-service list:

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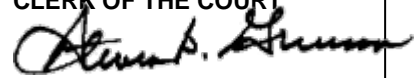
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*and FERG 16, LLC*

**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.: 11

Consolidated with:  
Case No.: A-17-760537-B

**LLTQ/FERG DEFENDANTS' ANSWER  
AND AFFIRMATIVE DEFENSES TO  
PLAINTIFFS' COMPLAINT AND  
COUNTERCLAIMS**

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

Defendants LLTQ Enterprises, LLC, LLTQ Enterprises 16, LLC, FERG, LLC, and FERG 16,  
LLC (collectively, the "LLTQ/FERG Defendants") hereby answer the claims asserted by Plaintiffs in

1 the above-captioned matter as follows:

2 **PRELIMINARY STATEMENT**

3 1. The LLTQ/FERG Defendants deny the allegations contained in paragraph 1, except  
4 admit that Caesars entered into multiple agreements with entities previously owned by, managed by  
5 or affiliated with Rowen Seibel, and that Caesars requested and received "Business Information  
6 Forms" from Mr. Seibel in connection with the MOTI and DNT business relationships. The contents  
7 of the agreements and "Business Information Forms" speak for themselves, and LLTQ/FERG  
8 Defendants respectfully refer to those documents for the full and complete contents thereof.

9 2. The LLTQ/FERG Defendants deny the allegations contained in paragraph 2.

10 3. The LLTQ/FERG Defendants deny the allegations contained in paragraph 3, except  
11 admit that on April 18, 2016, Rowen Seibel pled guilty to one count of a corrupt endeavor to obstruct  
12 and impede the due administration of the Internal Revenue Laws under 26 U.S.C. § 7212, which is a  
13 class E felony and served one month in prison.

14 4. The LLTQ/FERG Defendants deny the allegations contained in paragraph 4.

15 5. The LLTQ/FERG Defendants deny the allegations contained in paragraph 5, except  
16 admit that Caesars wrongfully purported to terminate the agreements and state that the contents of the  
17 certain agreements referenced in paragraph 5 speak for themselves, and respectfully refer to the  
18 aforementioned agreements for the full and complete contents thereof.

19 6. The LLTQ/FERG Defendants deny the allegations contained in paragraph 6, except  
20 admit that Caesars wrongfully attempted to terminate their agreements, that Caesars cannot continue  
21 to operate the restaurants subject to such agreements absent providing compensation to the  
22 LLTQ/FERG Defendants, that the LLTQ/FERG Defendants and certain of the Plaintiffs are parties to  
23 litigation commenced in the jointly-administered chapter 11 bankruptcy cases of Caesars Palace and  
24 CAC in the United States Bankruptcy Court, Northern District of Illinois, Eastern Division, Case No.  
25 15-01145 ("Bankruptcy Actions"), and that Caesars commenced the present action by a complaint that  
26 speaks for itself, and LLTQ/FERG Defendants respectfully refer to the complaint for the full and  
27 complete contents thereof.

28 7. The LLTQ/FERG Defendants deny the allegations contained in paragraph 7, except

1 admit that certain defendants are seeking monetary relief from Caesars in different courts across the  
2 country related to the agreements, and that Caesars commenced the present action by a complaint that  
3 speaks for itself, and LLTQ/FERG Defendants respectfully refer to the complaint for the full and  
4 complete contents thereof.

5 8. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
6 belief as to the truth of the allegations contained in paragraph 8, except admit that Caesars commenced  
7 the present action by a complaint that speaks for itself, and LLTQ/FERG Defendants respectfully refer  
8 to the complaint for the full and complete contents thereof.

9 **PARTIES, JURISDICTION, AND VENUE**

10 9. The LLTQ/FERG Defendants admit the allegations contained in paragraph 9.

11 10. The LLTQ/FERG Defendants admit the allegations contained in paragraph 10.

12 11. The LLTQ/FERG Defendants admit the allegations contained in paragraph 11.

13 12. The LLTQ/FERG Defendants admit the allegations contained in paragraph 12.

14 13. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
15 belief as to the truth of the allegations contained in paragraph 13.

16 14. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
17 belief as to the truth of the allegations contained in paragraph 14.

18 15. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
19 belief as to the truth of the allegations contained in paragraph 15.

20 16. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
21 belief as to the truth of the allegations contained in paragraph 16.

22 17. The LLTQ/FERG Defendants deny the allegations contained in paragraph 17 except  
23 the LLTQ/FERG Defendants admit that TPOV Enterprises, LLC is a New York limited liability  
24 company, and that the TPOV Agreement was entered into in or about November 2011, the contents  
25 of which speak for themselves, and respectfully refer to the TPOV Agreement for the full and complete  
26 contents thereof.

27 18. The LLTQ/FERG Defendants deny the allegations contained in paragraph 18 except  
28 admit that TPOV Enterprises 16, LLC is a Delaware limited liability company, and that a letter was

1 sent informing Caesars of the assignment.

2 19. The LLTQ/FERG Defendants deny the allegations contained in paragraph 19 except  
3 admit the location and corporate status of LLTQ Enterprises, LLC, that the LLTQ Agreement was  
4 entered into on or about April 4, 2012, the contents of which speak for themselves, and respectfully  
5 refer to the LLTQ Agreement for the full and complete contents thereof.

6 20. The LLTQ/FERG Defendants deny the allegations contained in paragraph 20 except  
7 admit that LLTQ Enterprises 16, LLC is a Delaware limited liability company, and that a letter was  
8 sent informing Caesars of the assignment.

9 21. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
10 belief as to the allegations contained in paragraph 21.

11 22. The LLTQ/FERG Defendants deny the allegations contained in paragraph 22 except  
12 admit the location and corporate status of FERG, LLC, that the FERG Agreement was entered into on  
13 or about May 16, 2014, the contents of which speak for themselves, and respectfully refer to the FERG  
14 Agreement for the full and complete contents thereof.

15 23. The LLTQ/FERG Defendants deny the allegations contained in paragraph 23 except  
16 admit that FERG 16, LLC is a Delaware limited liability company, and that a letter was sent informing  
17 CAC of the assignment.

18 24. The LLTQ/FERG Defendants admit that Seibel assigned his duties and obligations  
19 under the LLTQ Agreement and FERG Agreement to Mr. Frederick, to the extent any duties existed.  
20 The LLTQ/FERG Defendants deny knowledge and information sufficient to form a belief as to the  
21 truth of the balance of the allegations contained in paragraph 24.

22 25. The LLTQ/FERG Defendants deny the allegations contained in paragraph 25.

23 **STATEMENT OF FACTS**

24 26. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
25 belief as to the allegations contained in paragraph 26.

26 27. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
27 belief as to the truth of whether, "In reliance on those representations (among other things), Caesars  
28 Palace and MOTI entered into the MOTI Agreement." The LLTQ/FERG Defendants deny the balance

1 of the allegations contained in paragraph 27 except admit that to the extent that a “Business  
2 Information Form” is referenced in paragraph 27, the contents of said “Business Information Form”  
3 speak for themselves, and respectfully refer to the “Business Information Form” for the full and  
4 complete contents thereof.

5 28. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
6 belief as to the truth of the allegations contained in paragraph 28.

7 29. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
8 belief as to the truth of the allegations contained in paragraph 29.

9 30. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
10 belief as to the truth of the allegations contained in paragraph 30.

11 31. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
12 belief as to the truth of the allegations contained in paragraph 31 except admit that to the extent a  
13 “Business Information Form” is referenced in paragraph 31, the contents of said “Business  
14 Information Form” speak for themselves, and respectfully refer to the “Business Information Form”  
15 for the full and complete contents thereof.

16 32. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
17 belief as to the truth of the allegations contained in paragraph 32.

18 33. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
19 belief as to the truth of the allegations contained in paragraph 33.

20 34. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
21 belief as to the truth of the allegations contained in paragraph 34.

22 35. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
23 belief as to the truth of the allegations contained in paragraph 35.

24 36. The LLTQ/FERG Defendants deny the allegations contained in paragraph 36, except  
25 admit that Caesars entered into multiple agreements with entities previously owned by, managed by  
26 or affiliated with Rowen Seibel, the contents of which speak for themselves, and respectfully refer to  
27 the aforementioned agreements for the full and complete contents thereof.

28 37. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a



1 belief as to the truth of the allegations contained in paragraph 37.

2 38. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
3 belief as to the truth of the allegations contained in paragraph 38 except admit that the contents of said  
4 “Business Information Form” speak for themselves, and respectfully refer to the “Business  
5 Information Form” for the full and complete contents thereof.

6 39. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
7 belief as to the truth of the allegations contained in paragraph 39.

8 40. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
9 belief as to the truth of the allegations contained in paragraph 40.

10 41. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
11 belief as to the truth of the allegations contained in paragraph 41.

12 42. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
13 belief as to the truth of the allegations contained in paragraph 42.

14 43. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
15 belief as to the truth of the allegations contained in paragraph 43.

16 44. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
17 belief as to the truth of the allegations contained in paragraph 44.

18 45. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
19 belief as to the truth of the allegations contained in paragraph 45.

20 46. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
21 belief as to the truth of the allegations contained in paragraph 46.

22 47. The LLTQ/FERG Defendants deny the allegations contained in paragraph 47 except  
23 admit that the TPOV Agreement was entered into in or about November 2011 in connection with a  
24 restaurant in the Paris casino known as “Gordon Ramsay Steak”, the contents of which speak for  
25 themselves, and respectfully refer to the TPOV Agreement for the full and complete contents thereof.

26 48. The LLTQ/FERG Defendants deny the allegations contained in paragraph 48 except  
27 admit that the TPOV Agreement was entered into in or about November 2011, the contents of which  
28 speak for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents

1   thereof.

2           49.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 49 except  
3 admit that the TPOV Agreement was entered into in or about November 2011, the contents of which  
4 speak for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
5 thereof.

6           50.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 50 except  
7 admit that the TPOV Agreement was entered into in or about November 2011, the contents of which  
8 speak for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
9 thereof.

10          51.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 51 except  
11 admit that the TPOV Agreement was entered into in or about November 2011, the contents of which  
12 speak for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
13 thereof.

14          52.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 52 except  
15 admit that the TPOV Agreement was entered into in or about November 2011, the contents of which  
16 speak for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
17 thereof.

18          53.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 53 except  
19 admit that the TPOV Agreement was entered into in or about November 2011, the contents of which  
20 speak for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
21 thereof.

22          54.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 54 except  
23 admit that the TPOV Agreement was entered into in or about November 2011, the contents of which  
24 speak for themselves, and respectfully refer to the TPOV Agreement for the full and complete contents  
25 thereof.

26          55.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 55.

27          56.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 56.

28          57.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a

1 belief as to the truth of the allegations contained in paragraph 57 except admit that the LLTQ  
2 Agreement was entered into on or about April 4, 2012 in connection with a restaurant in the Caesars  
3 Palace casino known as the Gordon Ramsay Pub, the contents of which speak for themselves, and  
4 respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

5 58. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
6 belief as to the truth of the allegations contained in paragraph 58 except admit that the LLTQ  
7 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
8 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

9 59. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
10 belief as to the truth of the allegations contained in paragraph 59 except admit that the LLTQ  
11 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
12 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

13 60. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
14 belief as to the truth of the allegations contained in paragraph 60 except admit that the LLTQ  
15 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
16 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

17 61. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
18 belief as to the truth of the allegations contained in paragraph 61 except admit that the LLTQ  
19 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
20 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

21 62. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
22 belief as to the truth of the allegations contained in paragraph 62 except admit that the LLTQ  
23 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
24 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

25 63. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
26 belief as to the truth of the allegations contained in paragraph 63 except admit that the LLTQ  
27 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
28 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

1           64.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
2 belief as to the truth of the allegations contained in paragraph 64 except admit that the LLTQ  
3 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
4 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

5           65.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
6 belief as to the truth of the allegations contained in paragraph 65 except admit that the LLTQ  
7 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
8 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

9           66.     The LLTQ/FERG Defendants deny the allegations contained in paragraph 66.

10          67.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
11 belief as to the truth of the allegations contained in paragraph 67 except admit that the LLTQ  
12 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
13 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof.

14          68.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
15 belief as to the truth of the allegations contained in paragraph 68, except admit that the LLTQ  
16 Agreement was entered into on or about April 4, 2012, the contents of which speak for themselves,  
17 and respectfully refer to the LLTQ Agreement for the full and complete contents thereof, and admit  
18 the allegations contained in the first sentence of paragraph 68 and that the LLTQ/FERG Defendants  
19 assert that Section 13.22 is enforceable.

20          69.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
21 belief as to the truth of the allegations contained in paragraph 69.

22          70.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
23 belief as to the truth of the allegations contained in paragraph 70.

24          71.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
25 belief as to the truth of the allegations contained in paragraph 71.

26          72.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
27 belief as to the truth of the allegations contained in paragraph 72.

28          73.     The LLTQ/FERG Defendants deny knowledge and information sufficient to form a

1 belief as to the truth of the allegations contained in paragraph 73.

2 74. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
3 belief as to the truth of the allegations contained in paragraph 74.

4 75. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
5 belief as to the truth of the allegations contained in paragraph 75.

6 76. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
7 belief as to the truth of the allegations contained in paragraph 76.

8 77. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
9 belief as to the truth of the allegations contained in paragraph 77.

10 78. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
11 belief as to the truth of the allegations contained in paragraph 78.

12 79. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
13 belief as to the truth of the allegations contained in paragraph 79 except admit that the FERG  
14 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
15 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

16 80. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
17 belief as to the truth of the allegations contained in paragraph 80 except admit that the FERG  
18 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
19 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

20 81. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
21 belief as to the truth of the allegations contained in paragraph 81 except admit that the FERG  
22 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
23 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

24 82. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
25 belief as to the truth of the allegations contained in paragraph 82 except admit that the FERG  
26 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
27 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

28 83. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a

1 belief as to the truth of the allegations contained in paragraph 83 except admit that the FERG  
2 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
3 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

4 84. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
5 belief as to the truth of the allegations contained in paragraph 84 except admit that the FERG  
6 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
7 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

8 85. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
9 belief as to the truth of the allegations contained in paragraph 86 except admit that the FERG  
10 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
11 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

12 86. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
13 belief as to the truth of the allegations contained in paragraph 86 except admit that the FERG  
14 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
15 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

16 87. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
17 belief as to the truth of the allegations contained in paragraph 87 except admit that the FERG  
18 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
19 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

20 88. The LLTQ/FERG Defendants deny the allegations contained in paragraph 88.

21 89. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
22 belief as to the truth of the allegations contained in paragraph 89 except admit that the FERG  
23 Agreement was entered into on or about May 16, 2014, the contents of which speak for themselves,  
24 and respectfully refer to the FERG Agreement for the full and complete contents thereof.

25 90. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
26 belief as to the truth of the allegations contained in paragraph 90, except admit that the FERG  
27 Agreement was entered into on or about May 16, 2015, the contents of which speak for themselves,  
28 and respectfully refer to the FERG Agreement for the full and complete contents thereof, and admit



1 the allegations contained in the first sentence of paragraph 90 and that the LLTQ/FERG Defendants  
2 assert that Section 4.1 is enforceable.

3 91. The LLTQ/FERG Defendants deny the allegations contained in paragraph 91.

4 92. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
5 belief as to the truth of the allegations contained in paragraph 92.

6 93. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
7 belief as to the truth of the allegations contained in paragraph 93.

8 94. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
9 belief as to the truth of the allegations contained in paragraph 94.

10 95. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
11 belief as to the truth of the allegations contained in paragraph 95.

12 96. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
13 belief as to the truth of the allegations contained in paragraph 96.

14 97. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
15 belief as to the truth of the allegations contained in paragraph 97.

16 98. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
17 belief as to the truth of the allegations contained in paragraph 98.

18 99. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
19 belief as to the truth of the allegations contained in paragraph 99.

20 100. The LLTQ/FERG Defendants aver that paragraph 100 contains conclusions of law to  
21 which no responsive pleading is required. To the extent a response is required, the LLTQ/FERG  
22 Defendants deny knowledge and information sufficient to form a belief as to the truth of the allegations  
23 contained in paragraph 100.

24 101. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
25 belief as to the truth of the allegations contained in paragraph 101.

26 102. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
27 belief as to the truth of the allegations contained in paragraph 102.

28 103. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a

1 belief as to the truth of the allegations contained in paragraph 103.

2 104. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
3 belief as to the truth of the allegations contained in paragraph 104.

4 105. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
5 belief as to the truth of the allegations contained in paragraph 105.

6 106. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
7 belief as to the truth of the allegations contained in paragraph 106 except admit that on April 18, 2016,  
8 Rowen Seibel pled guilty to one count of a corrupt endeavor to obstruct and impede the due  
9 administration of the Internal Revenue Laws under 26 U.S.C. § 7212, which is a class E felony.

10 107. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
11 belief as to the truth of the allegations contained in paragraph 107 except admit that on August 19,  
12 2016, the Southern District of New York sentenced Rowen Seibel to serve one month in prison, six  
13 months in home detention, and 300 hours of community service.

14 108. The LLTQ/FERG Defendants deny the allegations contained in paragraph 108 except  
15 admit that the letter referenced in paragraph 108 was sent on or about April 8, 2016, the contents of  
16 which speak for themselves, and respectfully refers to the aforementioned letter for the full and  
17 complete contents thereof.

18 109. The LLTQ/FERG Defendants deny the allegations contained in paragraph 109, except  
19 admit that Caesars wrongfully purported to terminate all of its agreements with entities that were  
20 associated or had been associated with Rowen Seibel.

21 110. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
22 belief as to the truth of the allegations contained in paragraph 110.

23 111. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
24 belief as to the truth of the allegations contained in paragraph 111.

25 112. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
26 belief as to the truth of the allegations contained in paragraph 112.

27 113. The LLTQ/FERG Defendants deny the allegations contained in paragraph 113 except  
28 admit that the aforementioned letter from Caesars Palace to TPOV was dated September 2, 2016, the

1 contents of which speak for themselves, and respectfully refer to the aforementioned letter for the full  
2 and complete contents thereof.

3 114. The LLTQ/FERG Defendants deny the allegations contained in paragraph 114 except  
4 admit that the aforementioned letter from Caesars Palace to LLTQ was dated September 2, 2016, the  
5 contents of which speak for themselves, and respectfully refer to the aforementioned letter for the full  
6 and complete contents thereof.

7 115. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
8 belief as to the truth of the allegations contained in paragraph 115.

9 116. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
10 belief as to the truth of the allegations contained in paragraph 116.

11 117. The LLTQ/FERG Defendants deny the allegations contained in paragraph 117 except  
12 admit that the aforementioned letter from Caesars Palace to FERG was dated September 2, 2016, the  
13 contents of which speak for themselves, and respectfully refer to the aforementioned letter for the full  
14 and complete contents thereof.

15 118. The LLTQ/FERG Defendants deny the allegations contained in paragraph 118 except  
16 admit certain referenced letters were sent to Caesars, which speak for themselves, and respectfully  
17 refer to the aforementioned letters for the full and complete contents thereof.

18 119. The LLTQ/FERG Defendants deny the allegations contained in paragraph 119 except  
19 admit that the aforementioned letter from Caesars Palace was dated September 12, 2016, the contents  
20 of which speak for themselves, and respectfully refer to the aforementioned letter for the full and  
21 complete contents thereof.

22 120. The LLTQ/FERG Defendants admit the allegations contained in paragraph 120.

23 121. The LLTQ/FERG Defendants deny the allegations contained in paragraph 121 except  
24 admit that Caesars Palace filed the motion to reject and that LLTQ and FERG objected to the motion.

25 122. The LLTQ/FERG Defendants deny the allegations contained in paragraph 122 except  
26 admit that LLTQ and FERG filed the administrative expense request and that Caesars Palace and CAC  
27 objected to the request.

28 123. The LLTQ/FERG Defendants deny the allegations contained in paragraph 123 except

1 admit that MOTI filed the administrative expense request and that Caesars Palace objected to the  
2 request.

