

Adler Declaration Exhibit 24

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

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WILMINGTON SAVINGS FUND)
 SOCIETY, FSB, solely in its capacity)
 as Successor Indenture Trustee for)
 the 10% Second-Priority Senior)
 Secured Notes due 2018, on behalf)
 of CAESARS ENTERTAINMENT)
 OPERATING COMPANY, INC.,)
 Plaintiff,)

vs.) C.A. No. 10004-VCG

CAESARS ENTERTAINMENT OPERATING)
 COMPANY, INC., et al.,)
 Defendants.)

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CAPTION CONTINUED ON NEXT PAGE

* * * C O N F I D E N T I A L * * *

VIDEOTAPED 30(b)(6) DEPOSITION OF CAESARS

ENTERTAINMENT CORPORATION by DAVID SAMBUR

New York, New York

September 9, 2015

Reported by: BONNIE PRUSZYNSKI, RMR, RPR, CLR
JOB NO. 96970

1 D. Sambur

2 Q And let me ask about the prior
3 year. By the prior year, I assume you mean
4 2013?

5 A Yes.

6 Q What happened in 2013?

7 MR. CLAYTON: Objection to the
8 form.

9 A I don't recall specifically the
10 events, but I don't believe 2014 was the
11 first time that compliance -- it's not really
12 compliance. I'm not sure that 2014 was the
13 first time that the auditors had raised
14 doubts about the company's ability to
15 continue operating as a going concern.

16 Q What did the company do in 2013 to
17 address the auditor's concerns?

18 A Well, there were a variety of
19 transactions done in 2013. I don't remember
20 the complete list. Certainly CGP was formed
21 in late 2013, which provided a substantial
22 amount of cash and liquidity to CEOC.

23 There were, I'm sure, countless
24 other transactions done in 2013, whether they
25 be additional asset sales or debt financings.

1 D. Sambur

2 Q And let me then now ask you about
3 2014.

4 A Sure.

5 Q What was done in 2014 to respond to
6 Deloitte's concern about the future of CEOC
7 as a going concern?

8 A So, there were two major things
9 done. One of them was Project Positive, and
10 then the other one, you know, which was
11 required, was the so-called B7 transaction,
12 where the company raised a billion seven five
13 term loan and refinanced 2015 and a
14 substantial portion of 2016 maturities, and
15 also built substantial room in its covenant,
16 and also, most importantly, in a bank
17 amendment removed the going concern
18 qualification going forward.

19 Q Before changes to the relevant
20 documents, was -- would a going concern
21 opinion have been an incurable default?

22 MR. SEILER: Objection to form.

23 A I believe -- I don't know
24 technically the answer, but from the way I
25 thought about things, a going concern opinion

1 D. Sambur

2 could not be rectified once issued.

3 Q By the way, in the course of
4 preparing for your deposition, did you read
5 the transcript of the deposition of
6 Mr. Rowan?

7 A No.

8 Q Or have explained to you anything
9 that he said in his testimony?

10 A No.

11 Q Or were you told what exhibits were
12 used in his deposition?

13 A No.

14 Q Same answers for any other witness
15 in this case?

16 A Correct.

17 MR. STEWART: Take number 12 out.

18 (Sambur Exhibit 12,

19 CEC-NOTEHOLDER_00000627-630 marked for
20 identification, as of this date.)

21 Q I've put in front of you
22 Exhibit 12. I will have to search for my own
23 copy. Apologize while I go through all these
24 documents to get my own copy of this exhibit.
25 Here it is.

1 D. Sambur

2 Mr. Sambur, I have put in front of
3 you, or the reporter has, Exhibit 12. Have
4 you seen Exhibit 12 before?

5 A I have.

6 Q And just for the record, what is
7 Exhibit 12?

8 A It is the press release announcing
9 the transaction I just talked about, what I
10 called the B7 transaction.

11 Q Okay. And this is dated May 6th,
12 2014?

13 A It is.

14 Q Okay. In the middle of the way
15 this has been produced to us, there is a logo
16 for Caesars, and then below it there is some
17 text. Do you see how the Caesars logo is in
18 the middle of the page?

19 A I do.

20 Q Okay. So, I want to direct your
21 attention to the text that is under that
22 logo. And it talks about the actions, a
23 series of actions. Are these the actions
24 that comprise the B7 transaction that you
25 just told me about?

1 D. Sambur
 2 A Yes.
 3 Q So, let's go through them. We will
 4 come back to some of these, but I was
 5 thinking this might speed us up.
 6 The first bullet speaks of a new
 7 1.75 billion first lien debt offering by
 8 CEOC?
 9 A Yes.
 10 Q Is that the B7 loan itself?
 11 A That is.
 12 Q And who were the lenders for the B7
 13 loan?
 14 A It was a loan that was syndicated
 15 on a best efforts basis by a group of
 16 underwriting banks. The specific order book
 17 I don't recall.
 18 Q Was BlackRock one of them?
 19 A They were one of the large lenders,
 20 yes.
 21 Q Bank of American, Merrill Lynch?
 22 A I don't recall whether they lent
 23 any money.
 24 Q Citibank?
 25 A They were one of the underwriters.

1 D. Sambur
 2 I'm not sure whether they lent any money.
 3 Q I'm just asking about the
 4 underwriters.
 5 A So the underwriters.
 6 Q The underwriters, that's all.
 7 A Okay. So let's go back. BlackRock
 8 was not an underwriter.
 9 Q They were a lender?
 10 A Yes.
 11 Q Okay. Citibank?
 12 A I believe they were an underwriter.
 13 Q And a lender, too, or do you not
 14 know?
 15 A I don't believe they were a lender.
 16 Q Okay. Bank of America, Merrill
 17 Lynch?
 18 A I believe they were an arranger.
 19 Q Do you remember anyone else who
 20 served as an underwriter on the B7
 21 transaction?
 22 A Yeah. Technically, the term in the
 23 bank markets is an "arranger."
 24 Q Okay.
 25 A I believe Credit Suisse was an

1 D. Sambur
 2 arranger. I don't recall the others offhand,
 3 but I think there were others.
 4 Q Okay. All right. At that time,
 5 was there also a tender offer done for
 6 certain of the bonds that CEOC had issued?
 7 A Yes. The proceeds of the B7 loan
 8 were used to retire 2015 bond debt, and to
 9 get those bonds back, the company tendered
 10 for them.
 11 Q Do you know what series of debt --
 12 was there more than one series of 2015 bond
 13 debt?
 14 A I believe there were two issues
 15 that were bought back. It was a 2015
 16 unsecured issue that was quite large, I think
 17 approximately \$800 million. And then there
 18 was a smaller tranche of -- you can actually
 19 see it on the second page -- \$215 million of
 20 second lien notes due 2015.
 21 Q Tell me where you are looking, so
 22 maybe that will speed us up here.
 23 A I'm looking at the third full
 24 paragraph on the second page.
 25 Q The one that starts with

1 D. Sambur
 2 "assuming"?
 3 A Yes.
 4 Q Okay. So, you are saying that's
 5 the 29 million?
 6 A No. So, of the 2015 maturities,
 7 29 million of term loans were repaid,
 8 215 million of second lien notes due 2015
 9 were tendered for.
 10 Q Um-hum.
 11 A 792 million of unsecured notes due
 12 2015 were tendered for. And then the company
 13 repaid \$800 million of term loans under the
 14 existing credit facility. I think those
 15 wound up all being 2016 maturity term loans.
 16 Q Were all of the 2015 maturities
 17 tendered in response to the tender offer?
 18 A I don't recall whether 100 percent.
 19 I believe slightly less than 100 percent were
 20 technically tendered. I think the rest of
 21 them were redeemed.
 22 Q And let's go back to the first
 23 page. The second bullet point talks about
 24 the sales by -- "sale by Caesars
 25 Entertainment of 5 percent of CEOC's equity

1 D. Sambur
 2 A That would be if you were putting
 3 together a graph with the X-axis being years,
 4 looking at as you go out each year how much
 5 debt is maturing in each year.
 6 Q Now, the B7 transaction resulted in
 7 CEOC taking on new debt; correct?
 8 A It did.
 9 Q At the end of the day, did CEOC
 10 have more debt or less debt after the B7
 11 transaction closed?
 12 A It was roughly a push.
 13 Q And in terms of maturities, what
 14 was the effect of the B7 transaction?
 15 A It cleared out all of the 2015
 16 maturities, I think about -- I think it was
 17 bought a billion of 2015 maturities, and
 18 cleared out about 800 million of 2016
 19 maturities, and then subsequent transactions
 20 cleared out a substantial portion of the '16
 21 and '17 maturities.
 22 Q What was the maturity on the B7
 23 term loans?
 24 A I think 2018.
 25 Q Okay. Let's look at the next page,

1 D. Sambur
 2 still on the Blackstone. The top point says,
 3 "Absent an amendment to the 4.75X SSLR
 4 covenant, CEOC is projected to default under
 5 the covenant in the second half of 2014."
 6 What is that -- what is the 4.75X
 7 SSLR covenant?
 8 A So, this is the bank maintenance
 9 covenant I was referring to earlier in our
 10 conversation. It's -- SSLR is an
 11 abbreviation for senior secured leverage
 12 covenant.
 13 Q Senior secured leverage ratio?
 14 A Ratio.
 15 Q Okay. And why was CEOC projected
 16 to default on it in the second half of that
 17 year?
 18 A At the time, based on the company's
 19 forecast, its ratio of debt that would be
 20 measured under this covenant to its EBITDA
 21 would exceed 4.75 times.
 22 Q Okay. Let's go to the next page,
 23 page five. The top bullet point says, "In
 24 the future, the sale of CEOC common stock may
 25 have other benefits to CEC, such as serving

1 D. Sambur
 2 as a liquid currency for capital markets
 3 transactions, liability management
 4 transactions and management compensation."
 5 And the next bullet point says,
 6 "However, these benefits may not materialize
 7 in the near term, largely as a result of the
 8 approximate 19.3 billion of debt that stands
 9 ahead of any potential equity value."
 10 Was 19.3 billion the amount of debt
 11 that CEOC had at the time?
 12 A I don't remember offhand, but I
 13 have no reason to question this being
 14 accurate.
 15 Q And the phrase "stands ahead of any
 16 potential equity value," what did that mean
 17 to you?
 18 A That debt is senior to equity.
 19 Q Was it your view at the time that
 20 CEOC had the earning power to retire
 21 \$19.3 billion of debt?
 22 MR. CLAYTON: Objection to the
 23 form.
 24 A I did believe at the time that CEOC
 25 had the ability, through additional

1 D. Sambur
 2 transactions in the future, as we have been
 3 doing since 2008, and improving its business,
 4 to repay that debt, yes.
 5 Q Okay. Was it not the case that
 6 CEOC was having trouble at the time, though,
 7 even servicing its debt?
 8 MR. CLAYTON: Objection to the
 9 form.
 10 A Can you be more specific?
 11 Q Well, at the time of this
 12 presentation, was it not the case that CEOC
 13 was having trouble earning enough money to
 14 make payments on the debt that it had?
 15 A I'm not sure I would agree with
 16 your characterization. CEOC certainly had a
 17 lot of debt, and had a lot of interest
 18 expense. It had a lot of debt and a lot of
 19 interest expense going back several years.
 20 It's never missed a payment on the debt or
 21 the principal, and in fact, had raised
 22 billions of dollars of debt, as we discussed
 23 earlier, and refinanced, I think it was
 24 \$9 billion of maturing debt.
 25 So, I don't know if I would say it

1 D. Sambur
 2 as to why, I think the view was to clear up
 3 any confusion in the marketplace and because
 4 it was actually a pretty good deal for CEOC
 5 in terms of the debt reduction it got and the
 6 \$34 million of interest savings. It was
 7 worth doing.
 8 Q What was the confusion in the
 9 marketplace?
 10 A All these -- all these letters and
 11 allegations.
 12 Q The allegations that the guarantee
 13 wasn't released?
 14 A Yes.
 15 Q Was that somehow affecting the
 16 trading price for the notes?
 17 MR. CLAYTON: Objection to the
 18 form.
 19 A I wasn't concerned about the
 20 trading price for the notes. I was concerned
 21 about just the ability to issue equity going
 22 forward at CEOC and CEC, and issue debts and
 23 things like that.
 24 Q Do you recall at some point that
 25 CEC or CEOC agreed to pay Sullivan &

1 D. Sambur
 2 Cromwell's and GLC's fees in connection with
 3 advising the Sullivan & Cromwell clients?
 4 A I think I was asked earlier. I
 5 don't remember, but an arrangement like that
 6 isn't atypical.
 7 Q Why isn't it atypical?
 8 A Usually when you deal with
 9 creditors, they don't like to pay their
 10 advisors' fees. You probably have some
 11 experience in that matter.
 12 MR. VELOCCI: Let's mark -- I think
 13 we are starting with 88.
 14 (Sambur Exhibit 88,
 15 APOLLO-NOTEHOLDER_00005135-140 marked for
 16 identification, as of this date.)
 17 Q We have marked as Sambur 88 a
 18 series of e-mails, and you can read through
 19 it if you would like, but it ends with a
 20 meeting at your office or approaching a
 21 meeting at your office.
 22 A Yes.
 23 Q And that's what I really want to
 24 focus on.
 25 Are you ready?