3 124. The LLTQ/FERG Defendants admit the allegations contained in paragraph 124 except  
4 deny the defenses and contentions made by Caesars Palace and CAC.

5 125. The LLTQ/FERG Defendants deny the allegations contained in paragraph 125.

6 126. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
7 belief as to the truth of the allegations contained in paragraph 126.

8 127. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
9 belief as to the truth of the allegations contained in paragraph 127.

10 128. The LLTQ/FERG Defendants deny knowledge and information sufficient to form a  
11 belief as to the truth of the allegations contained in paragraph 128.

12 129. The LLTQ/FERG Defendants deny the allegations contained in paragraph 129 except  
13 admit that the referenced documents filed in the TPOV Federal Action and the court docket for that  
14 Action speak for themselves and respectfully refer to the aforementioned docket for the full and  
15 complete contents thereof.

16 130. The LLTQ/FERG Defendants deny the allegations contained in paragraph 130 except  
17 admit that the referenced documents filed in the TPOV Federal Action and the court docket for that  
18 Action speak for themselves and respectfully refer to the aforementioned docket for the full and  
19 complete contents thereof.

## 20 COUNT I

21 131. The LLTQ/FERG Defendants hereby repeat and reallege each and every one of the  
22 LLTQ/FERG Defendants' responses in paragraphs 1-130 above as if fully set forth herein.

23 132. The LLTQ/FERG Defendants state that the referenced statute speaks for itself.

24 133. The LLTQ/FERG Defendants admit that the parties dispute whether Caesar properly  
25 terminated the agreements, but deny there is a justiciable controversy ripe for adjudication among the  
26 parties.

27 134. The LLTQ/FERG Defendants deny the allegations contained in paragraph 134, except  
28 admit that Caesars seeks declaratory relief in the present action.

135. The LLTQ/FERG Defendants deny the allegations set forth in paragraph 135, except admit that the complaint filed in the present action seeks certain relief, that the complaint that speaks for itself, and LLTQ/FERG Defendants respectfully refer to the complaint for the full and complete contents thereof.

## COUNT II

136. The LLTQ/FERG Defendants hereby repeat and reallege each and every one of the LLTQ/FERG Defendants' responses to the above paragraphs as if fully set forth herein.

137. The LLTQ/FERG Defendants state that the referenced statute speaks for itself.

138. The LLTQ/FERG Defendants admit that the parties dispute whether Caesar properly terminated the agreements, but deny there is a justiciable controversy ripe for adjudication among the parties.

139. The LLTQ/FERG Defendants deny the allegations set forth in paragraph 139.

140. The LLTQ/FERG Defendants deny the allegations contained in paragraph 140, except admit that the agreements speak for themselves, and LLTQ/FERG Defendants respectfully refer to those documents for the full and complete contents thereof.

141. The LLTQ/FERG Defendants deny the allegations contained in paragraph 141, except admit that the agreements speak for themselves, and LLTQ/FERG Defendants respectfully refer to those documents for the full and complete contents thereof.

142. The LLTQ/FERG Defendants deny the allegations contained in paragraph 142.

143. The LLTQ/FERG Defendants deny the allegations contained in paragraph 143.

144. The LLTQ/FERG Defendants deny the allegations contained in paragraph 144.

145. The LLTQ/FERG Defendants deny the allegations contained in paragraph 145, except admit that Caesars seeks declaratory relief in the present action.

146. The LLTQ/FERG Defendants deny the allegations set forth in paragraph 146, except admit that the complaint filed in the present action seeks certain relief, that the complaint that speaks for itself, and LLTQ/FERG Defendants respectfully refer to the complaint for the full and complete contents thereof.

1 **COUNT III**

2 147. The LLTQ/FERG Defendants hereby repeat and reallege each and every one of the  
3 LLTQ/FERG Defendants' responses to the above paragraphs as if fully set forth herein.

4 148. The LLTQ/FERG Defendants state that the referenced statute speaks for itself.

5 149. The LLTQ/FERG Defendants admit that the parties dispute whether the referenced  
6 sections of the agreements are enforceable, but deny there is a justiciable controversy ripe for  
7 adjudication among the parties.

8 150. The LLTQ/FERG Defendants deny the allegations contained in paragraph 150.

9 151. The LLTQ/FERG Defendants deny the allegations contained in paragraph 151.

10 152. The LLTQ/FERG Defendants deny the allegations contained in paragraph 152.

11 153. The LLTQ/FERG Defendants deny the allegations contained in paragraph 153.

12 154. The LLTQ/FERG Defendants deny the allegations contained in paragraph 154.

13 155. The LLTQ/FERG Defendants deny the allegations contained in paragraph 155, except  
14 admit that Caesars seeks declaratory relief in the present action.

15 156. The LLTQ/FERG Defendants deny the allegations set forth in paragraph 156, except  
16 admit that the complaint filed in the present action seeks certain relief, that the complaint that speaks  
17 for itself, and LLTQ/FERG Defendants respectfully refer to the complaint for the full and complete  
18 contents thereof.

19 **AS AND FOR A FIRST AFFIRMATIVE DEFENSE**

20 157. The Complaint fails to state a claim upon which relief can be granted.

21 **AS AND FOR A SECOND AFFIRMATIVE DEFENSE**

22 158. The LLTQ/FERG Defendants expressly incorporate herein as affirmative defenses  
23 their allegations and claims in the contested matters between the LLTQ/FERG Defendants, Caesars  
24 Palace and CAC filed in the Bankruptcy Actions and all related matters and proceedings.

25 **AS AND FOR A THIRD AFFIRMATIVE DEFENSE**

26 159. The LLTQ/FERG Defendants expressly incorporate herein as affirmative defenses  
27 their arguments in their motion to dismiss this action.  
28



1                                   **AS AND FOR A FOURTH AFFIRMATIVE DEFENSE**

2           160.   Plaintiff's claims warrant dismissal under the first-to-file rule and due to forum  
3 shopping.

4                                   **AS AND FOR A FIFTH AFFIRMATIVE DEFENSE**

5           161.   Plaintiffs consented to and ratified the assignments from FERG to FERG 16, from  
6 LLTQ Enterprises to LLTQ Enterprises 16, and from Seibel to Frederick.

7                                   **AS AND FOR A SIXTH AFFIRMATIVE DEFENSE**

8           162.   Plaintiffs are precluded from obtaining the relief they seek because, based on  
9 information and belief, they do or have done business with persons who have criminal records or are  
10 actually or potentially unsuitable.

11                                  **AS AND FOR A SEVENTH AFFIRMATIVE DEFENSE**

12           163.   Plaintiffs are precluded from obtaining the relief they seek because they owe money to  
13 LLTQ/FERG Defendants.

14                                  **AS AND FOR AN EIGHTH AFFIRMATIVE DEFENSE**

15           164.   Plaintiffs are precluded under the applicable contracts from continuing to operate the  
16 subject restaurants, use the licensed materials, and do business with Ramsay related to the subject  
17 restaurants and similar ventures.

18                                  **AS AND FOR A NINTH AFFIRMATIVE DEFENSE**

19           165.   Plaintiffs breached the applicable contracts with LLTQ/FERG Defendants and  
20 therefore are precluded from pursuing their claims.

21                                  **AS AND FOR A TENTH AFFIRMATIVE DEFENSE**

22           166.   Plaintiffs' claims are barred by the statute of limitations or statute of repose.

23                                  **AS AND FOR AN ELEVENTH AFFIRMATIVE DEFENSE**

24           167.   Plaintiffs' claims are barred, in whole or in part, by the doctrines of acquiescence,  
25 estoppel, laches, ratification, unclean hands, unjust enrichment, or waiver, as well as all other  
26 applicable equitable doctrines.

27                                  **AS AND FOR A TWELFTH AFFIRMATIVE DEFENSE**

28           168.   Plaintiffs' claims are barred, in whole or in part, by their own conduct, including but

1 not limited to their failure to mitigate their damages.

2 **AS AND FOR A THIRTEENTH AFFIRMATIVE DEFENSE**

3 169. The alleged unsuitability of Seibel is immaterial and irrelevant because, inter alia, he  
4 assigned his interests, if any, in LLTQ/FERG Defendants or the contracts.

5 **AS AND FOR A FOURTEENTH AFFIRMATIVE DEFENSE**

6 170. This Court lacks jurisdiction over the allegations, claims, and theories alleged by  
7 Plaintiffs that already are pending in the Bankruptcy Actions and all related matters and proceedings.

8 **AS AND FOR A FIFTEENTH AFFIRMATIVE DEFENSE**

9 171. All possible affirmative defenses may not have been alleged herein insofar as sufficient  
10 facts were not available after reasonable inquiry upon the filing of LLTQ/FERG Defendants' answer.  
11 Therefore, Defendants reserve the right to amend their answer to allege additional affirmative defenses  
12 if subsequent investigation so warrants. Defendants reserve the right to (a) rely upon such other  
13 affirmative defenses as may be supported by the facts to be determined through full and complete  
14 discovery, and (b) voluntarily withdraw any affirmative defense.

15 **COUNTERCLAIMS**

16 NOW COMES LLTQ ENTERPRISES, LLC ("LLTQ"), LLTQ ENTERPRISES 16, LLC  
17 ("LLTQ 16"), FERG, LLC ("FERG") and FERG 16, LLC ("FERG 16"), by and through their  
18 undersigned counsel, and for their Counterclaims against Desert Palace, Inc. ("Caesars") and  
19 Boardwalk Regency Corporation d/b/a Caesars Atlantic City ("CAC"), allege as follows:

20 **PARTIES**

- 21 1. LLTQ is a Delaware limited liability company.
- 22 2. FERG is a Delaware limited liability company and an affiliate of LLTQ.
- 23 3. LLTQ 16 is a Delaware limited liability company and successor in interest to LLTQ.
- 24 4. FERG 16 is a Delaware limited liability company and successor in interest to FERG.
- 25 5. Caesars is a Nevada corporation and has a principal place of business of 3570 Las Vegas  
26 Boulevard South, Las Vegas, Nevada, which is a resort hotel casino known as "Caesars Palace."
- 27 6. CAC is a Delaware limited liability company, an affiliate of Caesars, and has a principal  
28 place of business of 2100 Pacific Avenue, Atlantic City, New Jersey.

## GENERAL ALLEGATIONS

### The LLTQ Agreement and Restrictions

7. LLTQ and Caesars entered into that certain Development and Operation Agreement with an effective date of April 12, 2012 (the “**LLTQ Agreement**”).

8. In connection with entering into the LLTQ Agreement, Caesars did not require LLTQ nor its Associated Persons (as that term is defined in the LLTQ Agreement to provide information concerning LLTQ’s “suitability” or complete a business information form.

9. 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**”).

10. The LLTQ Agreement and the Ramsay LV Agreement were negotiated contemporaneously with among the parties. Mr. Rowen Seibel on behalf of LLTQ assisted in the negotiations of the Ramsay LV Agreement.

11. Representatives of Caesars, LLTQ and Ramsay engaged in multiple meetings to negotiate the terms of the design, development, construction, and operation of and the sharing of profits from that certain “**Gordon Ramsay Pub**” (defined as the “Restaurant” in the LLTQ Agreement) located at the “Restaurant Premises” (as defined in the LLTQ Agreement) in a property owned and operated by Caesars in Las Vegas, Nevada.

12. Both Caesars and LLTQ contributed an amount not less than \$1,000,000 of the costs required to develop the Gordon Ramsay Pub.

13. 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, construct, and operate the Gordon Ramsay Pub and share the profits therefrom.

14. 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, and (c) refer to each other. Caesars is a party to both contracts, which contain the same choice of law, dispute resolution, and other provisions.

15. For the consideration received under the LLTQ Agreement, including a \$1,000,000 development contribution provided by LLTQ, Caesars agreed that it and its affiliates would not pursue

1 a venture similar to, among other ventures, the Gordon Ramsay Pub without entering into an agreement  
2 with LLTQ (or its affiliates) similar to the LLTQ Agreement.

3 16. Specifically, Section 13.22 of the LLTQ Agreement provides:

4 If Caesars elects under this Agreement to pursue any venture similar to  
5 (i) the Restaurant (i.e., any venture generally in the nature of a pub, bar,  
6 café or tavern) or (ii) the “Restaurant” as defined in the development  
7 and operation agreement entered into December 5, 2011 between  
8 TPOV Enterprises, LLC (an affiliate of LLTQ), on the one hand, and  
9 Paris Las Vegas Operating Company, LLC, on the other hand (i.e., any  
10 venture generally in the nature of a steak restaurant, fine dining  
11 steakhouse or chop house) [each a “**Restricted Restaurant Venture**,”  
12 and, collectively, the “**Restricted Restaurant Ventures**”], Caesars  
13 and LLTQ shall, or shall cause an Affiliate to, execute a development  
14 and operation agreement on the same terms and conditions as this  
15 Agreement, subject only to revisions proposed by Caesars or its  
16 Affiliate as are necessary to reflect the difference in location between  
17 the Restaurant and such other venture (including, for the avoidance of  
18 doubt, the Baseline Amount, permitted Operating Expenses and  
19 necessary Project Costs).

20 17. Section 13.22 of the LLTQ Agreement survives both expiration and termination of the  
21 LLTQ Agreement.

22 18. Section 10.2 of the LLTQ Agreements provides Caesars the right to terminate for  
23 unsuitability. Section 4.2.5 indicates Caesars can terminate the contract based on suitability per section  
24 10.2. Section 4.3.2. states that after termination Caesars maintains its rights in the Restaurant Premises,  
25 the furniture and equipment and its marks, and that Caesars can only operate “a restaurant in the  
26 Restaurant Premises.”

27 19. Section 4.3.1 of the LLTQ Agreement expressly provides:

28 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.

20. Since its opening, the Gordon Ramsay Pub has been one of the most profitable restaurants  
for Caesars at its Las Vegas location.

### **The First Restricted Restaurant Venture**

21. 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

1 2013, Caesars made clear to representatives of both LLTQ and Ramsay that both LLTQ and Ramsay  
2 were required for Caesars (or its affiliate) to proceed with a restaurant similar to the Gordon Ramsay  
3 Pub to be located at a property owned and operated by CAC, in Atlantic City, New Jersey.

4 22. In an email to representatives for both LLTQ and Ramsay, Jeffrey Frederick (Caesars'  
5 then Regional Vice President Food & Beverage and one of its representatives heavily involved in the  
6 negotiations of the LLTQ Agreement and the Ramsay LV Agreement), stated that "we [Caesars] are not  
7 able to proceed" with a Ramsay Pub without both Mr. Seibel and Gordon Ramsay "agreeing to do so."

8 23. Mr. Frederick's email goes on to state: "I want to be clear. I've confirmed with Tom  
9 [Jenkin – Global President of Caesars Entertainment Operating Company, Inc.] and our [Caesars'] legal  
10 counsel we are not able to proceed with GR Steak or GR P&G [Gordon Ramsay Pub and Grill] without  
11 both you and Rowen agreeing to do so, nor a concept similar in the Steakhouse, Chophouse, Bar & Grill,  
12 Pub or Tavern Categories."

13 24. Representatives of Caesars, FERG, and Ramsay engaged in multiple meetings to  
14 negotiate the terms of the design, development, construction, and operation of and the sharing of profits  
15 of a restaurant similar to the Gordon Ramsay Pub to be located at a property owned and operated by  
16 CAC, in Atlantic City, New Jersey.

17 25. FERG and CAC entered into that certain Consulting Agreement concerning the Atlantic  
18 City venture with an effective date of May 16, 2014 (the "**FERG Agreement**").

19 26. Contemporaneously with entering into the FERG Agreement, CAC entered into that  
20 certain Development, Operation and License Agreement concerning the Atlantic City venture (the  
21 "**Ramsay AC Agreement**") with Ramsay.

22 27. The FERG Agreement and the Ramsay AC Agreement were negotiated  
23 contemporaneously with one another between the parties.

24 28. The FERG Agreement and the Ramsay AC Agreement are integrated and, together,  
25 establish a single transaction and agreement among FERG, CAC and Gordon Ramsay to design,  
26 develop, construct, and operate the "**Gordon Ramsay Pub and Grill**" (defined as the "Restaurant" in  
27 the FERG Agreement) located at the "Restaurant Premises" (as defined in the FERG Agreement) in  
28 CAC's location in Atlantic City.

1           29. Both the FERG Agreement and the Ramsay AC Agreement were (a) executed and  
2 effective as of the same day, (b) concern the same subject matter, and (c) the FERG Agreement  
3 references the Ramsay AC Agreement in numerous provisions. CAC is a party to both contracts, which  
4 contain the same choice of law, dispute resolution, and other provisions.

5           30. Section 4.1 of the FERG Agreement states: “In the event a new agreement is executed  
6 between CAC and/or its Affiliate and Gordon Ramsay and/or his Affiliate relative to the [Gordon  
7 Ramsay Pub and Grill] or the [Gordon Ramsay Pub and Grill] Premises, this Agreement shall be in  
8 effect an binding on the parties during the term thereof.”

9           31. Section 4.2(a) and (b) of the FERG Agreement provide certain termination rights of the  
10 FERG Agreement only “if CAC simultaneously terminates the [Ramsay AC Agreement] and no  
11 different or amended agreement is entered into with Gordon Ramsay and/or his Affiliate(s) relative to  
12 the” Gordon Ramsay Pub and Grill or its premises.

13           32. Section 4.2(c) of the FERG Agreement provides that the FERG Agreement may be  
14 terminated upon no less than ninety (90) days written notice “if the [Ramsay AC Agreement] is  
15 terminated and no different or amended agreement is entered into with Gordon Ramsay and/or his  
16 Affiliate(s) relative to the” Gordon Ramsay Pub and Grill or its premises.

17           33. Section 11.2 of the FERG Agreements provides CAC the right to terminate for  
18 unsuitability. Section 4.2(e) indicates CAC can terminate the contract based on suitability per section  
19 11.2. Section 4.3(b) states that after termination CAC maintains its rights in the Restaurant Premises,  
20 the furniture and equipment and its marks, and that CAC can only operate “a restaurant in the Restaurant  
21 Premises.”

22           34. Since its opening, the Gordon Ramsay Pub and Grill has been one of the most profitable  
23 restaurants for CAC at its Atlantic City location.

#### 24 **The Bankruptcy Matters**

25           35. On January 15, 2015 (the “**Petition Date**”), Caesars, CAC and several of their affiliated  
26 entities (collectively, the “**Debtors**”) each filed voluntary petitions under Chapter 11 of the Bankruptcy  
27 Code, thereby commencing the Chapter 11 Cases.



1           36.     On June 8, 2015, the Debtors filed that certain *Fourth Omnibus Motion for the Entry of*  
2 *an Order Authorizing the Debtors to Reject Certain Executory Contracts Nunc Pro Tunc to June 11,*  
3 *2015* [Docket No. 1755] (the “**Rejection Motion**”). In the Rejection Motion the Debtors seek to reject  
4 the LLTQ Agreement and the FERG Agreement pursuant to section 365 of the Bankruptcy Code.

5           37.     LLTQ and FERG objected to the relief sought in the Rejection Motion asserting, among  
6 other things, that Section 13.22 of the LLTQ Agreement is an enforceable restrictive covenant.

7           38.     The Rejection Motion is contested and remains pending.

8           39.     On November 4, 2015, LLTQ and FERG filed that certain *Request for Payment of*  
9 *Administrative Expense* [Docket No. 2531] (the “**Admin Request**”) seeking payments to which LLTQ  
10 and FERG claim they are owed under the LLTQ Agreement and FERG Agreement (collectively, the  
11 “**Pub Agreements**”) as a result of the Debtors’ continued operations of the Gordon Ramsay Pub in Las  
12 Vegas and the Gordon Ramsay Pub and Grill in Atlantic City (collectively, the “**Ramsay Pubs**”).

13           40.     The Debtors objected to the relief sought in the Admin Request asserting, among other  
14 things, that the Pub Agreements may not be valid, enforceable agreements and, instead, may be void,  
15 voidable or void *ab initio*.

16           41.     The Admin Request is contested and remains pending.