1 D. Sambur
 2 A Okay.
 3 Q Do you recall that meeting on
 4 June 24th?
 5 MR. CLAYTON: Objection to the
 6 form.
 7 A I do remember, as I said earlier,
 8 two meetings with Dietderich, one which took
 9 place at Paul, Weiss, and one I think that
 10 took place at Apollo, so yes.
 11 Q Do you recall what was discussed at
 12 that meeting, the one at Apollo?
 13 A I don't. I don't remember the
 14 chronology, if this was the first or second
 15 meeting.
 16 Q When do you recall discussing for
 17 the first time the amount that CEC or CEOC
 18 would be willing to pay the Sullivan &
 19 Cromwell clients to repurchase their notes?
 20 A Between the May 15th letter and the
 21 transaction, I don't remember when it first
 22 cropped up.
 23 Q Do you remember who made the first
 24 offer?
 25 A I think they asked first.

1 D. Sambur
 2 Q They asked first?
 3 A Yes.
 4 Q Did they ask for par?
 5 A I believe so, yes.
 6 Q Do you recall shortly after the May
 7 letter from Andy having discussions with
 8 Sullivan & Cromwell regarding offering all of
 9 the noteholders an opportunity to be part of
 10 an agreement with CEC and CEOC?
 11 A I don't remember that, no.
 12 Q Do you recall any discussions
 13 regarding that at any time?
 14 A I don't, no.
 15 Q Do you recall at some point
 16 indicating to the Sullivan & Cromwell clients
 17 that all CEC and CEOC needed was about
 18 51 percent of the noteholders in order to do
 19 this deal?
 20 A I don't remember it that way, but I
 21 do recall the perspective we had that if we
 22 were going to amend the indentures as part of
 23 the deal, which was done, that 51 percent of
 24 each class was all that was needed.
 25 Q And who first raised the idea of

1 D. Sambur
 2 amending the indentures?
 3 A I believe they proposed it as part
 4 of the deal.
 5 Q It was their idea to just simply
 6 get a majority and have the indentures
 7 amended to remove the guarantee?
 8 A I believe so, yeah.
 9 Q Do you recall any discussions that
 10 there were perhaps any concerns with respect
 11 to not offering the repurchase of the notes
 12 to the entire group of noteholders?
 13 MR. CLAYTON: You should exclude
 14 from your answer communications with
 15 counsel.
 16 A Yeah, I mean other than discussions
 17 with counsel, there were no other
 18 discussions.
 19 Q No other discussions other than
 20 with counsel?
 21 A Yes.
 22 Q Do you recall any discussions that
 23 perhaps not including all the noteholders
 24 would be a violation of the Trust Indenture
 25 Act?

1 D. Sambur
 2 MR. CLAYTON: Again, you should
 3 exclude --
 4 A Same answer.
 5 MR. CLAYTON: -- communications --
 6 A Same answer.
 7 Q Other than with counsel, none?
 8 A Correct.
 9 Q As of the May letter, you were not
 10 sitting on the CEOC board; correct?
 11 A I don't believe I was, no.
 12 Q Did you begin negotiating -- well,
 13 let me ask this: Was Kirkland & Ellis
 14 retained as of that date for CEOC?
 15 A I don't believe they were, no.
 16 Q Do you remember when approximately
 17 they were?
 18 A I think June maybe.
 19 Q Before the June 24th meeting at
 20 your office?
 21 A I don't recall.
 22 Q Do you recall if it was at or
 23 around that time?
 24 A I can't say for certain.
 25 Q Do you recall speaking with

1 D. Sambur
 2 Kirkland about that meeting?
 3 A I don't recall.
 4 Q Do you recall commencing the
 5 negotiations with Sullivan & Cromwell clients
 6 before Kirkland was retained?
 7 A I do think that likely would have
 8 happened, yes.
 9 Q So, who would you have communicated
 10 with at CEOC before Kirkland was retained and
 11 before you became a board member about these
 12 negotiations?
 13 MR. CLAYTON: Objection to the
 14 form.
 15 A It would have been Eric Hession or
 16 some of the officers there.
 17 Q Did you seek any authority from the
 18 CEOC board to begin those negotiations?
 19 A No. I think the authority was
 20 given when the transactions were approved.
 21 Q So, before then you didn't need it?
 22 A I think the creditors understood
 23 that everything was subject to board
 24 approval.
 25 MR. VELOCCI: Let's mark this as

1 D. Sambur
 2 one, 89.
 3 (Sambur Exhibit 89,
 4 APOLLO-NOTEHOLDER_00002598-604 marked for
 5 identification, as of this date.)
 6 Q We've marked as Sambur 89 an e-mail
 7 with two attachments.
 8 MR. VELOCCI: Lew, you have it;
 9 right?
 10 MR. CLAYTON: I have an e-mail. I
 11 have two attachments. And they are
 12 consecutively numbered.
 13 MR. VELOCCI: That's correct.
 14 MR. CLAYTON: That's all I can say.
 15 MR. VELOCCI: Okay.
 16 MR. CLAYTON: But I have that.
 17 Q This is an e-mail from you
 18 initially to Michael Sellinger, and then I
 19 believe internally, just to have it printed
 20 out, to Marissa Howell, with term sheets.
 21 One looks clean, one looks blacklined.
 22 Do you recall making these changes
 23 to the term sheet?
 24 A I don't remember this version of
 25 the term sheet specifically, no.

1 D. Sambur

2 Q Looking at the blackline on Bates
3 label 2601 -- I think you're on 02 -- in the
4 proposed transaction structure, it indicates
5 a ratable amount of \$125 million of cash in
6 the aggregate. Assuming about 396 million
7 principal amount of securities outstanding,
8 each holder shall receive, in the event of
9 100 percent participation, \$315 of cash for
10 each 1,000, and then in the event of
11 51 percent participation, \$618 of cash for
12 each 1,000.

13 Do you see that?

14 A Um-hum. Yes.

15 Q And is that a change that you made?
16 Do you recall?

17 A Personally?

18 Q Yes.

19 A I don't know.

20 Q Do you recall having discussions
21 with Michael Sellinger about -- about the
22 more noteholders that participated, the less
23 cash would be available for each of them?

24 A That concept, I don't recall
25 discussions of that concept, no.

1 D. Sambur

2 Q With anybody? Not limited to
3 Michael.

4 MR. CLAYTON: Exclude counsel from
5 that.

6 A No.

7 (Sambur Exhibit 90,
8 APOLLO-NOTEHOLDER_00002754-756 marked for
9 identification, as of this date.)

10 Q We've marked as Sambur 90, it's an
11 e-mail exchange that ultimately is forwarded
12 to you.

13 Do you recall receiving this?

14 A I vaguely recollect this exchange,
15 yes.

16 Q It appears that at some point in
17 time, the negotiations with the Sullivan &
18 Cromwell clients broke down. Do you recall
19 that happening?

20 MR. CLAYTON: Object to the form.

21 A I don't know about broke down. I
22 think the issue is that these guys were very
23 focused on staying restricted from trading,
24 and I think the main issue at this point in
25 time is that the transaction wasn't yet ready

1 D. Sambur

2 to be signed and announced, and the company
3 had asked for them to extend their
4 restriction period, and they said no.

5 Q The e-mail from David Tiomkin to
6 Jeff Saferstein indicates that they accepted
7 the last verbal offer from Sambur, so there
8 was a 100 percent meeting of the minds.

9 Do you recall the offer that he is
10 referring to there?

11 A I don't, but the transaction was
12 announced, I think, two days after this, so
13 I'm presuming it was fairly close to whatever
14 was announced.

15 Q Flip to the second page. In the
16 middle of an e-mail from Andy Dietderich to
17 Paul, Weiss attorneys, the fifth bullet point
18 down says, "On August 7th, the company
19 representative informed representatives of
20 the investors that CEC was in discussions
21 with other parties in connection with an
22 alternative transaction involving the
23 disposition of senior notes held by CEC
24 subsidiaries and CAC."

25 Is that true?

1 D. Sambur

2 MR. SEILER: Objection to form.

3 A I don't remember that
4 communication.

5 Q Well, were you ever involved in
6 negotiations with other parties in connection
7 with an alternative transaction involving the
8 disposition of the senior notes?

9 A Like I said, I don't remember that
10 specific item.

11 Q Right now I'm asking a different
12 question. I'm asking if you were involved
13 with any other parties other than these
14 investors.

15 A I don't recollect having
16 discussions.

17 Q With any other party?

18 A Correct.

19 Q Did you have any -- have you ever
20 had any discussions, for instance, with
21 MeehanCombs regarding purchasing its notes?

22 A Prior to them suing us?

23 Q Yes.

24 A No.

25 Q How about any other noteholders?

1 D. Sambur
 2 MR. SEILER: Objection to the form.
 3 MR. CLAYTON: You mean noteholders
 4 of this --
 5 A Just to be clear, though --
 6 MR. VELOCCI: Yes.
 7 A No. The answer is no.
 8 Q Just to be clear, what?
 9 A That's fine.
 10 Q It's fine?
 11 A I understood the question.
 12 Q Okay. Very good.
 13 MR. VELOCCI: 91.
 14 (Sambur Exhibit 91,
 15 APOLLO-NOTEHOLDER_00002812-813 marked for
 16 identification, as of this date.).
 17 Q This is Sambur 91, which is an
 18 e-mail from Andy Dietderich. You are copied.
 19 And it sets out, I believe, our, if not
 20 final, near final terms for the August
 21 transaction.
 22 Let me know when you are ready.
 23 A Ready.
 24 Q How did you -- how did the parties
 25 ultimately agree to about \$160 million in

1 D. Sambur
 2 principal amount for the notes that were to
 3 be repurchased?
 4 A I don't recall where -- how we
 5 landed on 160.
 6 Q Was it good old-fashioned horse
 7 trading?
 8 A It was through negotiation.
 9 MR. CLAYTON: Objection to form.
 10 Q Did CEC or CEOC conduct any type of
 11 analysis to indicate whether or not they
 12 thought that was a fair price?
 13 MR. CLAYTON: Objection to the
 14 form.
 15 A I think their judgment was it was a
 16 fair price.
 17 Q Other than their judgment, I'm
 18 asking if there was any analysis prepared.
 19 MR. CLAYTON: Objection.
 20 A No actual numerical analysis I'm
 21 aware of.
 22 Q Was it a function of available cash
 23 on hand for CEOC or CEC?
 24 A I think ability to pay was a
 25 factor, yes.

1 D. Sambur
 2 Q The last sentence. "Source of the
 3 cash as between parent and company would be
 4 at the election of parent, although the
 5 documentation should provide a reasonable
 6 minimum to be contributed by parent."
 7 Do you have an understanding of
 8 what that sentence means?
 9 MR. CLAYTON: Objection to form.
 10 A I do, yeah.
 11 Q What is it?
 12 A It says, "The source of the cash as
 13 between parent and company would be at the
 14 election of parent, although the
 15 documentation provides a reasonable minimum
 16 to be contributed by parent." I think
 17 ultimately the agreement was half from CEOC,
 18 half from CEC, with CEOC able to recoup some
 19 of its contribution under certain
 20 circumstances.
 21 Q Why was it necessary for a
 22 reasonable minimum to be contributed by CEC?
 23 MR. CLAYTON: Object to the form.
 24 A I don't know.
 25 Q Do you recall any discussions

1 D. Sambur
 2 around that?
 3 A No.
 4 Q Do you recall whether or not there
 5 were concerns about perhaps this would be a
 6 fraudulent conveyance?
 7 MR. CLAYTON: You should exclude
 8 from your answer any communications with
 9 counsel.
 10 A No.
 11 Q No, you didn't have the
 12 discussions, or no, outside of counsel?
 13 MR. CLAYTON: You should -- you
 14 should give your answer just excluding
 15 communications with counsel. In other
 16 words, act as if any information you have
 17 from counsel simply does not exist, and
 18 then answer the question on that basis,
 19 rather than -- rather than give an
 20 indication of what your counsel said or
 21 didn't say.
 22 THE WITNESS: I understand.
 23 A My answer stands.
 24 Q I will get back to that.
 25 Do you recall discussing with any

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

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WILMINGTON SAVINGS FUND)
SOCIETY, FSB, solely in its capacity)
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of CAESARS ENTERTAINMENT)
OPERATING COMPANY, INC.,)
Plaintiff,)

vs.) C.A. No. 10004-VCG

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CAESARS ENTERTAINMENT OPERATING)
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Defendants.)