17           42.     On January 14, 2016, the Debtors filed that certain *Motion for the Entry of an Order*  
18 *Authorizing the Debtors to (A) Reject Certain Existing Restaurant Agreements and (B) Enter Into New*  
19 *Restaurant Agreements* [Docket No. 3000] (the “**Ramsay Rejection Motion**”). In the Ramsay Rejection  
20 Motion the Debtors seek to reject the Ramsay LV Agreement and the Ramsay AC Agreement (the  
21 “**Original Ramsay Agreements**”) and simultaneously enter into new agreements with Ramsay to  
22 continue operating the Ramsay Pubs (the “**New Ramsay Agreements**”). The Debtors only seek  
23 rejection of Original Ramsay Agreements if the Illinois Bankruptcy Court approves the Debtors’ entry  
24 into the New Ramsay Agreements.

25           43.     LLTQ and FERG objected to the relief sought in the Ramsay Rejection Motion asserting,  
26 among other things, that Section 13.22 of the LLTQ Agreement and Sections 4.1 and 4.2 of the FERG  
27 Agreement are enforceable restrictive covenants.

28           44.     The Ramsay Rejection Motion is contested and remains pending.

1           45.     On October 5, 2016, the Debtors filed their Sixteenth Amended Plan of Reorganization.  
2           46.     On January 17, 2017, the Bankruptcy Court entered an order confirming the Plan.  
3           47.     On October 6, 2017 (the “**Plan Effective Date**”), the Effective Date of the Plan occurred,  
4 and the Plan was consummated.

5           **Purported Termination of the LLTQ Agreement and FERG Agreement**

6           48.     On February 29, 2016, the United States government filed a Notice of Intent to File an  
7 Information against Rowen Seibel. A Notice of Intent to File an Information is not a charging instrument.

8           49.     On April 8, 2016, the Debtors were notified via letters (the “**Assignment Letters**”) that,  
9 among other things, effective as of April 13, 2016: (i) the membership interests in LLTQ and FERG,  
10 previously owned, directly or indirectly, by Mr. Seibel were being transferred to The Seibel Family 2016  
11 Trust (the “**Trust**”); and (ii) the LLTQ Agreement and the FERG Agreement were being assigned to  
12 new entities (LLTQ 16 and FERG 16) in which Mr. Seibel was not a manager and did not hold any  
13 membership interests, directly or indirectly.

14          50.     Effective as of April 13, 2016, Mr. Seibel divested himself of any direct or indirect  
15 membership interests in LLTQ and in FERG.

16          51.     Effective as of April 13, 2016, LLTQ assigned the LLTQ Agreement to LLTQ 16, an  
17 entity in which Mr. Seibel never directly or indirectly held any ownership or management interest.

18          52.     Effective as of April 13, 2016, FERG assigned the FERG Agreement to FERG 16, an  
19 entity in which Mr. Seibel never directly or indirectly held any ownership or management interest.

20          53.     Five days after Mr. Seibel divested himself of any interests relating to the Ramsay Pubs,  
21 on April 18, 2016, the United States Attorney’s Office filed an information as to Mr. Seibel in case no.  
22 16-CR-00279, in the U.S. District Court South District of New York (the “**Seibel Case**”).

23          54.     Also on April 18, 2016, Mr. Seibel entered a guilty plea for violation of Title 26, United  
24 States Code, Section 7212(a) (the “**Seibel Plea**”).

25          55.     On May 16, 2016, an order was entered in the Seibel Case accepting the Seibel Plea.

26          56.     On August 19, 2016, Mr. Seibel was sentenced and a judgment was entered against him  
27 in the Seibel Case.  
28

1           57.     On September 2, 2016, Caesars and CAC issued notices of termination of the LLTQ  
2 Agreement and the FERG Agreement “effective immediately” (the “**Termination**”). The asserted basis  
3 for the Termination provided was allegations that Mr. Seibel fraudulently induced the Debtors into  
4 entering into and breached the Pub Agreements by failing to disclose certain material facts alleged in  
5 the Information or otherwise relating to the Seibel Case.

6           58.     The Debtors were informed that Mr. Seibel had no relationship with the Trust, but if the  
7 assignees could be found to jeopardize the Debtors’ gaming licenses, LLTQ, FERG (or their successors  
8 and assigns) would work with the Debtors to agree upon different assignees that would not jeopardize  
9 any gaming licenses.

10          59.     The Debtors were informed that the Trust expressly provides protections to avoid any  
11 possible issues concerning “unsuitable” persons.

12          60.     Notwithstanding the purported Termination, both Ramsay Pubs remain open and, upon  
13 information and belief, profitable.

14     **New Restricted Restaurant Ventures**

15          61.     In October 2014, Flamingo Las Vegas Operating Company, LLC (“**Flamingo**”) entered  
16 into an agreement (the “**Fish & Chips Agreement**”) with Gordon Ramsay Holdings Limited and  
17 Gordon Ramsay for the development and operation of a restaurant (“**Fish & Chips**”) to be located in  
18 Las Vegas at certain premises located at the retail center known as The Linq (the “**Linq**”). Flamingo is  
19 an affiliate of Caesars.

20          62.     At no time prior to entering into the Fish & Chips Agreement did Caesars or any of its  
21 affiliates inform LLTQ or any of its affiliates of the Debtors’ pursuit of Fish & Chips.

22          63.     On or about October 7, 2016, Fish & Chips opened at the Linq. At no time, whether prior  
23 to opening Fish & Chips or anytime thereafter, did Caesars or any of its affiliates seek to enter into an  
24 agreement with LLTQ, LLTQ 16 or any of their respective affiliates in connection with Fish & Chips.

25          64.     Caesars has not caused Flamingo to enter into any agreement with LLTQ, LLTQ 16 or  
26 an affiliate of LLTQ or LLTQ 16 in connection with Fish & Chips.

27          65.     Fish & Chips is a Restricted Restaurant Venture.

28          66.     Horseshoe Baltimore Casino is an affiliate of Caesars.

1           67.     Horseshoe Baltimore Casino, Gordon Ramsay Holdings Limited and Gordon Ramsay  
2 entered into a license agreement for a Gordon Ramsay Steak restaurant to be located in Baltimore,  
3 Maryland (“**GR Steak Baltimore**”).

4           68.     GR Steak Baltimore is a venture similar to the Gordon Ramsay Steak restaurant at the  
5 Paris hotel in Las Vegas and which is the subject of the development and operation agreement entered  
6 into December 5, 2011 between TPOV Enterprises, LLC (an affiliate of LLTQ), on the one hand, and  
7 Paris Las Vegas Operating Company, LLC, on the other hand.

8           69.     Caesars has not caused Horseshoe Baltimore Casino to enter into any agreement with  
9 LLTQ, LLTQ 16 or an affiliate of LLTQ or LLTQ 16 in connection with GR Steak Baltimore.

10          70.     GR Steak Baltimore is a Restricted Restaurant Venture.

11          71.     Upon and information and belief, Ramsay intends to open additional restaurants in the  
12 United States and one or more of such restaurant ventures is: (a) between Ramsay and Caesars or one of  
13 its affiliates; and (b) qualifies as a Restricted Restaurant Venture.

14          72.     On September 26, 2017, LLTQ, among others, sent a letter to Caesars requesting Caesars  
15 comply with Section 13.22 of the LLTQ Agreement and provide a proposed development and operation  
16 agreement in connection with GR Steak Baltimore along with any proposed changes from the LLTQ  
17 Agreement.

18          73.     In November 2017, GR Steak Baltimore opened. At no time, whether prior to opening  
19 GR Steak Baltimore or anytime thereafter, did Caesars or any of its affiliates seek to enter into an  
20 agreement with LLTQ, LLTQ 16 or any of their respective affiliates in connection with GR Steak  
21 Baltimore.

22                           **COUNT I – Breach of the LLTQ Agreement**  
23   (b) (against Caesars)

24          74.     All preceding paragraphs are incorporated herein.

25          75.     The object of the LLTQ Agreement is the development, construction, and operation of  
26 the Gordon Ramsay Pub.

27          76.     The Gordon Ramsay Pub was developed and constructed, and Caesars has continued to  
28 operate the Gordon Ramsay Pub since it opened in December 2012.

          77.     The Gordon Ramsay Pub continues to generate revenues and is profitable.

1 78. Caesars continues to operate the Gordon Ramsay Pub in the same manner and fashion as  
2 Caesars operated the Gordon Ramsay Pub since its opening.

3 79. Caesars intends to continue operating the Gordon Ramsay Pub.

4 80. Caesars has not been fined or sanctioned in any manner by any gaming authorities in  
5 connection with its continued operations of the Gordon Ramsay Pub.

6 81. Caesars has not compensated LLTQ, LLTQ 16 or any of their respective affiliates as  
7 required pursuant to the LLTQ Agreement despite Caesars' continued operation of the Gordon Ramsay  
8 Pub, Fish & Chips, and GR Steak Baltimore.

9 **COUNT II – Breach of the FERG Agreement**  
10 (against CAC)

11 82. All preceding paragraphs are incorporated herein.

12 83. The object of the FERG Agreement is the development and operation of the Gordon  
13 Ramsay Pub and Grill.

14 84. The Gordon Ramsay Pub and Grill was developed and CAC has continued to operate  
15 Gordon Ramsay Pub and Grill since it opened in 2015.

16 85. The Gordon Ramsay Pub and Grill continues to generate revenues and is profitable.

17 86. CAC continues to operate the Gordon Ramsay Pub and Grill in the same manner and  
18 fashion as CAC operated the Gordon Ramsay Pub and Grill since its opening.

19 87. CAC intends to continue operating the Gordon Ramsay Pub and Grill.

20 88. CAC has not been fined or sanctioned in any manner by any gaming authorities in  
21 connection with its continued operations of the Gordon Ramsay Pub and Grill.

22 89. CAC has not compensated FERG, FERG 16 or any of their respective affiliates as  
23 required pursuant to the FERG Agreement despite Caesars' continued operation of the Gordon Ramsay  
24 Pub and Grill.

25 **COUNT III – Accounting**  
26 (against Caesars)

27 90. All preceding paragraphs are incorporated herein.

28 91. The LLTQ Agreement permits LLTQ and LLTQ 16 to request and conduct an audit  
concerning the monies owed under the LLTQ Agreement.

92. The laws of equity also allow for LLTQ and LLTQ 16 to request an accounting of Caesars. Without an accounting, LLTQ and LLTQ 16 may not have adequate remedies at law because the exact amount of monies owed to it could be unknown.

93. The accounts between the parties are of such a complicated nature than an accounting is necessary and warranted.

94. LLTQ and LLTQ 16 has entrusted and relied upon Caesars to maintain accurate and complete records to compute the amount of monies due under the LLTQ Agreement.

95. LLTQ and LLTQ 16 request an accounting of the monies owed to it under the LLTQ Agreement, as well as all further relief found just, fair and equitable.

**COUNT IV – Accounting**  
(against CAC)

96. All preceding paragraphs are incorporated herein.

97. The FERG Agreement permits FERG and FERG 16 to request and conduct an audit concerning the monies owed under the FERG Agreement.

98. The laws of equity also allow for FERG and FERG 16 to request an accounting of CAC. Without an accounting, FERG and FERG 16 may not have adequate remedies at law because the exact amount of monies owed to it could be unknown.

99. The accounts between the parties are of such a complicated nature than an accounting is necessary and warranted.

100. FERG and FERG 16 has entrusted and relied upon CAC to maintain accurate and complete records to compute the amount of monies due under the FERG Agreement.

101. FERG and FERG 16 request an accounting of the monies owed to it under the FERG Agreement, as well as all further relief found just, fair and equitable

### **PRAYER FOR RELIEF**

WHEREFORE, LLTQ ENTERPRISES, LLC, LLTQ Enterprises 16, LLC, FERG, LLC and FERG 16, LLC respectfully request the entry of judgment in their favor and against Caesars and CAC as follows:

A. Monetary damages in excess of \$15,000, including:





1 and Counterclaims, and to bring additional counterclaims in connection with the complaint pending a  
2 final determination of the Pending Appeals.

3 DATED July 2, 2018.

4 MCNUTT LAW FIRM, P.C.

5  
6 /s/ Dan McNutt

DANIEL R. MCNUTT (SBN 7815)

7 MATTHEW C. WOLF (SBN 10801)

625 South Eighth Street

8 Las Vegas, Nevada 89101

Attorneys for LLTQ Enterprises, LLC;

9 LLTQ Enterprises 16, LLC; FERG, LLC;

10 and FERG 16, LLC  
11  
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1 **CERTIFICATE OF MAILING**

2 I HEREBY CERTIFY that pursuant to Nev. R. Civ. P. 5(b) and EDCR 8.05 on July 2, 2018 I  
3 caused service of the foregoing **LLTQ/FERG DEFENDANTS' ANSWER AND AFFIRMATIVE**  
4 **DEFENSES TO PLAINTIFFS' COMPLAINT AND COUNTERCLAIMS** to be made by  
5 depositing a true and correct copy of same in the United States Mail, postage fully prepaid, addressed  
6 to the following and/or via electronic mail through the Eighth Judicial District Court's E-Filing system  
7 to the following at the e-mail address provided in the e-service list:

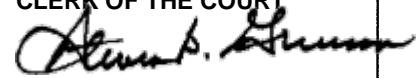
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*/s/ Lisa A. Heller*  
\_\_\_\_\_  
Employee of McNutt Law Firm

# TAB 8



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PHWL, LLC; and Boardwalk Regency  
Corporation d/b/a Caesars Atlantic City*

**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.

PHWL, LLC, a Nevada limited liability  
company; GORDON RAMSAY, an individual;  
DOES I through X; ROE CORPORATIONS I  
through X,

Defendants,

and

GR BURGR LLC, a Delaware limited liability  
company,

Nominal Plaintiff.

AND ALL RELATED MATTERS

Case No.: A-17-751759-B

Dept. No.: XVI

Consolidated with A-17-760537-B

**REPLY TO DNT ACQUISITION, LLC'S  
COUNTERCLAIMS**

Desert Palace, Inc. ("Desert Palace"), by and through its undersigned counsel, hereby responds to the allegations set forth in the Counterclaims (the "Counterclaim") filed by DNT Acquisition, LLC ("DNT"), purporting to appear derivatively through one of its members, R Squared Global Solutions, LLC ("RSG"), as follows:

### **PARTIES**

1. Desert Palace is informed and believes, and thereon admits that DNT is a Delaware limited liability company.

2. Upon information and belief, Desert Palace admits that DNT's two members are RSG and The Original Homestead Restaurant, Inc. ("OHS"). Desert Palace is informed and believes, and thereon admits that OHS is a New York corporation.

3. Desert Palace admits that it is a Nevada corporation and has its principal place of business at 3570 Las Vegas Boulevard South, Las Vegas, Nevada. Desert Palace denies that it is a resort hotel casino known as Caesars Palace. Desert Palace operates the Caesars Palace resort, hotel, and casino.

### **GENERAL ALLEGATIONS**

#### **The DNT Agreement and Restrictions**

4. Desert Palace admits that DNT, OHS, and Desert Palace entered into a Development, Operation and License Agreement (the "DNT Agreement") effective as of June 21, 2011 for the development, operation, and license of an Old Homestead Steakhouse in Caesars Palace, Las Vegas, Nevada.

5. Desert Palace admits that representatives of Caesars, DNT, and OHS engaged in multiple meetings to negotiate the terms of the design, development, construction, and operation of and the sharing of profits from that certain "Old Homestead Steakhouse" (defined as the "Restaurant" in the DNT Agreement) located at the "Restaurant Premised" (as defined in the DNT Agreement) in a property owned and operated by Caesars in Las Vegas, Nevada.

6. Desert Palace admits that since its opening the Old Homestead Restaurant has been a profitable restaurant at its Las Vegas location, and denies all other allegations in Paragraph 6 of the Counterclaim.



**The Bankruptcy Matters**

7. Desert Palace admits that, on January 15, 2015, Desert Palace, CAC and several of their affiliated entities (collectively, the "Reorganized Debtors") each filed voluntary petitions under Chapter 11 of the Bankruptcy Code, thereby commencing the Chapter 11 cases.

8. Desert Palace admits that OHS is one of the members of DNT. Desert Palace admits that OHS filed a Proof of Claim (the "OHS Pre-Petition Claim") on April 30, 2015. The OHS Pre-Petition Claim is Claim No. 1883, not Docket No. 1883 as DNT has alleged, and Desert Palace refers to that document for an accurate recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 8.

9. Desert Palace admits that DNT filed a Proof of Claim (the "DNT Pre-Petition Claim") on May 22, 2015. The DNT Pre-Petition Claim is Claim No. 3346, not Docket No. 3346 as DNT has alleged, and Desert Palace refers to that document for an accurate recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 9.

10. Desert Palace admits that RSG filed a Proof of Claim (the "RSG Pre-Petition Claim") on May 22, 2015. The RSG Pre-Petition Claim is Claim No. 3304, not Docket No. 3304 as DNT has alleged, and Desert Palace refers to that document for an accurate recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 10.

11. Desert Palace states that the allegations in Paragraph 11 are legal conclusions to which no responsive pleading is required. To the extent a response is required, Desert Palace denies the allegations in Paragraph 11.

12. Desert Palace admits that RSG filed two Proofs of Claim on November 6, 2017, one on behalf of itself and the other purportedly on behalf of DNT (together, the "DNT/RSG Rejection Damages POCs") and refers to that document for an accurate recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 12.

13. Desert Palace admits that the Reorganized Debtors filed their Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code on June 28, 2016. Desert Palace denies all other allegations contained in Paragraph 13.

1           14.     Desert Palace admits that the Reorganized Debtors filed their Supplement to their  
2 Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code on  
3 July 18, 2016 and included the DNT Agreement on Exhibit HH indicating that it would be assumed  
4 under the proposed Second Amended Plan. Desert Palace denies all other allegations contained in  
5 Paragraph 14.

6           15.     Desert Palace admits that DNT filed a Limited Objection to Proposed Cure Amount  
7 for Assumption of Contract between Debtors and DNT Acquisition, LLC (the "Limited Objection")  
8 on August 17, 2016 and refers to that document for an accurate recitation of its contents. Desert  
9 Palace denies all other allegations contained in Paragraph 15.

10          16.     Desert Palace admits that the Reorganized Debtors filed a Third Amended Joint Plan  
11 of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code on January 13, 2017.  
12 Desert Palace admits that the United States Bankruptcy Court for the Northern District of Illinois  
13 entered an Order Confirming Debtors' Third Amended Joint Plan of Reorganization Pursuant to  
14 Chapter 11 of the Bankruptcy Code (the "Plan") on January 17, 2017. Desert Palace denies all  
15 other allegations contained in Paragraph 16.

16          17.     Desert Palace admits that the "Effective Date" of the Plan (as defined in the Plan)  
17 occurred on October 6, 2017 and the Plan was consummated.

18          17.     [sic]<sup>1</sup> Desert Palace admits that RSG, on its own behalf and purportedly derivatively  
19 on behalf of DNT, filed a Motion for Request for Payment of Administrative Expenses (the "DNT  
20 Admin Claim") on November 20, 2017, and refers to that document for an accurate recitation of its  
21 contents. Desert Palace denies all other allegations contained in [the second] Paragraph 17.

22          18.     Desert Palace admits that the Reorganized Debtors filed a Preliminary Objection to  
23 Request for Payment of Administrative Expense (the "Caesars Objection to DNT Admin Claim")  
24 on December 6, 2017, and refers to that document for an accurate recitation of its contents. Desert  
25 Palace denies all other allegations contained in Paragraph 18.

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<sup>1</sup> DNT's Counterclaim contains 2 paragraphs identified as number 17.

1           19. In answering Paragraph 19, Desert Palace admits to the existence of the Caesars  
2 Objection to DNT Admin Claim and refers to that document for an accurate recitation of its  
3 contents. Desert Palace denies all other allegations contained in Paragraph 19.

4           20. In answering Paragraph 20, Desert Palace admits to the existence of the Caesars  
5 Objection to DNT Admin Claim and refers to that document for an accurate recitation of its  
6 contents. Desert Palace denies all other allegations contained in Paragraph 20.

7           21. Desert Palace admits that the DNT Admin Claim remains pending.