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CAPTION CONTINUED ON NEXT PAGE

VIDEOTAPED 30 (b) (6) DEPOSITION OF CAESARS
ENTERTAINMENT CORPORATION by DAVID SAMBUR
New York, New York
September 10, 2015

Reported by: BONNIE PRUSZYNSKI, RMR, RPR, CLR
JOB NO. 96971

1 D. Sambur
2 A Yes.
3 Q Okay. And there are two bullet
4 points in that row. The first reads,
5 "Consent to the removal and acknowledgment of
6 the termination of the CEC guarantee of the
7 securities."
8 Do you see that?
9 A I do.
10 Q Okay. And am I right, sir, that
11 subsequent to the execution of this contract,
12 CEC, CEOC, and the indenture trustee signed
13 supplemental indentures that removed the
14 guarantee provisions from the 2016 and 2017
15 indentures?
16 MR. CLAYTON: Objection to the
17 form.
18 A Yes. I believe supplemental
19 indentures were entered into, and I believe
20 these terms made their way into the
21 supplemental indentures.
22 Q Okay. And the second consent term
23 or second amendment to the notes reads as
24 follows: "Modify the covenant restricting
25 disposition of substantially all of CEOC's

1 D. Sambur
2 assets to measure future asset sales based on
3 CEOC's assets as of the date of the
4 amendment."
5 Do you see that?
6 A I do.
7 Q What do you understand that to
8 mean?
9 MR. CLAYTON: Objection to the
10 form.
11 A I mean, I think it's pretty plain
12 based on the language. I could read it back
13 to you.
14 It says the covenant restricting
15 the disposition of substantially all of
16 CEOC's assets to measure future asset sales
17 would be based on CEOC's assets as of the
18 date of the amendment.
19 Q The change that was being made to
20 that provision was the restriction of its
21 scope to future asset sales; right?
22 MR. CLAYTON: Objection to the
23 form.
24 A I don't have the supplemental
25 indenture in front of me, but based on this

1 D. Sambur
2 bullet point, it means what it says.
3 Q I'm not asking -- well, I'm asking
4 you for your understanding. You're telling
5 me your understanding is consistent with the
6 language that you see there?
7 MR. CLAYTON: Objection. Objection
8 to the form. Move to strike counsel's
9 characterization of his statements and
10 his view as to what he is asking for, and
11 object to the form of the question.
12 Q You can answer.
13 A Maybe ask it again.
14 Q I will withdraw the question.
15 Why don't we actually take a look
16 at the supplemental indentures.
17 (Sambur Exhibit 101,
18 CEC-NOTEHOLDER_00005964-004 marked for
19 identification, as of this date.)
20 Q Mr. Sambur, you have been handed
21 Exhibit 101 to your deposition. It's a
22 Form 8-K filed by Caesars Entertainment
23 Operating Company with the SEC. It's dated
24 August 25th, 2014.
25 Have you seen this previously?

1 D. Sambur
2 A I have, yes.
3 Q What is it?
4 A It appears to be an 8-K attaching
5 four legal documents as exhibits, the first
6 supplemental indenture for the 5.75 notes due
7 2017, the first supplemental indenture for
8 the six-and-a-half percent notes due 2016,
9 and then two second supplemental indentures
10 for the same notes respectively.
11 Q The changes discussed in
12 Exhibit 100, that is the note purchase
13 agreement, are both addressed in the first
14 supplemental indenture; right?
15 MR. CLAYTON: Objection to the
16 form.
17 A I will have to just take a look to
18 confirm it.
19 Q Why don't you do that.
20 A I believe so, yes.
21 Q Okay. Why don't we take a look at
22 Exhibit 4.1 to this SEC filing. That is a
23 first supplemental indenture dated August 22,
24 2014; right?
25 A Yes.

1 D. Sambur
2 circumstances and transactions that were
3 involved that led it to that conclusion, and
4 my question is this: If I were to ask you
5 the same questions that were asked by several
6 of the counsel with respect to those facts
7 and circumstances, as they relate to the
8 first lien indentures, would your answers
9 have changed?

10 MR. CLAYTON: Object to the form.

11 A I think my answer will be similar
12 to the one I just gave. In a general manner,
13 I think the answer would be yes, unless there
14 was some specific feature of the question
15 that regarded one indenture over the other
16 that would make my answer different.

17 Q For example, if the specific terms
18 of the indenture were different; correct?

19 A Sure. Or if some other feature of
20 the question, you know, required a specific
21 response, yes.

22 Q Thank you very much.

23 I would like to draw your attention
24 to Sambur 2. That is the declaration.

25 A I was keeping it handy.

1 D. Sambur
2 that because you were involved in the
3 transaction and you are personally aware that
4 the sale did not entail any modifications to
5 the indentures; correct?

6 MR. CLAYTON: Objection to the
7 form.

8 A Correct.

9 Q And that statement is accurate, is
10 it not?

11 A It is.

12 Q And you go on to say after that,
13 "and no consent by the holders of the notes
14 was required under the terms of the
15 indentures."

16 That is your declaration; correct?

17 A It is, yes.

18 Q And would you agree with me that
19 the phrase -- the conclusion that no consent
20 by the holders of the notes was required
21 under the terms of the indentures is a legal
22 conclusion?

23 MR. CLAYTON: Objection.

24 Q Is that fair to say?

25 MR. CLAYTON: Object to the form.

1 D. Sambur
2 Q You have got it?
3 A Got it.
4 Q Mr. Sambur, this is the declaration
5 that you submitted to court in support of
6 Caesars Entertainment Corporation's
7 opposition to BOKF and UMB's motion for
8 partial summary judgment; correct?

9 A Yes.

10 Q And I just want to ask you a couple
11 of questions about paragraph 15, and when you
12 get there, please let me know.

13 A I have it.

14 Q Okay. And do you see in
15 paragraph 15, you are talking about the
16 5 percent stock sale that occurred on
17 May 5th, 2014?

18 A Yes.

19 Q And in that last sentence starting
20 on page five and carrying over on page six,
21 you declare that "the sale did not entail any
22 modification to the indentures."

23 Do you see that?

24 A I do.

25 Q And you are able to tell the Court

1 D. Sambur
2 A I don't know if it's a legal
3 conclusion or not. I certainly can make the
4 statement based on my understanding.

5 Q Okay. And is that statement based
6 on your understanding of how the guarantee
7 protections worked under the indentures?

8 MR. CLAYTON: You should exclude
9 from your answer communications with
10 counsel on this issue.

11 A I think it is hard to separate
12 discussions with counsel from my own
13 understanding in matters like this.

14 Q Do you have any other basis,
15 independent of any discussion you may have
16 had with counsel, that led you to conclude
17 that no consent by the holders of the notes
18 was required under the terms of the
19 indentures?

20 A Again, I think given how involved
21 counsel has been in this matter, given the
22 litigation, it's hard for me to separate my
23 own personal conclusions from those through
24 conversations with counsel.

25 Q But when you submit this

Adler Declaration Exhibit 25

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

WILMINGTON SAVINGS FUND)
SOCIETY, FSB, solely in its capacity)
as successor Indenture Trustee for)
the 10% Second-Priority Senior)
Secured Notes due 2018, on behalf)
of itself and derivatively on behalf)
of CAESARS ENTERTAINMENT)
OPERATING COMPANY, INC.,)
Plaintiff,)
vs.) C.A. No.
CAESARS ENTERTAINMENT CORPORATION,) 10004-VCG
CAESARS GROWTH PARTNERS, LLC,)
CAESARS ACQUISITION COMPANY,)
CAESARS ENTERTAINMENT RESORT)
PROPERTIES, LLC, CAESARS)
ENTERTAINMENT OPERATING COMPANY,)
INC., CAESARS ENTERPRISE SERVICES,)
LLC, ERIC HESSION, GARY LOVEMAN,)
JEFFREY D. BENJAMIN, DAVID BONDERMAN,)
KELVIN L. DAVIS, MARC C. ROWAN,)
DAVID B. SAMBUR, AND ERIC PRESS,)
Defendants,)
and)
CAESARS ENTERTAINMENT OPERATING)
COMPANY, INC.,)
Nominal Defendant.)
-----)

CAPTION CONTINUED ON NEXT PAGE

* CONFIDENTIAL *

DEPOSITION OF JACQUELINE BEATO

New York, New York

Saturday, September 26, 2015

Reported by:
KRISTIN KOCH, RPR, RMR, CRR
JOB NO. 97841

1 Beato - Confidential
2 that.
3 Q. You had mentioned the B-7 lenders
4 wanting a modification of the parent guarantee.
5 Do you have an understanding of the
6 transaction --
7 (Phone interruption.)
8 MR. GEREMIA: Let's go off the
9 record for a second.
10 (Recess was taken from 10:51 to
11 10:52.)
12 BY MR. GEREMIA:
13 Q. Let me withdraw what I just stated
14 and I will start again.
15 Are you aware that also in May 2014
16 Caesars entered into what is called the B-7
17 transaction?
18 A. I'm aware of the B-7 transaction.
19 Q. What was the B-7 transaction?
20 A. It was raising an additional tranche
21 of term loan named B-7 and amending certain
22 aspects of the credit agreement to pay -- and
23 paying off shorter-term maturities.
24 Q. And why was -- which entity entered
25 into that transaction, was it CEC or CEOC; do

1 Beato - Confidential
2 you recall?
3 MR. RUBINSTEIN: Object to the form
4 of the question.
5 A. It was a CEOC transaction.
6 Q. And why did CEOC enter into that
7 transaction, if you know?
8 A. Yeah, to give it headroom under its
9 covenant, to be able to raise debt to pay down
10 short-term maturities were some of the reasons.
11 I don't remember all of them.
12 Q. And why did CEOC need, as you
13 stated, headroom under the covenant?
14 A. It was -- the covenant calculation
15 was very tight in CEOC and so additional
16 headroom was necessary not to breach that
17 covenant.
18 Q. So CEOC was at risk of breaching the
19 covenant had it not entered into the B-7
20 transaction; is that correct?
21 A. That is correct.
22 Q. Was it your understanding that the
23 B-7 transaction and the 5% equity sale was part
24 of a package of transactions that CEC was
25 engineering to deal with CEOC's debt?

1 Beato - Confidential
2 MR. RUBINSTEIN: Object to the form
3 of the question.
4 You can answer.
5 A. I don't know about any CEC plans to
6 engineer something.
7 Q. Well, was the B-7 transaction and
8 the 5% equity sale, were those related in any
9 way, to your knowledge?
10 A. Nothing that I would be aware of,
11 yeah, no.
12 Q. You testified earlier about your
13 understanding that the B-7 lenders wanted a
14 modification of the guarantee and so it was for
15 that -- that was one of the reasons that CEC
16 entered into the 5% equity sale. Do you recall
17 that testimony?
18 A. That's correct.
19 Q. And in that respect was the B-7
20 transaction related to the 5% equity sale, in
21 your view?
22 A. I don't know what you mean by
23 "related."
24 Q. There was -- I think you said that
25 the B-7 lenders wanted this modification;

1 Beato - Confidential
2 right? I'm sorry. The B-7 lenders wanted a
3 modification of the parent guarantee; correct?
4 A. Correct.
5 Q. And it was also your understanding
6 that CEC entered into the 5% equity sale so
7 that it could release the parent guarantee;
8 correct?
9 A. I don't know if that was the --
10 that's not my understanding, so no.
11 Q. What is your understanding?
12 A. That there is also the ability to do
13 these debt-for-equity transactions, which were
14 very important.
15 Q. That was one of the reasons, but I
16 thought you said before that another reason was
17 that the B-7 -- another reason that CEC entered
18 into the 5% equity sale was so that it could
19 take the position that the parent guarantee for
20 certain CEOC debt issuances had been released;
21 right?
22 MR. RUBINSTEIN: I object to the
23 form of the question.
24 A. That is also one of my
25 understandings.