8 **Purported Termination of the DNT Agreement**

9           22. Desert Palace admits that the United States government filed a Notice of Intent to  
10 File an Information against Rowen Seibel on February 29, 2016. Desert Palace states that the  
11 allegations in the second sentence of Paragraph 22 are legal conclusions to which no responsive  
12 pleading is required. To the extent a response is required to the second sentence of Paragraph 22,  
13 Desert Palace is without knowledge or information sufficient to form a belief as to the truth or  
14 falsity of those allegations.

15           23. In answering Paragraph 23, which purports to restate the terms of certain letters  
16 dated April 8, 2016 that were sent to the Debtors, Desert Palace admits the existence of those letters  
17 and refers to those letters for an accurate recitation of their contents. Desert Palace denies all other  
18 allegations contained in Paragraph 23.

19           24. Desert Palace states that the allegations in Paragraph 24 are legal conclusions to  
20 which no response is required. To the extent a response is required, Desert Palace denies the  
21 allegations in Paragraph 24.

22           25. Desert Palace states that the allegation that "Mr. Seibel divested himself of any  
23 interests relating to the Restaurant" is a legal conclusion to which no response is required. To the  
24 extent a response is required, Desert Palace denies these allegations in Paragraph 25. Desert Palace  
25 admits that, on April 18, 2016, the United States Attorney's Office filed an Information charging  
26 Rowen Seibel in Case No. 16 CR 279 in the United States District Court for the Southern District  
27 of New York.

28

26. Desert Palace admits that Rowen Seibel pleaded guilty for violation of 28 U.S.C. § 7212(a) on April 18, 2016.

27. Desert Palace admits that the United States District Court for the Southern District of New York entered an Order accepting Rowen Seibel's guilty plea on May 16, 2016.

28. Desert Palace admits that Rowen Seibel was sentenced for a violation of 28 U.S.C. § 7212(a) and a judgment was entered against him on August 19, 2016.

29. In answering Paragraph 29, which purports to restate the terms of a letter from Desert Palace on September 2, 2016, Desert Palace admits the existence of that letter and refers to that letter for an accurate recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 29.

30. In answering Paragraph 30, which purports to restate the terms of a letter from counsel for DNT on September 7, 2016, Desert Palace admits the existence of that letter and refers to that letter for an accurate recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 30.

31. In answering Paragraph 31, which purports to restate the terms of a letter from Desert Palace on September 21, 2016, Desert Palace admits the existence of that letter and refers to that letter for an accurate recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 31.

32. Desert Palace admits that the Old Homestead Steakhouse remains open and profitable.

33. Desert Palace states that the allegations in Paragraph 33 are legal conclusions to which no responsive pleading is required. To the extent a response is required, Desert Palace denies the allegations in Paragraph 33.

**COUNT I – Breach of the DNT Agreement**  
(against Caesars)

34. Desert Palace repeats and realleges each and every response to the preceding Paragraphs as if set forth fully herein.

1           35. In answering Paragraph 35, Desert Palace admits the existence of the DNT  
2 Agreement, and refers to that document for an accurate recitation of its contents. Desert Palace  
3 denies all other allegations contained in Paragraph 35.

4           36. Desert Palace admits that the Restaurant has been developed and constructed.  
5 Desert Palace admits that the Restaurant opened in 2011 and Desert Palace has operated it since  
6 that time.

7           37. Desert Palace admits that the Restaurant has generated revenue since 2011 and is  
8 profitable.

9           38. Desert Palace states that the terms "same manner and fashion" are vague and  
10 ambiguous. Desert Palace admits that it continues to operate the Old Homestead Steakhouse.  
11 Desert Palace denies all other allegations contained in Paragraph 38.

12           39. Desert Palace admits that, as of the date of this Answer, it intends to continue  
13 operating the Old Homestead Steakhouse.

14           40. Desert Palace admits that it has not been fined or sanctioned in any manner by any  
15 gaming authorities in connection with its continued operations of the Old Homestead Steakhouse.

16           41. Desert Palace states that the allegations in Paragraph 41 are legal conclusions to  
17 which no responsive pleading is required. To the extent a response is required, Desert Palace denies  
18 the allegations in Paragraph 41.

19                                   **COUNT II – Accounting**  
20                                   (b against Caesars)

21           42. Desert Palace repeats and realleges each and every response to the preceding  
22 Paragraphs as if set forth fully herein.

23           43. Desert Palace states that the allegations in Paragraph 43 are legal conclusions to  
24 which no responsive pleading is required. In addition, Desert Palace admits to the existence of the  
25 DNT Agreement, refers to that agreement for an accurate recitation of its contents, and denies all  
26 remaining allegations in Paragraph 43.

1           44.     Desert Palace states that the allegations in Paragraph 44 are legal conclusions to  
2     which no response is required. To the extent a response is required, Desert Palace denies the  
3     allegations in Paragraph 44.

4           45.     Desert Palace denies the allegations in Paragraph 45.

5           46.     Desert Palace lacks knowledge or information sufficient to form a belief as to the  
6     truth or falsity of the allegations of Paragraph 46 and therefore denies the same.

7           47.     Desert Palace admits that DNT seeks the relief requested in Paragraph 47 as part of  
8     its Counterclaim and denies all remaining allegations therein.

9                           **GENERAL DENIAL**

10          All allegations in the Counterclaim that have not been expressly admitted, denied, or  
11     otherwise responded to, are denied.

12                           **AFFIRMATIVE DEFENSES**

13          Desert Palace asserts the following affirmative defenses and reserves the right to assert other  
14     defenses and claims, including, without limitation, counterclaims, crossclaims, and third-party  
15     claims, as and when appropriate and/or available in this or any other action. The statement of any  
16     defense herein does not assume the burden of proof for any issue as to which applicable law  
17     otherwise places the burden of proof on Desert Palace.

18                           **FIRST AFFIRMATIVE DEFENSE**

19          The Counterclaim fails to state a claim upon which relief can be granted.

20                           **SECOND AFFIRMATIVE DEFENSE**

21          DNT's claims are barred, in whole or in part, by its own conduct, including its failure to  
22     mitigate damages.

23                           **THIRD AFFIRMATIVE DEFENSE**

24          DNT's claims are barred, in whole or in part, by the doctrines of waiver, estoppel, laches,  
25     acquiescence, unclean hands, unjust enrichment, and/or ratification, as well as other applicable  
26     equitable doctrines.

27                           **FOURTH AFFIRMATIVE DEFENSE**

28          DNT's damages or harm, if any, were not caused by any conduct of Desert Palace.



**FIFTH AFFIRMATIVE DEFENSE**

Insofar as any alleged breach of contract is concerned, DNT failed to give Desert Palace timely notice thereof.

**SIXTH AFFIRMATIVE DEFENSE**

DNT breached the DNT Agreement, which excuses any failure to perform by Desert Palace.

**SEVENTH AFFIRMATIVE DEFENSE**

DNT is not entitled to any recovery because they failed to fulfill the terms of the DNT Agreement.

**EIGHTH AFFIRMATIVE DEFENSE**

DNT engaged in fraudulent and deceitful conduct as set forth in Count II of the Complaint, which bars its right to recovery, if any, upon the Counterclaim on file herein. Specifically, Rowen Seibel and DNT fraudulently induced Desert Palace to enter into the DNT Agreement on June 21, 2011 when they failed to disclose Mr. Seibel's illegal activities at any time before the DNT Agreement was executed. Mr. Seibel and/or DNT represented—through the January 5, 2009 Business Information Form for the agreement with Moti Partners, LLC ("MOTI") and the June 3, 2011 DNT Business Information Form—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. To the extent the MOTI suitability disclosures became inaccurate, they had to be updated without Desert Palace making a request. Desert Palace therefore reasonably relied on Mr. Seibel's contemporaneous and prior representations to satisfy itself that Mr. Seibel remained a suitable person when entering into the DNT Agreement.

In addition, Desert Palace also relied on the representations in Sections 10.2, 11.1, and 11.2 of the DNT Agreement when deciding to enter into the DNT Agreement. Mr. Seibel and DNT knew that these representations were false when made.

**NINTH AFFIRMATIVE DEFENSE**

The injuries to DNT, if any, as alleged in the Counterclaim, were provoked and brought about by DNT, and any actions taken by Desert Palace in response to DNT's conduct were justified and privileged under the circumstances.

**TENTH AFFIRMATIVE DEFENSE**

All possible affirmative defenses may not have been alleged herein insofar as sufficient facts were not available after reasonable inquiry upon the filing of Desert Palace's Answer to the Counterclaim and therefore, Desert Palace reserves the right to amend its Answer to allege additional affirmative defenses if subsequent investigation so warrants.

**ELEVENTH AFFIRMATIVE DEFENSE**

Desert Palace reserves the right to (a) rely upon such other affirmative defenses as may be supported by the facts to be determined through full and complete discovery, and (b) voluntarily withdraw any affirmative defense.

///

WHEREFORE, Desert Palace prays as follows:

- (1) DNT takes nothing by its Counterclaim;
- (2) For judgment in favor of Desert Palace;
- (3) For Desert Palace's costs; and,
- (4) For such other and further relief as the Court deems proper.

DATED this 25th day of July 2018.

PISANELLI BICE PLLC

By: 

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*Attorneys for Desert Palace, Inc.;  
Paris Las Vegas Operating Company, LLC;  
PHWL, LLC; and Boardwalk Regency  
Corporation d/b/a Caesars Atlantic City*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC and that, on this 25th day of July 2018, I caused to be served via the Court's e-filing/e-service system a true and correct copy of the above and foregoing **REPLY TO DNT ACQUISITION, LLC'S COUNTERCLAIMS** to the following:

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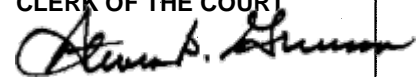
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# TAB 9



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**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

ROWEN SEIBEL, an individual and citizen of  
New York, derivatively on behalf of Real Party  
in Interest GR BURGR LLC, a Delaware  
limited liability company,

Plaintiff,

v.

PHWL, LLC, a Nevada limited liability  
company; GORDON RAMSAY, an individual;  
DOES I through X; ROE CORPORATIONS I  
through X,

Defendants,

and

GR BURGR LLC, a Delaware limited liability  
company,

Nominal Plaintiff.

AND ALL RELATED MATTERS

Case No.: A-17-751759-B

Dept. No.: XVI

Consolidated with A-17-760537-B

**REPLY TO LLTQ/FERG DEFENDANTS'  
COUNTERCLAIMS**

Defendants Desert Palace, Inc. ("Desert Palace") and Boardwalk Regency Corporation d/b/a Caesars Atlantic City ("CAC"), by and through their undersigned counsel, hereby respond to the counterclaims (the "Counterclaim") of Defendants LLTQ Enterprises, LLC ("LLTQ"), LLTQ Enterprises 16, LLC ("LLTQ 16"), FERG, LLC ("FERG"), and FERG 16, LLC ("FERG 16") dated July 6, 2018, as follows:

**PARTIES**

1. Desert Palace and CAC are informed and believe, and thereon admit that LLTQ is a Delaware limited liability company.

2. Desert Palace and CAC are informed and believe, and thereon admit that FERG is a Delaware limited liability company. Desert Palace and CAC state that the allegation that FERG is an "affiliate" of LLTQ is a legal conclusion to which no response is required. Desert Palace and CAC also state that the term "affiliate" is vague and ambiguous. To the extent a response is required, Desert Palace and CAC state that, as the term "Affiliate" is defined in the LLTQ Agreement and the FERG Agreement, FERG is an "affiliate" of LLTQ.

3. Desert Palace and CAC are informed and believe, and thereon admit that LLTQ 16 is a Delaware limited liability company. Desert Palace and CAC state that the allegation that LLTQ 16 is a "successor in interest to LLTQ" is a legal conclusion to which no response is required. Desert Palace and CAC also state that the term "successor is interest" is vague and ambiguous. To the extent a response is required, Desert Palace and CAC deny that LLTQ 16 is a successor in interest to LLTQ.

4. Desert Palace and CAC are informed and believe, and thereon admit that FERG 16 is a Delaware limited liability company. Desert Palace and CAC state that the allegation that FERG 16 is a "successor in interest to FERG" is a legal conclusion to which no response is required. Desert Palace and CAC also state that the term "successor is interest" is vague and ambiguous. To the extent a response is required, Desert Palace and CAC deny that FERG 16 is a successor in interest to FERG.

5. Desert Palace and CAC admit that Desert Palace is a Nevada corporation and has its principal place of business at 3570 Las Vegas Boulevard South, Las Vegas, Nevada. Desert Palace



1 and CAC deny that Desert Palace is a resort hotel casino known as Caesars Palace. Desert Palace  
2 operates the Caesars Palace casino.

3 6. Desert Palace and CAC admit that CAC is a Delaware limited liability company and  
4 has its principal place of business at 2100 Pacific Avenue, Atlantic City, New Jersey. Desert Palace  
5 and CAC state that the allegation that CAC is an "affiliate" of Caesars is a legal conclusion to which  
6 no response is required. Desert Palace and CAC also state that the term "affiliate" is vague and  
7 ambiguous. To the extent a response is required, Desert Palace and CAC state that, as the term  
8 "Affiliate" is defined in the LLTQ Agreement and the FERG Agreement, CAC is an "affiliate" of  
9 Desert Palace.

### 10 GENERAL ALLEGATIONS

#### 11 The LLTQ Agreement and Restrictions

12 7. Desert Palace admits that it and LLTQ entered into a Development and Operation  
13 Agreement (the "LLTQ Agreement") with an effective date of April 4, 2012, not April 12, 2012 as  
14 alleged by LLTQ and FERG.

15 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
16 the allegations of Paragraph 7 and therefore denies the same.

17 8. Desert Palace denies that it did not require LLTQ or its "Affiliates" (as that term is  
18 defined in the LLTQ Agreement) to provide new information concerning "suitability" as to LLTQ  
19 and its "Affiliates" in connection with entering into the LLTQ Agreement or complete a business  
20 information form in connection with entering into the LLTQ Agreement because Caesars relied on  
21 the prior representations in the business information forms with Moti Partners, LLC ("MOTI") and  
22 DNT Acquisition, LLC ("DNT"). Desert Palace denies all remaining allegations in Paragraph 8 of  
23 the Counterclaim.

24 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
25 the allegations of Paragraph 8 and therefore denies the same.

26 9. Desert Palace states that the term "contemporaneously" is vague and ambiguous.  
27 Desert Palace takes the phrase "contemporaneously" to mean "around the same time," and, subject  
28 to that clarification, admits that Caesars entered into the LLTQ Agreement around the same time

1 as Desert Palace entered into a Development, Operation and License Agreement (the "Ramsay LV  
2 Agreement") with Gordon Ramsay and Gordon Ramsay Holdings Limited.

3 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
4 the allegations of Paragraph 9 and therefore denies the same.

5 10. Desert Palace states that the term "contemporaneously" is vague and ambiguous.  
6 Desert Palace takes the phrase "contemporaneously" to mean "around the same time," and, subject  
7 to that clarification, admits that the LLTQ Agreement and the Ramsay LV Agreement were  
8 negotiated around the same time among the parties. Desert Palace further admits that Rowen Seibel  
9 on behalf of LLTQ assisted in the negotiations of the Ramsay LV Agreement.

10 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
11 the allegations of Paragraph 10 and therefore denies the same.

12 11. Desert Palace admits that representatives of Desert Palace, LLTQ, and Ramsay  
13 engaged in multiple meetings to negotiate the terms of the design, development, construction, and  
14 operation of and the sharing of profits of the "Restaurant" (as defined in the LLTQ Agreement) that  
15 was located at the "Restaurant Premises" (as defined in the LLTQ Agreement) at a property owned  
16 and operated by Desert Palace in Las Vegas, Nevada.

17 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
18 the allegations of Paragraph 11 and therefore denies the same.

19 12. Desert Palace admits that it and LLTQ paid for Project Costs (as defined in the  
20 LLTQ Agreement) of \$1,000,000 for the design and construction of the Gordon Ramsay Pub.  
21 Desert Palace denies all other allegations contained in Paragraph 12.

22 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
23 the allegations of Paragraph 12 and therefore denies the same.

24 13. Desert Palace states that the allegations in Paragraph 13 are legal conclusions to  
25 which no response is required. To the extent a response is required, Desert Palace denies the  
26 allegations in Paragraph 13. Moreover, Desert Palace admits the existence of the LLTQ Agreement  
27 and the Ramsay LV Agreement referenced in Paragraph 13 of the Counterclaim, refers to such  
28

1 agreements for a complete and accurate statement of the terms thereof, and otherwise denies the  
2 allegations.

3 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
4 the allegations of Paragraph 13 and therefore denies the same.

5 14. Desert Palace admits that the LLTQ Agreement and the Ramsay LV Agreement  
6 were executed and became effective as of the same day. Desert Palace denies that the LLTQ  
7 Agreement and the Ramsay LV Agreement concern the same subject matter. Desert Palace admits  
8 that the LLTQ Agreement and the Ramsay LV Agreement contain references to each other and  
9 Desert Palace is a party to both contracts. Desert Palace denies that the LLTQ Agreement and the  
10 Ramsay LV Agreement contain the "same choice of law, dispute resolution, and other provisions."  
11 Desert Palace refers to the agreements for a complete and accurate statement of the terms thereof,  
12 and otherwise denies the allegations.

13 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
14 the allegations of Paragraph 14 and therefore denies the same.

15 15. In responding to Paragraph 15, Desert Palace admits the existence of the LLTQ  
16 Agreement referenced therein and refers to the agreement for a complete and accurate statement of  
17 the terms thereof. Moreover, Desert Palace states that the allegations in Paragraph 15 are legal  
18 conclusions to which no responsive pleading is required. To the extent a response is required,  
19 Desert Palace denies the allegations contained in Paragraph 15.

20 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
21 the allegations of Paragraph 15 and therefore denies the same.

22 16. In responding to Paragraph 16, Desert Palace admits the existence of the LLTQ  
23 Agreement referenced therein and admits that the language quoted in Paragraph 16 of the  
24 Counterclaim appears in that agreement. Desert Palace refers to the agreement for a complete and  
25 accurate statement of the terms thereof, and denies any remaining allegations contained in  
26 Paragraph 16.

27 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
28 the allegations of Paragraph 16 and therefore denies the same.

1           17. In responding to Paragraph 17, Desert Palace admits the existence of the LLTQ  
2 Agreement referenced therein and refers to the agreement for a complete and accurate statement of  
3 the terms thereof. Moreover, Desert Palace states that the allegations in Paragraph 17 are legal  
4 conclusions to which no responsive pleading is required. To the extent a response is required,  
5 Desert Palace denies the allegations contained in Paragraph 17.

6           CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
7 the allegations of Paragraph 17 and therefore denies the same.

8           18. In responding to Paragraph 18, Desert Palace admits the existence of the LLTQ  
9 Agreement referenced therein and refers to the agreement for a complete and accurate statement of  
10 the terms thereof. Moreover, Desert Palace states that the allegations in Paragraph 18 are legal  
11 conclusions to which no responsive pleading is required. To the extent a response is required,  
12 Desert Palace denies the allegations contained in Paragraph 18.

13           CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
14 the allegations of Paragraph 18 and therefore denies the same.

15           19. In responding to Paragraph 19, Desert Palace admits the existence of the LLTQ  
16 Agreement referenced therein and admits that the language quoted in Paragraph 19 of the  
17 Counterclaim appears in that agreement. Desert Palace refers to the agreement for a complete and  
18 accurate statement of the terms thereof, and denies any remaining allegations contained in  
19 Paragraph 19.

20           CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
21 the allegations of Paragraph 19 and therefore denies the same.

22           20. Desert Palace admits that, since its opening, the Gordon Ramsay Pub has been a  
23 profitable restaurant for Desert Palace at its Las Vegas location, and denies all other allegations in  
24 Paragraph 20 of the Counterclaim.

25           CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
26 the allegations of Paragraph 20 and therefore denies the same.

27  
28

**The First Restricted Restaurant Venture**

21. To the extent Paragraph 21 purports to restate the terms of communications from Desert Palace to representatives of LLTQ and Gordon Ramsay, Desert Palace refers to those documents for a complete and accurate recitation of their contents and no further response is required. Desert Palace denies all other allegations contained in Paragraph 21.

CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 21 and therefore denies the same.

22. Desert Palace admits that J. Jeffrey Frederick was the former Regional Vice President of Food and Beverage and a participant in the negotiations of the LLTQ Agreement and the Ramsay LV Agreement. To the extent Paragraph 22 purports to restate an email from Mr. Frederick, Desert Palace admits the existence of that email, refers to that email for a complete and accurate recitation of its contents, and no further response is required. Desert Palace denies all other allegations contained in Paragraph 22.

CAC also admits that Mr. Frederick was the former Regional Vice President of Food and Beverage. CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of all other allegations of Paragraph 22 and therefore denies the same.

23. To the extent Paragraph 23 purports to restate an email from J. Jeffrey Frederick, Desert Palace admits the existence of that email, refers to that email for a complete and accurate recitation of its contents, and no further response is required. Desert Palace denies all other allegations contained in Paragraph 23.

CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 23 and therefore denies the same.

24. Desert Palace denies that representatives of Desert Palace, FERG, and Ramsay engaged in multiple meetings to negotiate the terms of the design, development, construction, 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.

CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 24 and therefore denies the same.

1           25.     CAC admits that it and FERG entered into a Consulting Agreement (the "FERG  
2 Agreement") with an effective date of May 16, 2014 and that related to a restaurant that would be  
3 located in CAC's Atlantic City hotel. CAC denies all other allegations contained in Paragraph 25.

4           Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or  
5 falsity of the allegations of Paragraph 25 and therefore denies the same.

6           26.     CAC states that the term "contemporaneously" is vague and ambiguous. CAC takes  
7 the phrase "contemporaneously" to mean "around the same time," and, subject to that clarification,  
8 admits that CAC entered into the FERG Agreement around the same time as CAC entered into a  
9 Development, Operation and License Agreement (the "Ramsay LV Agreement") with Gordon  
10 Ramsay and Gordon Ramsay Holdings Limited related to a restaurant that would be locate in CAC's  
11 Atlantic City hotel. CAC refers to the agreements for a complete and accurate statement of the  
12 terms thereof, and otherwise denies the allegations contained in Paragraph 26.

13           Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or  
14 falsity of the allegations of Paragraph 26 and therefore denies the same.

15           27.     CAC states that the term contemporaneously is vague and ambiguous. CAC takes  
16 the phrase "contemporaneously" to mean "around the same time," and, subject to that clarification,  
17 admits that the FERG Agreement and the Ramsay AC Agreement were negotiated around the same  
18 time between the parties.

19           Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or  
20 falsity of the allegations of Paragraph 27 and therefore denies the same.

21           28.     CAC states that the allegations in Paragraph 28 are legal conclusions to which no  
22 responsive pleading is required. Moreover, CAC admits the existence of the FERG Agreement and  
23 the Ramsay AC Agreement referenced in Paragraph 28 of the Counterclaim, refers to such  
24 agreements for a complete and accurate statement of the terms thereof, and otherwise denies the  
25 allegations in Paragraph 28.

26           Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or  
27 falsity of the allegations of Paragraph 28 and therefore denies the same.

28

29. CAC admits that the FERG Agreement and the Ramsay AC Agreement were executed and became effective as of the same day. CAC denies that the FERG Agreement and the Ramsay AC Agreement concern the same subject matter. CAC denies that the FERG Agreement and the Ramsay AC Agreement contain references to each other. CAC admits that it is a party to both contracts. CAC denies that the FERG Agreement and the Ramsay AC Agreement contain the "same choice of law, dispute resolution, and other provisions." CAC refers to the agreements for a complete and accurate statement of the terms thereof, and otherwise denies the allegations.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 29 and therefore denies the same.

30. In responding to Paragraph 30, CAC admits the existence of the FERG Agreement referenced therein and admits that the language quoted in Paragraph 30 of the Counterclaim appears in that agreement. CAC refers to the agreement for a complete and accurate statement of the terms thereof, and denies all other allegations contained in Paragraph 30.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 30 and therefore denies the same.

31. In responding to Paragraph 31, CAC admits the existence of the FERG Agreement referenced therein and admits that the language quoted in Paragraph 31 of the Counterclaim appears in that agreement. CAC refers to the agreement for a complete and accurate statement of the terms thereof. Moreover, CAC states that the allegations in Paragraph 31 are legal conclusions to which no responsive pleading is required. To the extent a response is required, CAC denies the allegations contained in Paragraph 31.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 31 and therefore denies the same.

32. In responding to Paragraph 32, CAC admits the existence of the FERG Agreement referenced therein and admits that the language quoted in Paragraph 32 of the Counterclaim appears in that agreement. CAC refers to the agreement for a complete and accurate statement of the terms thereof, and denies all other allegations contained in Paragraph 32.



Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 32 and therefore denies the same.

33. In responding to Paragraph 33, CAC admits the existence of the FERG Agreement referenced therein and refers to the agreement for a complete and accurate statement of the terms thereof. Moreover, CAC states that the allegations in Paragraph 33 are legal conclusions to which no responsive pleading is required. To the extent a response is required, CAC denies the allegations contained in Paragraph 33.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 33 and therefore denies the same.

34. CAC admits that since its opening, the Gordon Ramsay Pub & Grill has been a profitable restaurant for CAC at its Atlantic City location.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 34 and therefore denies the same.

#### **The Bankruptcy Matters**

35. Desert Palace and CAC admit that, on January 15, 2015, Desert Palace, CAC and several of their affiliated entities (collectively, the "Reorganized Debtors") each filed voluntary petitions under Chapter 11 of the Bankruptcy Code, thereby commencing the Chapter 11 cases.

36. Desert Palace and CAC admit that the Reorganized Debtors filed a Fourth Omnibus Motion for the Entry of an Order Authorizing the Debtors to Reject Certain Executory Contracts Nunc Pro Tunc to June 11, 2015 (the "Rejection Motion") on June 11, 2015, and refer to that document for an accurate recitation of its contents. Desert Palace and CAC deny all other allegations contained in Paragraph 36.

37. In answering Paragraph 37, Desert Palace and CAC admit to the existence of the LLTQ's and FERG's objection to the Rejection Motion and refer to the document for an accurate recitation of its contents. Desert Palace and CAC deny all other allegations contained in Paragraph 37.

38. Desert Palace and CAC admit that the Rejection Motion constitutes a contested matter and remains pending.

1           39.     Desert Palace and CAC admit that LLTQ and FERG filed a Notice of Motion and  
2 Request for Payment of Administrative Expense (the "Admin Request") on November 4, 2015, and  
3 refer to that document for an accurate recitation of its contents. Desert Palace and CAC deny all  
4 other allegations contained in Paragraph 39.

5           40.     In answering Paragraph 40, Desert Palace and CAC admit the existence of the  
6 Reorganized Debtors' objection to the Admin Request and refer to that document for an accurate  
7 recitation of its contents. Desert Palace and CAC deny all other allegations contained in Paragraph  
8 40.

9           41.     Desert Palace and CAC admit that the Admin Request constitutes a contested matter  
10 and remains pending.

11           42.     Desert Palace and CAC admit that the Reorganized Debtors filed a Motion for the  
12 Entry of an Order Authorizing the Debtors to (A) Reject Certain Existing Restaurant Agreements  
13 and (B) Enter Into New Restaurant Agreement (the "Ramsay Rejection Motion") on January 14,  
14 2016, and refer to that document for an accurate recitation of its contents. Desert Palace and CAC  
15 deny all other allegations contained in Paragraph 42.

16           43.     In answering Paragraph 43, Desert Palace and CAC admit the existence of LLTQ's  
17 and FERG's objection to the Ramsay Rejecting Motion and refer to that document for an accurate  
18 recitation of its contents. Desert Palace and CAC deny all other allegations contained in Paragraph  
19 43.

20           44.     Desert Palace and CAC admit that the Ramsay Rejection Motion constitutes a  
21 contested matter and remains pending.

22           45.     Desert Palace and CAC deny the allegations contained in Paragraph 45.

23           46.     Desert Palace and CAC admit that the United States Bankruptcy Court for the  
24 Northern District of Illinois entered an Order Confirming Debtors' Third Amended Joint Plan of  
25 Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (the "Plan") on January 17, 2017.

26           47.     Desert Palace and CAC admit that the "Effective Date" of the Plan (as defined in the  
27 Plan) occurred on October 6, 2017, and the Plan was consummated.  
28

**Purported Termination of the LLTQ Agreement and FERG Agreement**

48. Desert Palace and CAC admit that the United States government filed a Notice of Intent to File an Information against Rowen Seibel on February 29, 2016. Desert Palace and CAC state that the allegations in the second sentence of Paragraph 48 are legal conclusions to which no responsive pleading is required. To the extent a response is required to the second sentence of Paragraph 48, Desert Palace and CAC are without knowledge or information sufficient to form a belief as to the truth or falsity of those allegations.

49. To the extent Paragraph 49 purports to restate the terms of certain letters dated April 8, 2016 that were sent to certain of the Reorganized Debtors, Desert Palace and CAC each admit the existence of just those letters sent to them and refer to their respective letters for an accurate recitation of their contents. Desert Palace and CAC each lack knowledge or information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph 49 to the extent they regard letters received by others and therefore each denies the same. Desert Palace and CAC deny all other allegations contained in Paragraph 49.

50. Desert Palace and CAC state that the allegations in Paragraph 50 are legal conclusions to which no responsive pleading is required. To the extent a response is required, Desert Palace denies that "Mr. Seibel divested himself of any direct or indirect membership interests in LLTQ" and lacks knowledge or information sufficient to form a belief as to the truth or falsity of whether "Mr. Seibel divested himself of any direct or indirect membership interests ... in FERG" and therefore denies the same. To the extent a response is required, CAC denies that "Mr. Seibel divested himself of any direct or indirect membership interests ... in FERG" and lacks knowledge or information sufficient to form a belief as to the truth or falsity of whether "Mr. Seibel divested himself of any direct or indirect membership interests in LLTQ" and therefore denies the same.

51. Desert Palace states that the allegations in Paragraph 51 are legal conclusions to which no responsive pleading is required. To the extent a response is required, Desert Palace denies the allegations in Paragraph 51.

CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 51 and therefore denies the same.

1           52.     CAC states that the allegations in Paragraph 52 are legal conclusions to which no  
2 responsive pleading is required. To the extent a response is required, CAC denies the allegations  
3 in Paragraph 52.

4           Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or  
5 falsity of the allegations of Paragraph 52 and therefore denies the same.

6           53.     Desert Palace and CAC state that the allegation that "Mr. Seibel divested himself of  
7 any interests relating to the Ramsay Pubs" is a legal conclusion to which no responsive pleading is  
8 required. To the extent a response is required, Desert Palace and CAC deny these allegations in  
9 Paragraph 53. Desert Palace and CAC admit that, on April 18, 2016, the United States Attorney's  
10 Office filed an Information charging Rowen Seibel in Case No. 16 CR 279 in the United States  
11 District Court for the Southern District of New York.

12           54.     Desert Palace and CAC admit that Rowen Seibel pleaded guilty for a violation of  
13 28 U.S.C. § 7212(a) on April 18, 2016.

14           55.     Desert Palace and CAC admit that the United States District Court for the Southern  
15 District of New York entered an order accepting Rowen Seibel's guilty plea on May 16, 2016.

16           56.     Desert Palace and CAC admit that Rowen Seibel was sentenced for a violation of  
17 28 U.S.C. § 7212(a) and a judgment was entered against him on August 19, 2016.

18           57.     In answering Paragraph 57, Desert Palace and CAC admit the existence of their  
19 respective notices of termination issued by each of them on September 2, 2016, and refer to those  
20 notices for an accurate recitation of their contents. Desert Palace and CAC each lack knowledge or  
21 information sufficient to form a belief as to the truth or falsity of the allegations in Paragraph 57 to  
22 the extent they regard letters sent by others and therefore each denies the same. Desert Palace and  
23 CAC deny all other allegations contained in Paragraph 57.

24           58.     In answering Paragraph 58, which purports to restate the terms of written  
25 communications with the Reorganized Debtors, Desert Palace and CAC refer to that  
26 correspondence for an accurate recitation of their contents. Desert Palace and CAC deny all other  
27 allegations contained in Paragraph 58.

28

1           59. In answering Paragraph 59, which purports to restate the terms of communications  
2 with the Reorganized Debtors, Desert Palace and CAC refer to that correspondence for an accurate  
3 recitation of their contents. Desert Palace and CAC deny all other allegations contained in  
4 Paragraph 59.

5           60. Desert Palace admits that the Gordon Ramsay Pub in Las Vegas is open and  
6 profitable, and CAC admits that the Gordon Ramsay Pub & Grill in Atlantic City is open and  
7 profitable. Desert Palace lacks knowledge or information sufficient to form a belief as to whether  
8 Gordon Ramsay Pub & Grill in Atlantic City is profitable and therefore denies the same, and CAC  
9 lacks knowledge or information sufficient to form a belief as to whether Gordon Ramsay Pub in  
10 Las Vegas is profitable and therefore denies the same. Desert Palace and CAC deny the remaining  
11 allegations contained in Paragraph 60.

12 **New Restricted Restaurant Ventures**

13           61. Desert Palace and CAC admit that Flamingo, Gordon Ramsay Holdings Limited,  
14 and Gordon Ramsay (to the limited extent provided in the agreement) entered into a development,  
15 operation, and license agreement in October 2014 relating to the development and operation of a  
16 restaurant located in Las Vegas in premises that are part of the retail center known as The LINQ.  
17 Desert Palace and CAC refer to that agreement for an accurate recitation of its contents. Desert  
18 Palace and CAC admit that Flamingo is an affiliate of Desert Palace (as the term "Affiliate" is  
19 defined in the LLTQ Agreement). Desert Palace and CAC deny all other allegations contained in  
20 Paragraph 61.

21           62. Desert Palace and CAC admit that at no time prior to entering into the Fish & Chips  
22 Agreement did Caesars or any of its affiliates have any communications with LLTQ or any of its  
23 affiliates with respect to any proposed terms for LLTQ or its affiliates to participate in  
24 Gordon Ramsay Fish & Chips.

25           63. Desert Palace and CAC admit that Fish & Chips opened at The LINQ on or about  
26 October 7, 2016. Desert Palace and CAC admit that at no time did Desert Palace or its affiliates  
27 seek to enter into an agreement with LLTQ, LLTQ 16 or any of their respective affiliates in  
28 connection with Fish & Chips.

64. Desert Palace and CAC state that the term "cause" as used in Paragraph 64 is vague and ambiguous. Desert Palace and CAC take the phrase "cause" to mean "compel as a matter of legal right," and, subject to that clarification, admit that Desert Palace could not cause and has not caused Flamingo to enter into an agreement with LLTQ, LLTQ 16 or their respective affiliates in connection with Fish & Chips.

65. Desert Palace and CAC state that the allegations in Paragraph 65 are legal conclusions to which no response is required. To the extent a response is required, Desert Palace and CAC deny the allegations in Paragraph 65.

66. Desert Palace and CAC admit that Horseshoe Baltimore Casino is an affiliate of Desert Palace (as the term "Affiliate" is defined in the LLTQ Agreement).

67. Desert Palace and CAC admit that Horseshoe Baltimore Casino, Gordon Ramsay Holdings Limited, and Gordon Ramsay (to the limited extent provided in the agreement) entered into an agreement for a Gordon Ramsay steak restaurant to be located in Baltimore, Maryland.

68. Desert Palace and CAC deny that GR Steak Baltimore is similar to the Gordon Ramsay Steak restaurant in Las Vegas but admit that both serve steak. Desert Palace and CAC also admit that the Gordon Ramsay Steak restaurant in the Paris hotel in Las Vegas is the restaurant referenced in the development and operation agreement entered into December 5, 2011 between TPOV Enterprises, LLC (an affiliate of LLTQ) and Paris Las Vegas Operating Company, LLC. Desert Palace and CAC deny all other allegations contained in Paragraph 68.

69. Desert Palace and CAC state that the term "cause" as used in Paragraph 69 is vague and ambiguous. Desert Palace and CAC take the phrase "cause" to mean "compel as a matter of legal right," and, subject to that clarification, admit that Desert Palace could not cause and has not caused Horseshoe Baltimore Casino to enter into an agreement with LLTQ, LLTQ 16 or their respective affiliates in connection with GR Steak Baltimore.

70. Desert Palace and CAC state that the allegations in Paragraph 70 are legal conclusions to which no response is required. To the extent a response is required, Desert Palace and CAC deny the allegations in Paragraph 70.

6           72. In answering Paragraph 72, which purports to restate the terms of a September 26,  
7 2017 letter from LLTQ and others, Desert Palace and CAC refer to that letter for an accurate  
8 recitation of its contents, and deny all other allegations contained therein.

9           73.       Desert Palace and CAC admit that GR Steak Baltimore opened in November 2017.  
10 Desert Palace and CAC admit that Desert Palace and its affiliates did not seek to enter into an  
11 agreement with LLTQ, LLTQ 16 or their respective affiliates in connection with  
12 GR Steak Baltimore.

15           74.     Desert Palace and CAC repeat and reallege each and every response to the preceding  
16     Paragraphs as if set forth fully herein.

75. In answering Paragraph 75, Desert Palace admits the existence of the LLTQ Agreement, and refers to that document for an accurate recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 75.

20 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
21 the allegations of Paragraph 75 and therefore denies the same.

22           76. Desert Palace admits that the Gordon Ramsay Pub has been developed and  
23 constructed. Desert Palace admits that the Gordon Ramsay Pub opened in December 2012 and  
24 Desert Palace has operated it since that time.

25 CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of  
26 the allegations of Paragraph 76 and therefore denies the same.

77. Desert Palace admits the Gordon that the Gordon Ramsay Pub has generated revenue since December 2012 and is profitable.



CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 77 and therefore denies the same.

78. Desert Palace states that the terms "same manner and fashion" are vague and ambiguous. Desert Palace admits that it continues to operate the Gordon Ramsay Pub. Desert Palace denies all other allegations contained herein.

CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 79 and therefore denies the same.

79. Desert Palace admits that, as of the date of this Answer, it intends to continue operating the Gordon Ramsay Pub.

CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 80 and therefore denies the same.

80. Desert Palace admits that it has not been fined or sanctions in any manner by any gaming authorities in connection with its continued operations of the Gordon Ramsay Pub.

CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 80 and therefore denies the same.

81. Desert Palace states that the allegations in Paragraph 81 are legal conclusions to which no response is required. To the extent a response is required, Desert Palace denies the allegations in Paragraph 81.

CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 81 and therefore denies the same.

**COUNT II – Breach of the FERG Agreement**  
(against CAC)

82. Desert Palace and CAC repeat and reallege each and every response to the preceding Paragraphs as if set forth fully herein.

83. In answering Paragraph 83, CAC admits to the existence of the FERG Agreement, and refers to that document for an accurate recitation of its contents. CAC denies all other allegations contained in Paragraph 83.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 83 and therefore denies the same.

84. CAC admits that the Gordon Ramsay Pub and Grill has been developed. CAC admits that it opened the Gordon Ramsay Pub and Grill in 2015 and has operated the Gordon Ramsay Pub and Grill since that time.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 84 and therefore denies the same.

85. CAC admits the Gordon Ramsay Pub and Grill has generated revenue since 2015 and is profitable.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 85 and therefore denies the same.

86. CAC states that the terms "same manner and fashion" are vague and ambiguous. CAC admits that it continues to operate the Gordon Ramsay Pub and Grill. CAC denies all other allegations contained herein.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 86 and therefore denies the same.

87. CAC admits that, as of the date of this Answer, it intends to continue operating the Gordon Ramsay Pub and Grill.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 87 and therefore denies the same.

88. CAC admits that it has not been fined or sanctioned in any manner by any gaming authorities in connection with its continued operations of the Gordon Ramsay Pub and Grill.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 88 and therefore denies the same.