Adler Declaration Exhibit 26

CAESARS ENTERTAINMENT CORP

FORM 8-K (Current report filing)

Filed 05/06/14 for the Period Ending 05/02/14

Address	ONE CAESARS PALACE DRIVE LAS VEGAS, NV 89109
Telephone	7024076000
CIK	0000858339
Symbol	CZR
SIC Code	7011 - Hotels and Motels
Industry	Casinos & Gaming
Sector	Services
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

May 6, 2014 (May 2, 2014)
Date of Report (Date of earliest event reported)

Caesars Entertainment Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State of
Incorporation)

001- 10410
(Commission
File Number)

62-1411755
(IRS Employer
Identification Number)

**Caesars Entertainment
Operating Company, Inc.**

(Exact name of registrant as specified in its charter)

Delaware
(State of
Incorporation)

333-189090-01
(Commission
File Number)

75-1941623
(IRS Employer
Identification Number)

One Caesars Palace Drive
Las Vegas, Nevada 89109
(Address of principal executive offices) (Zip Code)

(702) 407-6000
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



Stephen Cohen – Media
Caesars Entertainment Corporation
(212) 886-9332

Jennifer Chen – Investors
Caesars Entertainment Corporation
(702) 407-6407

Caesars Entertainment Announces Comprehensive Financing Plan Designed to Position Caesars Entertainment Operating Co. for Stock Listing and Significant Deleveraging

CEOC Launches First Lien Incremental Term Loan and Refinancing of All 2015 Maturities

Caesars Entertainment Sells 5% of CEOC Equity to Group of Institutional Investors, Agrees to Pursue Listing of CEOC Equity

CEOC Completes Sale of Three Las Vegas Properties to Caesars Growth Partners

CEOC Launches Credit Facility Amendment

CEOC to Expand Board of Directors

LAS VEGAS, May 6, 2014 – Caesars Entertainment Corporation (NASDAQ: CZR) (“Caesars Entertainment”) today announced a series of steps designed to position its subsidiary, Caesars Entertainment Operating Co. (“CEOC”), for a stock listing and significant deleveraging.

The actions include:

- a new \$1.75 billion first lien debt offering by CEOC, the proceeds of which will be used to redeem all of CEOC’s existing 2015 maturities and repay existing bank debt;
- the sale by Caesars Entertainment of 5% of CEOC’s equity to institutional investors, in connection with which Caesars Entertainment has agreed that CEOC will pursue a listing of such shares in the future;
- the closing of the previously announced sale of three CEOC-owned Las Vegas properties to Caesars Growth Partners;
- the launch of an amendment of CEOC’s credit facility;
- expansion of CEOC’s board of directors, with the intention of adding two new independent directors following regulatory approval.

“The actions we are taking today, combined with previous capital structure improvements and our investments to expand and upgrade our network as well as our ongoing focus on operational efficiency, lay the foundation for both significant deleveraging and value creation at CEOC,” said Gary Loveman, Chairman and CEO of Caesars Entertainment. “Our past actions have created substantial value in two stable structures, Caesars Entertainment Resort Properties (“CERP”) and Caesars Growth Partners, with standalone equity market capitalizations of \$2.6 billion at Caesars Entertainment and \$1.8 billion at Caesars Acquisition Company, the managing member and 42% economic owner of Caesars Growth Partners, implying over \$4 billion of equity value at Caesars Growth Partners. With the completion of CEOC’s sale of Bally’s Las Vegas, The Cromwell and The Quad Resort & Casino and the anticipated closing of the sale of Harrah’s New Orleans to Caesars Growth Partners, CEOC will have more than \$3 billion

in cash and will have sold its most capital-intensive and longer-term payout projects to Caesars Growth Partners. The transaction is designed to ensure continued access for CEOC and each of the properties being sold to the Total Rewards network and other Caesars resources.”

Loveman continued, “When completed, today’s actions will remove all of CEOC’s 2015 maturities so that CEOC will have no significant maturities until 2016, and we intend to now turn our attention to extending the 2016 and 2017 maturities. Upon completion of the credit facility amendment announced today, CEOC will have added headroom under its maintenance covenant, providing CEOC with additional stability to execute its business plan. Finally, if CEOC successfully lists its equity securities, this independent listing should help facilitate the eventual raising of equity as well as liability management and debt reduction initiatives.”

First Lien Term Loan

As part of its comprehensive financing plan, CEOC today launched a transaction to raise \$1.75 billion of first lien debt. The debt will be raised as a new term loan B-7 tranche under CEOC’s credit facility. As of the date of this announcement, CEOC has already received orders for approximately \$1.7 billion of the new B-7 tranche from several institutions and will seek additional commitments this week. As a condition to the proposed financing, new B-7 lenders have required that the Caesars Entertainment guarantee of CEOC debt be limited to bank debt holders that consent to the amendment launched today, plus up to no more than approximately \$2.9 billion of additional indebtedness.

Assuming a \$1.75 billion offering, CEOC intends to use the proceeds from the new first lien term loan and cash on its balance sheet to repay all of CEOC’s 2015 maturities, which consist of approximately \$29 million of term loans due 2015, \$215 million of second lien notes due 2015 and \$792 million of unsecured notes due 2015 and to repay \$800 million of term loans under CEOC’s existing credit facility. Caesars Growth Partners has committed to use all of the proceeds from the repayment of the \$427 million of unsecured notes due 2015 that it owns to purchase a portion of the new term loan B-7 tranche. Pro forma for the proposed refinancing, CEOC will have no significant debt maturities until 2016. Further, CEOC anticipates having discussions with representatives of certain holders of its first lien notes to raise the possibility of increasing the size of the new B-7 term loan and using a portion of the incremental proceeds to retire existing first lien notes and additional indebtedness under the CEOC credit facility.