89. CAC states that the allegations in Paragraph 89 are legal conclusions to which no response is required. To the extent a response is required, CAC denies the allegations in Paragraph 89.

Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 89 and therefore denies the same.

**COUNT III – Accounting**  
(against Caesars)

90. Desert Palace and CAC repeat and reallege each and every response to the preceding Paragraphs as if set forth fully herein.

91. In answering Paragraph 91, Desert Palace admits the existence of the LLTQ Agreement, and refers to that document for an accurate recitation of its contents. Moreover, Desert Palace states that the allegations in Paragraph 91 are legal conclusions to which no response is required. To the extent a response is required, Desert Palace denies the allegations in Paragraph 91. CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 91 and therefore denies the same.

92. Desert Palace states that the allegations in Paragraph 92 are legal conclusions to which no response is required. To the extent a response is required, Desert Palace denies the allegations in Paragraph 92. CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 92 and therefore denies the same.

93. Desert Palace denies the allegations in Paragraph 93. CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 93 and therefore denies the same.

94. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 94 and therefore denies the same. CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 94 and therefore denies the same.

95. Desert Palace admits that LLTQ and LLTQ 16 as part of their Counterclaim seek the relief requested in Paragraph 95 and denies all remaining allegations therein. CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 95 and therefore denies the same.

**COUNT IV – Accounting**  
(against CAC)

96. Desert Palace and CAC repeat and reallege each and every response to the preceding Paragraphs as if set forth fully herein.

97. In answering Paragraph 97, CAC admits to the existence of the LLTQ Agreement, and refers to that document for an accurate recitation of its contents. In addition, CAC states that the allegations in Paragraph 97 are legal conclusions to which no responsive pleading is required. To the extent a response is required, CAC denies the allegations in Paragraph 97. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 97 and therefore denies the same.

98. CAC states that the allegations in Paragraph 98 are legal conclusions to which no response is required. To the extent a response is required, CAC denies the allegations in Paragraph 98. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 98 and therefore denies the same.

99. CAC states that the allegations in Paragraph 99 are legal conclusions to which no response is required. To the extent a response is required, CAC denies the allegations in Paragraph 99. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 99 and therefore denies the same.

100. CAC lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 100 and therefore denies the same. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 100 and therefore denies the same.

101. CAC admits that LLTQ and LLTQ 16 as part of their Counterclaim seek the relief requested in Paragraph 101 and denies all remaining allegations therein. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 101 and therefore denies the same.

**GENERAL DENIAL**

All allegations in the Counterclaim that have not been expressly admitted, denied, or otherwise responded to, are denied.

**AFFIRMATIVE DEFENSES**

Desert Palace and CAC assert the following affirmative defenses and reserve the right to assert other defenses and claims, including without limitation counterclaims, cross-claims, and third-party claims, as and when appropriate and/or available in this or any other action. The statement of any defense herein does not assume the burden of proof for any issue as to which applicable law otherwise places the burden of proof on Desert Palace and CAC.

**FIRST AFFIRMATIVE DEFENSE**

The Counterclaim fails to state a claim upon which relief can be granted.

**SECOND AFFIRMATIVE DEFENSE**

LLTQ's and FERG's claims are barred, in whole or in part, by their own conduct, including their failure to mitigate damages.

**THIRD AFFIRMATIVE DEFENSE**

LLTQ's and FERG's claims are barred, in whole or in part, by the doctrines of waiver, estoppel, laches, acquiescence, unclean hands, unjust enrichment, and/or ratification, as well as other applicable equitable doctrines.

**FOURTH AFFIRMATIVE DEFENSE**

LLTQ's and FERG's damages or harm, if any, were not caused by any conduct of Desert Palace or CAC, respectively.

**FIFTH AFFIRMATIVE DEFENSE**

Insofar as any alleged breach of contract is concerned, LLTQ and FERG failed to give Desert Palace and CAC, respectively, timely notice thereof.

**SIXTH AFFIRMATIVE DEFENSE**

LLTQ and FERG breached the LLTQ Agreement and the FERG Agreement, respectively, which excuses any failure to perform by Desert Palace and CAC, respectively.

**SEVENTH AFFIRMATIVE DEFENSE**

LLTQ and FERG are not entitled to any recovery because they failed to fulfill the terms of the LLTQ and the FERG Agreement, respectively.

**EIGHTH AFFIRMATIVE DEFENSE**

LLTQ and FERG engaged in fraudulent and deceitful conduct as set forth in Count II of the Complaint, which bars their right to recovery, if any, upon the Counterclaim on file herein. Specifically, Rowen Seibel, LLTQ, and FERG fraudulently induced Desert Palace and CAC to enter into the LLTQ Agreement on April 4, 2012 and the FERG Agreement on May 16, 2014, respectively, when they failed to disclose Mr. Seibel's illegal activities at any time before the LLTQ Agreement and the FERG Agreement were executed. Mr. Seibel represented—through the January 5, 2009 MOTI Business Information Form and the June 3, 2011 DNT Business Information Form—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 MOTI and DNT Business Information Forms. To the extent the MOTI and DNT suitability disclosures became inaccurate, they had to be updated without Desert Palace and CAC making a request. Desert Palace and CAC therefore reasonably relied on Mr. Seibel's prior representations to satisfy itself that Mr. Seibel remained a suitable person when entering into the LLTQ Agreement and the FERG Agreement, respectively.

In addition, Desert Palace relied on the representations in Sections 9.2, 10.1, and 10.2 of the LLTQ Agreement when deciding to enter into the LLTQ Agreement, and CAC relied on the representations in Sections 10.2, 11.1, and 11.2 of the FERG Agreement when deciding to enter into the FERG Agreement. Mr. Seibel, LLTQ, and FERG knew that their respective representations were false when made.

**NINTH AFFIRMATIVE DEFENSE**

The injuries to LLTQ and FERG, if any, as alleged in the Counterclaim, were provoked and brought about by LLTQ and FERG, and any actions taken by Desert Palace and CAC in response to LLTQ's and FERG's conduct were justified and privileged under the circumstances.

All possible affirmative defenses may not have been alleged herein insofar as sufficient facts were not available after reasonable inquiry upon the filing of Desert Palace's and CAC's Answer to the Counterclaim and therefore, Desert Palace and CAC reserve the right to amend their Answer to allege additional affirmative defenses if subsequent investigation so warrants.

Desert Palace and CAC reserve the right to (a) rely upon such other affirmative defenses as may be supported by the facts to be determined through full and complete discovery, and (b) voluntarily withdraw any affirmative defense.

- (1) LLTQ and FERG take nothing by their Counterclaim;
- (2) For judgment in favor of Desert Palace and CAC;
- (3) For Desert Palace and CAC's costs; and,
- (4) For such other and further relief as the Court deems proper.

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0204



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC and that, on this 25th day of July 2018, I caused to be served via the Court's e-filing/e-service system a true and correct copy of the above and foregoing **REPLY TO LLTQ/FERG DEFENDANTS' COUNTERCLAIMS** to the following:

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**VIA U.S. MAIL**

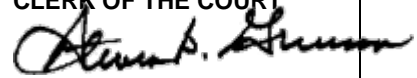
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**TAB 10**



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*The Original Homestead Restaurant, Inc.*

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

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

Plaintiffs,

v.

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

Defendants.

Case No. A-17-751759-B  
Dept. XVI

Consolidated with:  
Case No. A-17-760537-B

**COMPLAINT IN INTERVENTION**

THE ORIGINAL HOMESTEAD  
RESTAURANT, INC. d/b/a the OLD  
HOMESTEAD STEAKHOUSE,

Plaintiff in intervention,

v.

DESERT PALACE, INC.,

Defendant in intervention.

### **COMPLAINT IN INTERVENTION**

The Original Homestead Restaurant, Inc., d/b/a the Old Homestead Steakhouse (“**Plaintiff in Intervention**” or “**OHR**”), by and through its attorneys of record Fox Rothschild LLP and Lebensfeld Sharon & Schwartz P.C., and pursuant to Rule 24 of the Nevada Rules of Civil Procedure, files this Complaint in Intervention against Defendant Desert Palace, Inc., (“**Defendant in Intervention**” or “**Caesars**”), and alleges as follows:

### **PARTIES, JURISDICTION AND VENUE**

1. OHR is a corporation duly organized and existing under and by virtue of the laws of the State of New York, with its principal offices and place of business located at 56 9<sup>th</sup> Avenue, New York, New York 10011-4901.

2. Caesars is a Nevada corporation that operates Caesars Palace casino (“**Caesars Palace**”) with its principal place of business located at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109.

3. This Court has jurisdiction over this complaint-in-intervention and venue is proper because the agreements, acts, events, occurrences, decisions, transactions, and/or omissions giving rise to this lawsuit occurred or were performed in Clark County, Nevada.

4. This Court has personal jurisdiction over Caesars pursuant to NRS 14.065.

5. This Court has granted Plaintiff’s Motion to Intervene, thereby granting Plaintiff leave to file this complaint-in-intervention pursuant to NRCP 24.

## GENERAL ALLEGATIONS

6. OHR is the developer and owner of a distinctive proprietary system for operating steakhouses under the Old Homestead Steakhouse® trade name which includes, without limitation, signature products, unique menus and menu items, ingredients, recipes, methods of preparation, specifications for food products and beverages, methods of inventory, operations control, and equipment and design (collectively, the "**Old Homestead System**").

7. OHR also is the owner of distinctive service marks, trademarks, designs, trade dress, service names, logos, emblems and indicia of origin, including, but not limited to, a registered mark for the Old Homestead Steakhouse® (the "**Old Homestead Marks**").

8. OHR further possesses certain copyrights, works of authorship, programs, techniques, processes, formulas, developmental and experimental work, works in process, methods and trade secrets (the "**Old Homestead Materials**"), which it uses in connection with the Old Homestead System and Old Homestead Marks, and in Old Homestead Steakhouses.®

9. For more than a century, OHR (and/or its predecessors-in-interest) have owned and operated the legendary Old Homestead Steakhouse® located in downtown Manhattan, which is believed to be New York's oldest, continuously operating steakhouse.

10. In addition to operating its legacy New York City restaurant, OHR currently licenses the Old Homestead System, Old Homestead Marks and Old Homestead Materials to: (i) MGM Resorts, which operates an Old Homestead Steakhouse® in the Borgata Hotel, Casino & Spa in Atlantic City; and (ii) Caesars, which operates and manages an Old Homestead Steakhouse® in Caesars Palace.

11. OHR is one of the two Members of DNT Acquisition, LLC ("**DNT**"), holding a fifty (50%) ownership interest therein. At all relevant times herein, R Squared Global Solutions LLC ("**RSG**") held the remaining fifty (50%) percent ownership interest in DNT.

12. At all relevant times, RSG's sole manager and member was, and in fact through this date remains, Rowen Seibel ("**Seibel**").

13. DNT is a limited liability company duly organized and existing under and by virtue of the laws of the State of Delaware, with its principal offices and places of business located at 56 9<sup>th</sup> Avenue, New York, New York 10014, and 200 Central Park South, 19<sup>th</sup> Floor, New York, New York 10019.

14. Seibel was, and upon information and belief remains, a manager of DNT.

**The Licensing Agreement Among Caesars, DNT and OHR**

15. As a gaming entity, Caesars is a highly regulated business, existing by virtue of privileged licenses granted to it by governmental authorities, and subject to rigorous regulation by the Nevada Gaming Commission.

16. On June 6, 2011 and in anticipation of entering into a sub-license agreement with Caesars, Seibel completed and submitted to Caesars and OHR a "Business Information Form" ("BIF"), in which Seibel individually and on behalf of DNT represented under oath, among other things, that he had not been a party to a felony in the last ten (10) years, and that there was nothing "that would prevent [him] from being licensed by a gaming authority."

17. In express reliance upon the BIF, on or about June 21, 2011, Caesars entered into a Development, Operation and License Agreement with OHR and DNT (the "DNT Sub-License Agreement"). Pursuant to the DNT Sub-License Agreement, the Old Homestead System, Old Homestead Marks and Old Homestead Materials were licensed to Caesars for its operation and management of an Old Homestead Steakhouse in Caesars Palace.

**The Relevant Terms of the DNT Sub-License Agreement**

18. In relevant part, the DNT Sub-License Agreement provided as follows:

- B. OH[R] has developed, and owns and operates, a restaurant concept known as the "Old Homestead Steakhouse" which currently has locations at 56 9th Avenue, New York, New York, and in the Borgata Resort Hotel Casino located in Atlantic City, New Jersey;
- C. OH[R] has developed and owns a distinctive proprietary system for operating steakhouses under the "Old Homestead Steakhouse" trade name...;

- 1 E. OH[R] possesses the exclusive right to license the Old Homestead System,  
2 the Old Homestead Marks and the Old Homestead Materials ..., and has  
3 licensed DNT to utilize the same in connection with, and for the purposes  
4 specified in, this Agreement;
- 5 F. DNT, through its members or the principals of its members, Marc Sherry,  
6 Greg Sherry and Rowen Seibel (collectively, the "Principals"), possesses  
7 certain qualifications, expertise and a reputation in the development and  
8 operation of first-class restaurants;
- 9 G. DNT, as a licensee of OH[R], possesses the right to utilize and further  
10 sublicense the Old Homestead System, Old Homestead Marks and Old  
11 Homestead Materials, as herein below set forth; ...
- 12 I. Caesars desires to obtain a sub-license from DNT to utilize the Old  
13 Homestead System, the Old Homestead Marks and the Old Homestead  
14 Materials in connection with the Restaurant, and ... to perform certain  
15 services and fulfill certain obligations with respect to consultation  
16 concerning the design, development, construction and operation of the  
17 Restaurant in accordance with the terms hereof ....

18 §6. **LICENSE.**

19 §6.1. **Marks and Materials.** Each of OH[R], . . . represent and warrant to  
20 Caesars that OH[R] is and at all times during the Term will be the sole  
21 owner of the Old Homestead Marks, Old Homestead Materials and Old  
22 Homestead System ....

23 §6.2. **Ownership.**

24 §6.2.1. **By OH[R].** Caesars acknowledges and agrees that OH[R] is the owner of  
25 the Old Homestead Marks, Old Homestead Materials and Old Homestead  
26 System and that all use of the Old Homestead Marks (including, without  
27 limitation, any goodwill generated by such use) shall inure to the benefit  
28 of OH[R] ....

§6.3. **Intellectual Property License.** DNT hereby grants to Caesars ... a sub-  
license, during the Term (the "License"), to use and employ the Old  
Homestead Marks, the Old Homestead System and the Old Homestead  
Materials on and in connection with the operation of the Restaurant. ...

§3.4.1. **Menu Development.** DNT shall develop the initial food and beverage  
menus of the Restaurant, subject to the ultimate final approval of Caesars,  
and the recipes for same, and thereafter, DNT shall revise the food and  
beverage menus of the Restaurant, subject to the ultimate final approval of  
Caesars, and the recipes for same (the "Menu Development Services"), all  
of which recipes shall be owned by OH[R].



§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 Caesars or unless earlier terminated pursuant to the terms hereof (the "Initial Term"). ...

§4.2. **Termination.**

§4.2.1. **For Convenience.** At any time following the second anniversary of the Opening Date, this Agreement may be terminated by Caesars by written notice to the DNT Parties [<sup>1</sup>] specifying the date of termination.

§4.2.2. **Breach of Standards.** This Agreement may be terminated by Caesars upon written notice to the DNT Parties having immediate effect if following a breach of Section 11.1 of this Agreement, Caesars sends written notice of such breach to the DNT Parties and the DNT Parties fail to cure such material breach within thirty (30) days after receipt of such notice.

§11. **STANDARDS; PRIVILEGED LICENSE.**

§11.1. **Standards.** The DNT Parties acknowledge that the Caesars Palace 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 Old Homestead Marks', Caesars Palace's and the Restaurant's reputation and the goodwill of all of Caesars', Caesars Palace's and the Restaurant's guests and invitees is absolutely essential to Caesars, and that any impairment thereof whatsoever will cause great damage to Caesars. The DNT Parties therefore covenant and agree that (a) they shall not and they shall cause their Affiliates [<sup>2</sup>] not to use or license Old Homestead Marks, Old Homestead Materials or Old Homestead System 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 Old Homestead Marks, Old Homestead Materials and Old Homestead System and (b) they shall, and they shall cause their Affiliates to, conduct themselves in accordance with the highest standards of honesty, integrity,

<sup>1</sup> The agreement defines a "DNT Party" or "DNT Parties" to mean either of DNT or OHR, or both DNT and OHR.

<sup>2</sup> The agreement defines "Affiliate [to] mea[n], 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" and/or "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. ..." (bolding added)

quality and courtesy so as to maintain and enhance the reputation and goodwill of Caesars, the Old Homestead Marks, the Old Homestead Materials, the Old Homestead System, the Caesars Palace and the Restaurant and at all times in keeping with and not inconsistent with or detrimental to the operation of an exclusive, first-class resort hotel casino and an exclusive, first-class restaurant. The DNT Parties 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 any of the DNT Parties, their 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 Caesars may have, give Caesars the right to terminate this Agreement pursuant to Section 4.2.2 in its sole and absolute discretion.**

§4.2.3. **Unsuitability.** This Agreement may be terminated by Caesars upon written notice to the DNT Parties having immediate effect as contemplated by Section 11.2.

§11.2 **Privileged License.** The DNT Parties acknowledges that Caesars and Caesars' Affiliates are businesses that are or may be subject to and exist because of privileged licenses issued by 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 the DNT Parties hereunder, and thereafter on each anniversary of the Opening Date during the Term, (a) the DNT Parties shall provide to Caesars written disclosure regarding the DNT Associates, and (b) the Compliance Committee shall have issued approvals of the DNT Associates. Additionally, during the Term, on ten (10) calendar days written request by Caesars to the DNT Parties, the DNT Parties shall disclose to Caesars the identity of all DNT Associates. [3] **To** the extent that any prior disclosure becomes inaccurate, the DNT

<sup>3</sup> Section 2.2 of the DNT Sub-License Agreement provides, in relevant part, that "the rights and obligations of each party under this Agreement ... is conditioned upon ... (a) submission by the DNT Parties to Caesars of all information requested by Caesars regarding the DNT Parties, their Affiliates and the directors and officers of each as well as the employees, agents, representatives and other associates of the DNT Parties or any of their Affiliates (all of the foregoing, "**DNT Associates**") to ensure that none of the foregoing is an Unsuitable Person; and (b) Caesars being

Parties shall, within ten (10) calendar days from the event, update the prior disclosure without Caesars making any further request. The DNT Parties shall cause all DNT 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 DNT Associate fails to satisfy or such requirement, ... or if Caesars shall determine, in Caesars' sole and exclusive judgment, that any DNT Associate is an Unsuitable Person, ..., then, immediately following notice by Caesars to DNT, (a) the DNT Parties shall terminate any relationship with the Person who is the source of such issue, (b) the DNT Parties shall cease the activity or relationship creating the issue to Caesars' satisfaction, in Caesars' sole judgment, or (c) if such activity or relationship is not subject to cure as set forth in the foregoing clauses (a) and (b), as determined by Caesars in its sole discretion, Caesars shall, without prejudice to any other rights or remedies of Caesars including at law or in equity, have the right to terminate this Agreement and its relationship with the DNT Parties. ... Any termination by Caesars pursuant to this Section 11.2 shall not be subject to dispute by the DNT Parties.... (italics and emphasis supplied)

\* \* \*

"***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.

§4.3.2. **Certain Rights of Caesars Upon Expiration or Termination.**

- (b) Caesars shall retain all right, title and interest in and to the Restaurant Premises except for the Old Homestead Marks, Old Homestead Materials, and Old Homestead System;

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satisfied, in its sole discretion, that no DNT Associate is an Unsuitable Person." (emphasis supplied)

- (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 4.3.3;
- (d) Caesars shall retain all right, title and interest in and to Caesars Marks and Materials; and
- (e) Caesars shall have the right, but not the obligation, immediately or at any time after such expiration or termination, to operate a restaurant in the Restaurant Premises; provided, however, such restaurant shall not employ the Restaurant's food and beverage menus or recipes developed by DNT pursuant to Section 3.4 or use any of the Old Homestead Marks, Old Homestead Materials or Old Homestead System.

#### §8.2 **Timing and Manner of Payment**

. . . Unless otherwise directed in a written instrument signed by OHS, DNT and Rowen Seibel, it is agreed that Caesars shall pay all amounts due to DNT pursuant to this Agreement as follows:

8.2.1 The four percent (4%) License Fee due to DNT pursuant to Section 8.1.1 (a) shall be paid two and one-half percent (2.5%) to OHS and one and one-half percent (1.5%) to Rowen Seibel or his designee.

8.2.2 The eight percent (8%) License Fee (if any) due DNT pursuant to Section 8.1.1(b) shall be paid four percent (4%) to OHS and four percent (4%) to Rowen Seibel or his designee.

8.2.3 The Net Profits (if any) due DNT pursuant to Section 8.1.5 shall be paid fifty percent (50%) to OH[R] and fifty percent (50%) to Rowen Seibel or his designee.

19. As a signatory party and pursuant to Section 8.2 of the DNT Sub-License Agreement, OHR had and still retains the right to receive payment of its share of the License Fees and Net Profits directly from Caesars.

20. From on or about June 21, 2011 until September 21, 2016 and pursuant to the DNT Sub-License Agreement, Caesars operated and managed an Old Homestead Steakhouse in Caesars Palace.

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**Caesars Files for Chapter 11 Bankruptcy Protection:**

21. On January 15, 2015, Caesars filed a Chapter 11 Petition (“**Petition**”) in the United States Bankruptcy Court for the Northern District of Illinois under Case No. 15-01145 (the “**Caesars Bankruptcy Proceedings**”).

22. At the time of Caesars’ filing of the Petition and pursuant to the terms of the DNT Sub-License Agreement, License Fees in the aggregate amount of \$204,964.75 lawfully were due and owing to DNT (the “**Pre-Petition License Fees**”), with a proportionate share payable directly by Caesars to OHR.

23. On or about April 30, 2015, OHR filed a proof of claim in the Caesars Bankruptcy Proceedings seeking recovery of the Pre-Petition License Fees. Through the date hereof, those fees have not been paid either to OHR or DNT, as explained herein below

24. Subsequent to the filing of its Petition, Caesars proposed to DNT and OHR to assume (as opposed to rejecting) the DNT Sub-License Agreement, albeit on modified financial terms.

25. For several months thereafter, Caesars and DNT, through their respective bankruptcy counsel, engaged in negotiations with respect to the modified DNT Sub-License Agreement to be assumed by Caesars in its eventual Plan of Reorganization.

**Seibel Pleads Guilty To A Federal Crime**

26. Commencing in or about 2004 and continuing through in or about the first part of 2016, Seibel was engaged in a covert criminal enterprise involving, among other things, rampant tax fraud through the maintenance of Swiss bank accounts not reported to the Internal Revenue Service.

27. On April 18, 2016, as a result of a criminal investigation conducted by, and a plea deal reached with, the United States Attorney’s Office for the Southern District of New York, a criminal information was filed against Seibel, charging him with having corruptly attempted to obstruct or impede the administration of the Internal Revenue laws, in violation of 26 U.S.C. §7212(a). See In United States of America v. Rowen Seibel, U.S.D.C., S.D.N.Y., Case Number 15 CRIM 279.

28. On that same day, April 18, 2016, Seibel pleaded guilty to one count of a corrupt endeavor to obstruct and impede the due administration of the Internal Revenue Laws, 26 U.S.C. § 7212(a), a Class E Felony (the “**Guilty Plea**”).

29. Seibel’s entry of the Guilty Plea represented, among other things, a tacit admission that the BIF he previously had submitted to Caesars, DNT and OHR in June 2011 was intentionally false and misleading.

30. On August 19, 2016, Seibel appeared before United States District Court Judge William H. Pauley III for his sentencing hearing, wherein he was sentenced to thirty (30) days in prison, six (6) months of home confinement and 300 hours of community service.

31. The very next day, i.e., August 20, 2016, multiple news services ran articles across the internet with the headline “Gordon Ramsey’s Business Partner [Seibel] Gets Jail Time for Tax Evasion Scheme,” and stating, in relevant part, as follows:

A wealthy Manhattan restaurateur [Seibel] was sentenced to a month in the slammer for lying to the IRS about more than \$1 million he stashed in Switzerland as part of a years-long tax evasion scheme.

32. At no time prior to August 20, 2016, did Seibel disclose to DNT, OHR or Caesars his submission of the false and misleading BIF, his engagement in felonious conduct, his entry of the Guilty Plea, or his criminal sentencing.

**Caesars Terminates The DNT Sub-License Agreement**

33. As a result of the foregoing events, on September 2, 2016, Caesars’ counsel forwarded a letter to Seibel and his counsel, stating, in relevant part, as follows:

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

Caesars is aware that Rowen Seibel, who is a DNT Associate under the Agreement, has recently pleaded guilty to a one-count criminal

1 information charging him with impeding the administration of the Internal  
2 Revenue Code (26 U.S.C. § 7212) (corrupt endeavor to obstruct and  
3 impede the due administration of the Internal Revenue Laws), a Class E  
4 Felony. Such felony conviction renders Rowen Seibel an Unsuitable  
5 Person.

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

12 34. On September 21, 2016, Caesars terminated the DNT Sub-License Agreement  
13 based upon, among other things, Seibel's criminal conviction and failure to dissociate himself  
14 from DNT, stating in relevant part, as follows:

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

18 Because DNT and OHS have failed to disassociate with an Unsuitable  
19 Person, Caesars hereby terminates the Agreement pursuant to Section  
20 4.2.3 of the Agreement, effective immediately.

21 35. Following Caesar's proper termination of the DNT Sub-License Agreement, OHR  
22 and Caesars entered into a new License Agreement, pursuant to which OHR directly licensed to  
23 Caesars the right and privilege to operate and manage an Old Homestead Steakhouse® in  
24 Caesars Palace, utilizing the Old Homestead System, Old Homestead Marks and Old Homestead  
25 Materials – OHR's proprietary assets to which RSG and Seibel had forfeited all rights.

26 **Caesars' Refusal to Pay the Pre-Petition License Fees**

27 36. On January 17, 2017, Caesars' Third Amended Plan of Reorganization as  
28 modified, dated January 13, 2017 (the "**Bankruptcy Plan**"), was confirmed in the Bankruptcy  
Proceedings. The Plan subsequently was declared effective as of October 6, 2017.

37. Pursuant to the Bankruptcy Plan, DNT and OHR are Class M Holders of an  
"Allowed Par Recovery Unsecured Claim," and are entitled to "receive recovery in full of [their]



1 Allowed Par Recovery Unsecured Claim, including Post-Petition Interest from [their] Pro Rata  
2 share of (but in no event more than payment in full (with Post-Petition interest), as follows:

- 3
- 4 (i) . . . New CEC Convertible Notes, which shall be convertible  
5 pursuant to the terms of the New CEC Convertible Notes  
6 Indenture in the aggregate for up to 0.167% of new CEC  
7 Common Equity on a fully diluted basis; and
- 8 (ii) OpCo Series A Preferred Stock, which shall be exchanged  
9 pursuant to the CEOC Merger for 0.52% of the New  
10 CEC Common Equity on a fully diluted basis (giving effect  
11 to the issuance of the New CEC Convertible Notes),  
12 which shall be approximately equivalent to 0.582% of New  
13 CEC Common Equity before giving effect to the conversion  
14 of the New CEC Convertible Notes. (collectively,  
15 the “**Plan Notes/Stock**”)

16 38. The foregoing notwithstanding and despite OHR’s demands therefor, Caesars has  
17 refused to issue and deliver to DNT the Plan Notes/Stock (or, alternatively, to issue and deliver  
18 to OHR its proportionate share thereof, as is its right), claiming that notwithstanding the clear  
19 and unambiguous terms of the Bankruptcy Plan, it was prohibited from doing so pursuant to  
20 Nevada gaming regulations; to wit, by reason of Seibel having been determined to be an  
21 “unsuitable person” more than one year after the Pre-Petition License Fees lawfully had become  
22 due and owing to OHR pursuant to the then extant DNT Sub-License Agreement.

23 39. As a matter of contract and law, OHR lawfully is entitled to be issued and to  
24 receive its proportionate share of the Plan Notes/Stock from Caesars pursuant to and in  
25 accordance with the relevant terms of the Bankruptcy Plan.

26 40. The foregoing notwithstanding, in its complaint filed herein Caesars has sought a  
27 declaratory judgment, adjudicating that it does not have any current or future obligation to DNT  
28 (and thus by implication, to OHR) to issue and distribute the Plan Notes/Stock.

41. As a result of the foregoing, there presently exists a justiciable dispute and  
controversy by and between OHR and Caesars, if not between Caesars and DNT, as to Caesars’  
obligation to issue and deliver to OHR its proportionate share of the Plan Notes/Stock.

**FIRST CAUSE OF ACTION**  
**(Declaratory Judgment Against Caesars )**

42. Plaintiff repeats and realleges the allegations of the foregoing paragraphs as if fully set forth herein.

43. 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."

44. OHR disputes Caesars' determination that it has no current or future obligation to issue and deliver to OHR its proportionate share of the Plan Notes/Stock by reason of Seibel's actions and its *ex post facto* determination that Seibel was an "unsuitable person."

45. OHR therefore seeks a declaration that Caesars is required to issue and deliver to OHR its proportionate share of (or alternatively, to issue and deliver to DNT) the Plan Notes/Stock in accordance with the terms and conditions of the Bankruptcy Plan.

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1       **WHEREFORE**, OHR respectfully prays for judgment as follows:

2           1.       Declaratory Relief as requested herein; and

3           2.       Awarding to OHR such other and further relief that the Court deems just and  
4 proper under the circumstances.

5       DATED this 24<sup>th</sup> day of October, 2018.

6  
7                               **FOX ROTHSCHILD LLP**

8  
9                               /s/ Mark J. Connot

10                              MARK J. CONNOT (SBN 10010)  
11                              KEVIN M. SUTEHALL (SBN 9437)  
12                              1980 Festival Plaza Drive, #700  
13                              Las Vegas, Nevada 89135

14                              **LEBENSFELD SHARON & SCHWARTZ P.C.**

15                              /s/ Alan M. Lebensfeld

16                              ALAN M. LEBENSFELD (*Admitted PHV*)  
17                              140 Broad Street  
18                              Red Bank, New Jersey 07701  
19                              Attorneys for Plaintiff in Intervention  
20                              The Original Homestead Restaurant, Inc.  
21  
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28

**CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that I am an employee of FOX ROTHSCHILD LLP and that on the 24<sup>th</sup> day of October, 2018, I caused the above and foregoing **COMPLAINT IN INTERVENTION** to be served via electronic service through the Court's Odyssey File and Serve system and/or by U.S. Mail, postage prepaid, addressed as follows:

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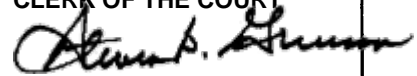
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*Attorney for J. Jeffrey Frederick*

9 I declare under penalty of perjury that the foregoing is true and correct.

10 DATED this 24<sup>th</sup> day of October, 2018.

11 /s/ Doreen Loffredo  
12 An employee of FOX ROTHSCHILD LLP  
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**TAB 11**



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14 *PHWLTV, LLC; and Boardwalk Regency*

*Corporation d/b/a Caesars Atlantic City*

15 **DISTRICT COURT**

16 **CLARK COUNTY, NEVADA**

17 ROWEN SEIBEL, an individual and citizen of  
18 New York, derivatively on behalf of Real Party  
in Interest GR BURGR LLC, a Delaware  
limited liability company,

19 Plaintiff,

20 v.

21 PHWLTV, LLC, a Nevada limited liability  
company; GORDON RAMSAY, an individual;  
22 DOES I through X; ROE CORPORATIONS I  
through X,

23 Defendants,

24 and

25 GR BURGR LLC, a Delaware limited liability  
company,

26 Nominal Plaintiff.

27  
28 AND ALL RELATED MATTERS

Case No.: A-17-751759-B

Dept. No.: XVI

Consolidated with A-17-760537-B

**ANSWER TO COMPLAINT IN  
INTERVENTION**

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



Desert Palace, Inc. ("Desert Palace"), by and through its undersigned counsel, hereby responds to the allegations set forth in the Complaint in Intervention (the "Complaint") filed by The Original Homestead Restaurant, Inc., d/b/a the Old Homestead Steakhouse ("OHR"), as follows:

**PARTIES, JURISDICTION AND VENUE**

1. Desert Palace is informed and believes, and thereon admits the allegations in Paragraph 1.

2. Desert Palace admits the allegations in Paragraph 2.

3. Desert Palace states that the allegations in Paragraph 3 are legal conclusions to which no responsive pleading is required. To the extent a response is required, Desert Palace admits that the venue is proper and denies any and all remaining allegations contained in Paragraph 3.

4. Desert Palace states that the allegations in Paragraph 4 are legal conclusions to which no responsive pleading is required. To the extent a response is required, Desert Palace admits that jurisdiction is proper and denies any and all remaining allegations contained in Paragraph 4.

5. Desert Palace admits the allegations in Paragraph 5.

**GENERAL ALLEGATIONS**

6. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 6 and therefore denies the same.

7. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 7 and therefore denies the same.

8. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 8 and therefore denies the same.

9. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the allegations of Paragraph 9 and therefore denies the same.

10. Desert Palace admits that it operates and manages an Old Homestead Steakhouse in Caesars Palace. Desert Palace lacks knowledge or information sufficient to form a belief as to the truth or falsity of the remaining allegations of Paragraph 10 and therefore denies the same.

11. Desert Palace is informed and believes, and thereon admits the allegations in Paragraph 11.

1           12.   Desert Palace is informed and believes, and thereon admits the allegations in  
2 Paragraph 12.

3           13.   Desert Palace is informed and believes, and thereon admits that DNT is a limited  
4 liability company duly organized and existing under and by virtue of the laws of the State of  
5 Delaware located at 200 Central Park South, 19<sup>th</sup> Floor, New York, New York 10019. Desert Palace  
6 lacks knowledge or information sufficient to form a belief as to the truth or falsity of the remaining  
7 allegations of Paragraph 13 and therefore denies the same.

8           14.   Desert Palace is informed and believes, and thereon admits the allegations in  
9 Paragraph 14.

10 **The Licensing Agreement Among Caesars, DNT and OHR**

11           15.   Desert Palace admits the allegations in Paragraph 15.

12           16.   Desert Palace admits that on or around June 6, 2011 and in anticipation of entering  
13 into an agreement with Desert Palace, Rowen Seibel ("Seibel") completed and submitted to Desert  
14 Palace a "Business Information Form" ("BIF"), in which Seibel represented, among other things,  
15 that he had not been a party to a felony in the last ten (10) years, and that there was nothing "that  
16 would prevent [him] from being licensed by a gaming authority." Desert Palace lacks knowledge  
17 or information sufficient to form a belief as to the truth or falsity of the remaining allegations of  
18 Paragraph 16 and therefore denies the same.

19           17.   Desert Palace admits that upon reliance upon the BIF, on or about June 21, 2011,  
20 Desert Palace entered into a Development, Operation and License Agreement with OHR and DNT  
21 (the "DNT Sub-License Agreement").

22           18.   To the extent Paragraph 18 purports to restate the terms of the DNT Sub-License  
23 Agreement, Desert Palace admits the existence of the DNT Sub-License Agreement and refers to  
24 that agreement for an accurate recitation of its contents. Desert Palace denies all other allegations  
25 contained in Paragraph 18.

26           19.   To the extent Paragraph 19 purports to restate the terms of the DNT Sub-License  
27 Agreement, Desert Palace admits the existence of the DNT Sub-License Agreement and refers to  
28

1 that agreement for an accurate recitation of its contents. Desert Palace denies all other allegations  
2 contained in Paragraph 19.

3 20. Desert Palace admits that it operated and managed an Old Homestead Steakhouse in  
4 Caesars Palace pursuant to the DNT Sub-License Agreement. Desert Palace denies all other  
5 allegations contained in Paragraph 20.

6 **Caesars Files for Chapter 11 Bankruptcy Protection:**

7 21. Desert Palace admits the allegations in Paragraph 21.

8 22. To the extent Paragraph 22 purports to restate the terms of the DNT Sub-License  
9 Agreement, Desert Palace admits the existence of the DNT Sub-License Agreement and refers to  
10 that agreement for an accurate recitation of its contents. Desert Palace denies all other allegations  
11 contained in Paragraph 22.

12 23. Desert Palace admits the allegations in Paragraph 23.

13 24. Desert Palace admits the allegations in Paragraph 24.

14 25. Desert Palace admits the allegations in Paragraph 23.

15 **Seibel Pleads Guilty to a Federal Crime.**

16 26. Desert Palace is informed and believes, and thereon admits that commencing in or  
17 about 2004 Seibel was engaged in tax fraud through the maintenance of Swiss bank accounts not  
18 reported to the Internal Revenue Service. Desert Palace lacks knowledge or information sufficient  
19 to form a belief as to the truth or falsity of the remaining allegations of Paragraph 26 and therefore  
20 denies the same.

21 27. Desert Palace is informed and believes, and thereon admits the allegations in  
22 Paragraph 27.

23 28. Desert Palace is informed and believes, and thereon admits the allegations in  
24 Paragraph 28.

25 29. Desert Palace states that the allegations in Paragraph 29 are legal conclusions to  
26 which no response is required. To the extent a response is required, Desert Palace admits the  
27 allegations in Paragraph 29.

28

1           30.   Desert Palace is informed and believes, and thereon admits the allegations in  
2 Paragraph 30.

3           31.   Desert Palace is informed and believes, and thereon admits that various news  
4 services ran articles regarding Seibel's conviction. Desert Palace lacks knowledge or information  
5 sufficient to form a belief as to the truth or falsity of the remaining allegations of Paragraph 31 and  
6 therefore denies the same.

7           32.   Desert Palace admits the allegations in Paragraph 32.

8 **Caesars Terminates the DNT Sub-License Agreement**

9           33.   To the extent Paragraph 33 purports to restate the terms of a letter from Desert Palace  
10 on September 2, 2016, Desert Palace admits the existence of that letter and refers to that letter for  
11 an accurate recitation of its contents. Desert Palace denies all other allegations contained in  
12 Paragraph 33.

13           34.   To the extent Paragraph 34 purports to restate the terms of a letter from Desert Palace  
14 on September 21, 2016, Desert Palace admits the existence of that letter and refers to that letter for  
15 an accurate recitation of its contents. Desert Palace denies all other allegations contained in  
16 Paragraph 33.

17           35.   Desert Palace admits that following its proper termination of the DNT Sub-License  
18 Agreement, OHR and Desert Palace entered into a license agreement. To the extent Paragraph 35  
19 purports to restate the terms of that agreement, Desert Palace refers to that agreement for an accurate  
20 recitation of its contents. Desert Palace denies all other allegations contained in Paragraph 35.

21           36.   Desert Palace admits that the Reorganized Debtors filed a Third Amended Joint Plan  
22 of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code on January 13, 2017.  
23 Desert Palace admits that the United States Bankruptcy Court for the Northern District of Illinois  
24 entered an Order Confirming Debtors' Third Amended Joint Plan of Reorganization Pursuant to  
25 Chapter 11 of the Bankruptcy Code (the "Plan") on January 17, 2017. Desert Palace denies all  
26 other allegations contained in Paragraph 36.

27           37.   To the extent Paragraph 37 purports to restate the terms Debtors' Third Amended  
28 Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code, Desert Palace admits

1 the existence of that document and refers to that document for an accurate recitation of its contents.  
2 Desert Palace denies all other allegations contained in Paragraph 37.

3 38. Desert Palace admits that it has not delivered New CEC Convertible Notes to DNT  
4 or OHR and that it determined Seibel was an "unsuitable person." The remaining allegations in  
5 Paragraph 38 are legal conclusions to which no response is required. To the extent a response is  
6 required, Desert Palace denies the same.

7 39. Desert Palace states that the allegations in Paragraph 39 are legal conclusions to  
8 which no response is required. To the extent a response is required, Desert Palace denies the  
9 allegations in Paragraph 39.

10 40. To the extent Paragraph 40 purports to restate the terms of the Complaint filed by  
11 Desert Palace on or about August 25, 2017, Desert Palace admits the existence of that complaint  
12 and refers to that document for an accurate recitation of its contents. Desert Palace denies all other  
13 allegations contained in Paragraph 40.

14 41. Desert Palace states that the allegations in Paragraph 41 are legal conclusions to  
15 which no response is required. To the extent a response is required, Desert Palace admits there  
16 exists a dispute between Desert Palace, OHR, and DNT and denies the remaining allegations in  
17 Paragraph 41.

18 **FIRST CAUSE OF ACTION**  
19 (Declaratory Judgment Against Caesars)

20 42. Desert Palace repeats and realleges each and every response to the preceding  
21 Paragraphs as if set forth fully herein.

22 43. To the extent Paragraph 43 purports to restate NRS 30.040(1), Desert Palace refers  
23 to that statute for an accurate recitation of its contents. Desert Palace denies all other allegations  
24 contained in Paragraph 43.

25 44. Desert Palace lacks knowledge or information sufficient to form a belief as to the  
26 truth or falsity of the allegations of Paragraph 44 and therefore denies the same.  
27  
28

1           45.     Desert Palace states that the allegations in Paragraph 45 are legal conclusions to  
2 which no response is required. To the extent a response is required, Desert Palace denies the  
3 allegations in Paragraph 45.

4                                   **GENERAL DENIAL**

5           All allegations in the Complaint that have not been expressly admitted, denied, or otherwise  
6 responded to, are denied.

7                                   **AFFIRMATIVE DEFENSES**

8           Desert Palace asserts the following affirmative defenses and reserves the right to assert other  
9 defenses and claims, including, without limitation, counterclaims, crossclaims, and third-party  
10 claims, as and when appropriate and/or available in this or any other action. The statement of any  
11 defense herein does not assume the burden of proof for any issue as to which applicable law  
12 otherwise places the burden of proof on Desert Palace.

13                                  **FIRST AFFIRMATIVE DEFENSE**

14           The Complaint fails to state a claim upon which relief can be granted.

15                                  **SECOND AFFIRMATIVE DEFENSE**

16           OHR's damages or harm, if any, were not caused by any conduct of Desert Palace.

17                                  **THIRD AFFIRMATIVE DEFENSE**

18           The injuries to OHR, if any, as alleged in the Complaint, were provoked and brought about  
19 by third party or parties over whom Desert Palace has no control, and any actions taken by Desert  
20 Palace were justified and privileged under the circumstances.

21                                  **FOURTH AFFIRMATIVE DEFENSE**

22           All possible affirmative defenses may not have been alleged herein insofar as sufficient facts  
23 were not available after reasonable inquiry upon the filing of Desert Palace's Answer and therefore,  
24 Desert Palace reserves the right to amend its Answer to allege additional affirmative defenses if  
25 subsequent investigation so warrants.

**FIFTH AFFIRMATIVE DEFENSE**

Desert Palace reserves the right to (a) rely upon such other affirmative defenses as may be supported by the facts to be determined through full and complete discovery, and (b) voluntarily withdraw any affirmative defense.

WHEREFORE, Desert Palace prays as follows:

- (1) OHR takes nothing by its Complaint;
- (2) For judgment in favor of Desert Palace;
- (3) For Desert Palace's costs; and,
- (4) For such other and further relief as the Court deems proper.

DATED this 27<sup>th</sup> day of November 2018.

PISANELLI BICE PLLC

By: 

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and

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*Attorneys for Desert Palace, Inc.;  
Paris Las Vegas Operating Company, LLC;  
PHWLTV, LLC; and Boardwalk Regency  
Corporation d/b/a Caesars Atlantic City*



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC and that, on this 27 day of November 2018, I caused to be served via the Court's e-filing/e-service system a true and correct copy of the above and foregoing **ANSWER TO COMPLAINT IN INTERVENTION** to the following:

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FERG, LLC, and FERG 16, LLC*

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LLTQ Enterprises 16, LLC; FERG, LLC;  
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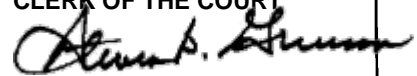
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*Trustee for GR Burgr, LLC*

  
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*Attorneys for Desert Palace, Inc.;  
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PHWLTV, LLC; and Boardwalk Regency  
Corporation d/b/a Caesars Atlantic City*

**EIGHTH JUDICIAL 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

GR BURGR LLC, a Delaware limited liability  
company,

Nominal Plaintiff.

AND ALL RELATED MATTERS

Case No.: A-17-751759-B

Dept. No.: XVI

Consolidated with A-17-760537-B

**ORDER DENYING MOTION TO AMEND  
LLTQ/FERG DEFENDANTS' ANSWER,  
AFFIRMATIVE DEFENSES AND  
COUNTERCLAIMS**

Date of Hearing: November 6, 2019

Time of Hearing: 9:00 a.m.

1 Defendants LLTQ Enterprises, LLC ("LLTQ"), LLTQ Enterprises 16, LLC ("LLTQ 16"),  
2 FERG LLC ("FERG"), and FERG 16, LLC ("FERG 16") (collectively "LLTQ/FERG  
3 Defendants") Motion to Amend LLTQ/FERG Defendants' Answer, Affirmative Defenses, and  
4 Counterclaims (the "Motion to Amend") came before the Court for hearing on November 6, 2019,  
5 at 9:00 a.m. M. Magali Mercera, Esq., of the law firm PISANELLI BICE PLLC, appeared on  
6 behalf of PHWLTV, LLC ("Planet Hollywood"), Desert Palace, Inc. ("Caesars Palace"), Paris Las  
7 Vegas Operating Company, LLC ("Paris"), and Boardwalk Regency Corporation d/b/a Caesars  
8 Atlantic City ("CAC") and collectively with Caesars Palace, Paris, and Planet Hollywood,  
9 "Caesars"). Anthony DiRaimondo, Esq. of the law firm RICE REUTHER SULIVAN & CARROLLC,  
10 LLP appeared on behalf of the LLTQ/FERG Defendants. Daniel Brooks, Esq., of SCAROLA  
11 ZUBATOV SCHAFFZIN PLLC, appeared telephonically on behalf of the LLTQ/FERG Defendants.  
12 Allen Wilt, Esq., of the law firm FENNEMORE CRAIG, appeared on behalf of Gordon Ramsay.

13 The Court having considered the Motion to Amend and the opposition thereto, as well as  
14 argument of counsel presented at the hearing, and good cause appearing therefor,

15 THE COURT FINDS THAT, under Nevada law, "[t]he court should freely give leave [to  
16 amend] when justice so requires." NRCP 15(a)(2). However, "[t]his does not . . . mean that a  
17 trial judge may not, in a proper case, deny a motion to amend. If that were the intent, leave of  
18 court would not be required." *Kantor v. Kantor*, 116 Nev. 886, 891, 8 P.3d 825, 828 (2000)  
19 (quoting *Stephens v. So. Nev. Music Co.*, 89 Nev. 104, 105, 507 P.2d 138, 139 (1973)).

20 THE COURT FURTHER FINDS THAT, "[w]here a scheduling order has been entered,  
21 the lenient standard under Rule 15(a), which provides leave to amend 'shall be freely given,' must  
22 be balanced against the requirement under Rule 16(b) that the Court's scheduling order 'shall not  
23 be modified except upon a showing of good cause.'" *Nutton v. Sunset Station, Inc.*, 131 Nev. 279,  
24 285, 357 P.3d 966, 971 (Nev. App. 2015) (quoting *Grochowski v. Phoenix Constr.*, 318 F.3d 80,  
25 86 (2d Cir.2003)). "Disregard of the [scheduling] order would undermine the court's ability to  
26 control its docket, disrupt the agreed-upon course of the litigation, and reward the indolent and the  
27 cavalier." *Id.* at 285-86, 357 P.3d at 971 (quoting *Johnson v. Mammoth Recreations, Inc.*, 975  
28 F.2d 604, 610 (9th Cir.1992)).

1 THE COURT FURTHER FINDS THAT, the deadline to amend pleadings in this action  
2 was February 4, 2019. Accordingly, the LLTQ/FERG Defendants had to demonstrate that good  
3 cause exists to allow the amendment of their counterclaim after the deadline had expired.

4 THE COURT FURTHER FINDS THAT, the LLTQ/FERG Defendants have not met that  
5 burden and have not demonstrated that good cause exists to permit amendment of their  
6 counterclaim. The LLTQ/FERG Defendants were aware of the facts they sought to include in  
7 their amended counterclaim before the deadline to amend expired and they delayed seeking leave  
8 to amend their counterclaim.

9 IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Motion to  
10 Amend is DENIED IN ITS ENTIRETY.

11 IT IS SO ORDERED.

12 DATED this 22<sup>nd</sup> day of November 2019.

13  
14   
THE HONORABLE TIMOTHY C. WILLIAMS  
EIGHTH JUDICIAL DISTRICT COURT  
15 

15 Respectfully submitted by:

16 DATED November 21, 2019

17 PISANELLI BICE PLLC

18   
19 By: James J. Pisanelli, Esq., Bar No. 4027  
20 Debra L. Spinelli, Esq., Bar No. 9695  
21 M. Magali Mercera, Esq., Bar No. 11742  
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22 and

23 Jeffrey J. Zeiger, P.C., Esq.  
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25 William E. Arnault, IV, Esq.  
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Company, LLC; PHWL, LLC; and Boardwalk Regency  
Corporation d/b/a Caesars Atlantic City*



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Approved as to form and content by:

DATED November 21, 2019

FENNEMORE CRAIG, P.C.

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*Attorneys for Gordon Ramsay*

Approved as to form and content by:

DATED November 21, 2019

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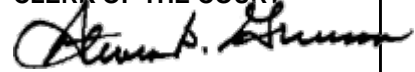
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**TAB 13**





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Corporation d/b/a Caesars Atlantic City*

**EIGHTH JUDICIAL 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

GR BURGR LLC, a Delaware limited liability  
company,

Nominal Plaintiff.

AND ALL RELATED MATTERS

Case No.: A-17-751759

Dept. No.: XVI

Consolidated with A-17-760537-B

**NOTICE OF ENTRY OF ORDER  
DENYING MOTION TO AMEND  
LLTQ/FERG DEFENDANTS' ANSWER,  
AFFIRMATIVE DEFENSES AND  
COUNTERCLAIMS**

1 PLEASE TAKE NOTICE that an Order Denying Motion to Amend LLTQ/FERG  
2 Defendants' Answer, Affirmative Defenses and Counterclaims was entered in the above-  
3 captioned matter on November 25, 2019, a true and correct copy of which is attached hereto.

4 DATED this 25th day of November 2019.

5 PISANELLI BICE PLLC

6 By: 

7 James J. Pisanelli, Esq., #4027  
8 Debra L. Spinelli, Esq., #9695  
9 M. Magali Mercera, Esq., #11742  
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21 *Paris Las Vegas Operating Company, LLC;*  
22 *PHWL, LLC; and Boardwalk Regency*  
23 *Corporation d/b/a Caesars Atlantic City*  
24  
25  
26  
27  
28

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of PISANELLI BICE PLLC and that, on this 25th day of November 2019, I caused to be served via the Court's e-filing/e-service system a true and correct copy of the above and foregoing **NOTICE OF ENTRY OF ORDER DENYING MOTION TO AMEND LLTQ/FERG DEFENDANTS' ANSWER, AFFIRMATIVE DEFENSES AND COUNTERCLAIMS** to the following:

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LLTQ Enterprises, LLC, LLTQ Enterprises 16, LLC,  
TPOV Enterprises, LLC, TPOV Enterprises 16, LLC,  
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The Original Homestead Restaurant, Inc.*

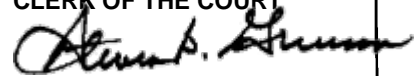
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*Attorneys for Gordon Ramsay*

*Trustee for GR Burgr LLC*

  
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Corporation d/b/a Caesars Atlantic City*

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

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Plaintiff,

v.

PHWLTV, LLC, a Nevada limited liability  
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DOES I through X; ROE CORPORATIONS I  
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Defendants,

and

GR BURGR LLC, a Delaware limited liability  
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Nominal Plaintiff.

AND ALL RELATED MATTERS

Case No.: A-17-751759-B

Dept. No.: XVI

Consolidated with A-17-760537-B

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Date of Hearing: November 6, 2019

Time of Hearing: 9:00 a.m.

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8 Atlantic City ("CAC") and collectively with Caesars Palace, Paris, and Planet Hollywood,  
9 "Caesars"). Anthony DiRaimondo, Esq. of the law firm RICE REUTHER SULIVAN & CARROLLC,  
10 LLP appeared on behalf of the LLTQ/FERG Defendants. Daniel Brooks, Esq., of SCAROLA  
11 ZUBATOV SCHAFFZIN PLLC, appeared telephonically on behalf of the LLTQ/FERG Defendants.  
12 Allen Wilt, Esq., of the law firm FENNEMORE CRAIG, appeared on behalf of Gordon Ramsay.

13 The Court having considered the Motion to Amend and the opposition thereto, as well as  
14 argument of counsel presented at the hearing, and good cause appearing therefor,

15 THE COURT FINDS THAT, under Nevada law, "[t]he court should freely give leave [to  
16 amend] when justice so requires." NRCP 15(a)(2). However, "[t]his does not . . . mean that a  
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20 THE COURT FURTHER FINDS THAT, "[w]here a scheduling order has been entered,  
21 the lenient standard under Rule 15(a), which provides leave to amend 'shall be freely given,' must  
22 be balanced against the requirement under Rule 16(b) that the Court's scheduling order 'shall not  
23 be modified except upon a showing of good cause.'" *Nutton v. Sunset Station, Inc.*, 131 Nev. 279,  
24 285, 357 P.3d 966, 971 (Nev. App. 2015) (quoting *Grochowski v. Phoenix Constr.*, 318 F.3d 80,  
25 86 (2d Cir.2003)). "Disregard of the [scheduling] order would undermine the court's ability to  
26 control its docket, disrupt the agreed-upon course of the litigation, and reward the indolent and the  
27 cavalier." *Id.* at 285-86, 357 P.3d at 971 (quoting *Johnson v. Mammoth Recreations, Inc.*, 975  
28 F.2d 604, 610 (9th Cir.1992)).



1 THE COURT FURTHER FINDS THAT, the deadline to amend pleadings in this action  
2 was February 4, 2019. Accordingly, the LLTQ/FERG Defendants had to demonstrate that good  
3 cause exists to allow the amendment of their counterclaim after the deadline had expired.

4 THE COURT FURTHER FINDS THAT, the LLTQ/FERG Defendants have not met that  
5 burden and have not demonstrated that good cause exists to permit amendment of their  
6 counterclaim. The LLTQ/FERG Defendants were aware of the facts they sought to include in  
7 their amended counterclaim before the deadline to amend expired and they delayed seeking leave  
8 to amend their counterclaim.

9 IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Motion to  
10 Amend is DENIED IN ITS ENTIRETY.

11 IT IS SO ORDERED.

12 DATED this 22<sup>nd</sup> day of November 2019.

13   
14 THE HONORABLE TIMOTHY C. WILLIAMS  
EIGHTH JUDICIAL DISTRICT COURT  
15 

15 Respectfully submitted by:

16 DATED November 21, 2019

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2 DATED November 21, 2019

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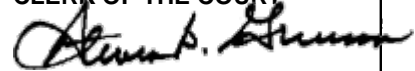
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**TAB 14**



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**EIGHTH JUDICIAL 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

GR BURGR LLC, a Delaware limited liability  
company,

Nominal Plaintiff.

AND ALL RELATED MATTERS

Case No.: A-17-751759-B

Dept. No.: XVI

Consolidated with A-17-760537-B

**ORDER GRANTING CAESARS'  
MOTION FOR LEAVE TO FILE FIRST  
AMENDED COMPLAINT**

Date of Hearing: February 12, 2020

Time of Hearing: 9:00 a.m.

PHWLTV, LLC ("Planet Hollywood"), Desert Palace, Inc. ("Caesars Palace"), Paris Las Vegas Operating Company, LLC ("Paris"), and Boardwalk Regency Corporation d/b/a Caesars Atlantic City ("CAC") and collectively with Caesars Palace, Paris, and Planet Hollywood, "Caesars") Motion for Leave to File First Amended Complaint (the "Motion to Amend") came before the Court for hearing on February 12, 2020, at 9:00 a.m. James J. Pisanelli, Esq., M. Magali Mercera, Esq., and Brittanie Watkins, Esq. of the law firm PISANELLI BICE PLLC, appeared on behalf of Caesars. David Carroll, Esq. of the law firm RICE REUTHER SULLIVAN & CARROLL, LLP, and Daniel Brooks, Esq., of the law firm SCAROLA ZUBATOV appeared on behalf of Rowen Seibel ("Seibel"), TPOV Enterprises, LLC ("TPOV"), TPOV Enterprises 16, LLC ("TPOV 16"), LLTQ Enterprises, LLC ("LLTQ"), LLTQ Enterprises 16, LLC ("LLTQ 16"), FERG, LLC ("FERG"), FERG 16, LLC ("FERG 16"), MOTI Partners, LLC ("MOTI"), and MOTI Partners 16, LLC ("MOTI 16") (collectively the "Seibel Parties"). Allen Wilt, Esq., of the law firm FENNEMORE CRAIG, appeared on behalf of Gordon Ramsay.

The Court having considered the Motion to Amend and the opposition thereto, as well as argument of counsel presented at the hearing, and good cause appearing therefor,

THE COURT FINDS THAT, under Nevada law, "[t]he court should freely give leave [to amend] when justice so requires." NRCP 15(a)(2). However, "[w]here a scheduling order has been entered, the lenient standard under Rule 15(a), which provides leave to amend 'shall be freely given,' must be balanced against the requirement under Rule 16(b) that the Court's scheduling order 'shall not be modified except upon a showing of good cause.'" *Nutton v. Sunset Station, Inc.*, 131 Nev. 279, 285, 357 P.3d 966, 971 (Nev. App. 2015) (quoting *Grochowski v. Phoenix Constr.*, 318 F.3d 80, 86 (2d Cir. 2003)).

THE COURT FURTHER FINDS THAT, "[i]n determining whether 'good cause' exists under Rule 16(b), the basic inquiry for the trial court is whether the filing deadline cannot reasonably be met despite the diligence of the party seeking the amendment." *Id.* at 286-87, 357 P.3d at 971 (citations omitted). Accordingly, the court must weigh the following factors: "(1) the explanation for the untimely conduct, (2) the importance of the requested untimely action, (3) the

1 potential prejudice in allowing the untimely conduct, and (4) the availability of a continuance to  
2 cure such prejudice." *Id.* at 287, 357 P.3d 971-72.

3 THE COURT FURTHER FINDS THAT, the deadline to amend pleadings in this action  
4 was February 4, 2019. Accordingly, Caesars had to demonstrate that good cause exists to allow  
5 the amendment of their complaint after the deadline had expired.

6 THE COURT FURTHER FINDS THAT, Caesars has met its burden and demonstrated  
7 that good cause exists to permit amendment of their complaint. Specifically, under the *Nutton*  
8 factors, Caesars demonstrated good cause because depositions had to be taken in order to  
9 understand the documents produced by the parties. There is no potential prejudice in allowing the  
10 amendment as trial in this matter is currently scheduled to commence on November 9, 2020, and  
11 the amendment does not appear to impact the trial date. In light of the trial date, there is no need  
12 to address the availability of a continuance at this time.



13 ///

14 ///

1 IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Motion to  
2 Amend is GRANTED.

3 IT IS SO ORDERED.

4 DATED this 9<sup>th</sup> day of March 2020.

5  
6   
7 THE HONORABLE TIMOTHY C. WILLIAMS  
EIGHTH JUDICIAL DISTRICT COURT 

8 Respectfully submitted by:

9 DATED March 10, 2020

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DATED March 6, 2020

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