Credit Facility Amendment

CEOC is also launching a credit facility amendment to provide covenant relief and additional runway for CEOC. Upon receipt of amendment consents from lenders representing at least a majority of CEOC’s outstanding credit facility, CEOC’s maintenance covenant level will be modified, among other changes. In addition, CEOC’s credit agreement and other loan documents will be modified to provide that, after the effectiveness of the amendment, Caesars Entertainment shall provide a guarantee of collection and not of payment. As requested by CEOC’s lenders under the new B-7 tranche, the Caesars Entertainment guarantee will be limited to consenting bank debt holders, plus up to no more than approximately \$2.9 billion of additional indebtedness. Holders of approximately \$2.1 billion of the credit facility have already approved the amendment. Lenders that consent to the amendment will receive a principal paydown and a one-time fee pursuant to the terms of the amendment. The amendment period will be closed upon the receipt of consents for a majority of the credit facility and satisfaction of other customary closing conditions.

Asset Sales

CEOC also announced the closing of the previously announced sale of Bally’s Las Vegas, The Cromwell (formerly Bill’s Gamblin’ Hall & Saloon) and The Quad Resort & Casino to Caesars Growth Partners, following the receipt of approval from the Nevada Gaming Commission. The sale of Harrah’s New Orleans is expected to close following approval by the Louisiana Gaming Control Board. The sale is expected to close in the second quarter.

Sale of Certain CEOC Equity

Caesars Entertainment also completed the sale of 5% of the equity in CEOC to institutional investors in a private transaction. The sale of equity could, once listed, result in a liquid and tradable equity currency that may facilitate future capital markets transactions. CEOC may use its equity for liability management and debt reduction initiatives. The sale of equity in CEOC resulted in the release of the Caesars Entertainment guarantee of CEOC's bonds in accordance with the terms of the bond indentures. Caesars Entertainment may seek to expand the group of investors with a goal of increasing the number of holders of CEOC equity in order to help qualify the CEOC equity for listing on a national securities exchange.

Since the leveraged buyout in 2008, Caesars Entertainment and its affiliates (the "Company") have executed a series of financial transactions, operational improvements and investments intended to improve the Company's financial condition and position it for sustainability and growth. Those actions have included more than 45 separate capital markets transactions at CEOC, CERP and Caesars Growth Partners, resulting in \$5 billion of gross debt reduction since the LBO, and \$9 billion of pre-2015 maturity debt extended. The Company's equity sponsors, Apollo and TPG, have invested approximately \$500 million of additional follow-on equity capital in Caesars Growth Partners since the LBO in support of the Company's initiatives. In February 2012, Caesars Entertainment completed a \$16 million IPO. Today, Caesars Entertainment has a market capitalization of \$2.6 billion and substantial trading volume. The Company believes today's transaction could position CEOC to similarly deleverage and create value.

"Over the course of the last six years, our Company has invested in the expansion of its network, including the acquisition of Planet Hollywood, the development of four new properties in Ohio and Maryland, the launch of an interactive business and the upgrade of our properties in Las Vegas," Loveman said. "The Las Vegas projects include the completion of the Octavius and Nobu towers at Caesars Palace, the LINQ and the High Roller, the development of The Cromwell and substantial investments at The Quad, Bally's Las Vegas, Planet Hollywood and Paris. Concurrently, the Company centralized its operations, increasing efficiency and reducing expenses. Additionally, in 2013, the Company initiated a program to improve working capital and excess cash by \$500 million and to generate \$500 million of operating and EBITDA improvements."

CEOC Board Expansion

CEOC plans to expand its board of directors to add two independent directors following regulatory approval.

###

About the Company:

The Company is the world's most geographically diversified casino-entertainment company. Since its beginning in Reno, Nevada, 75 years ago, the Company has grown through development of new resorts, expansions and acquisitions and now operates casinos on four continents. The Company's resorts operate primarily under the Caesars[®], Harrah's[®] and Horseshoe[®] brand names. The Company is focused on building loyalty and value with its guests through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership. We are committed to environmental sustainability and energy conservation and recognize the importance of being a responsible steward of the environment. For more information, please visit www.caesars.com.

Forward-Looking Statements

This release contains or may contain "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. The Company has based these forward-looking

statements on its current expectations about future events. Further, statements that include words such as “may,” “will,” “project,” “might,” “expect,” “believe,” “anticipate,” “intend,” “could,” “would,” “estimate,” “continue,” “present,” “preserve,” or “pursue,” or the negative of these words or other words or expressions of similar meaning may identify forward-looking statements. These forward-looking statements are found at various places throughout this release. These forward-looking statements, including, without limitation, those relating to future actions, new projects, strategies, future performance, the outcome of contingencies such as legal proceedings, and future financial results, wherever they occur in this release, are necessarily estimates reflecting the best judgment of the Company’s management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements.

Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include without limitation:

- the new CEOC first lien term loan and amendment to the CEOC credit agreement and related Caesars Entertainment guarantee of the CEOC credit agreement may not be consummated on the terms contemplated or at all and other access to available and reasonable financing on a timely basis;
- shares of CEOC may not be listed in the future and, if they are listed, a market for CEOC shares may never develop;
- the assertion and outcome of litigation or other claims that may be brought against the Company by creditors of CEOC, some of whom have notified the Company of their objection to various transactions undertaken by the Company in 2013 and 2014;
- CEOC may not be able to expand its board of directors to include two independent directors;
- the impact of the Company’s substantial indebtedness and the restrictions in the Company’s debt agreements;
- the effects of local and national economic, credit and capital market conditions on the economy in general, and on the gaming industry in particular;
- the ability to realize the expense reductions from cost savings programs, including the program to increase the Company’s working capital and excess cash by \$500 million;
- the previously disclosed sale of Harrah’s New Orleans to Caesars Growth Partners may not be consummated on the terms contemplated or at all;
- the ability of the Company’s customer-tracking, customer loyalty and yield-management programs to continue to increase customer loyalty and same-store or hotel sales;
- changes in laws, including increased tax rates, smoking bans, regulations or accounting standards, third-party relations and approvals, and decisions, disciplines and fines of courts, regulators and governmental bodies;
- the ability to recoup costs of capital investments through higher revenues;
- abnormal gaming holds (“gaming hold” is the amount of money that is retained by the casino from wagers by customers);
- the effects of competition, including locations of competitors, competition for new licenses and operating and market competition;
- the ability to timely and cost-effectively integrate companies that the Company acquires into its operations;

- the potential difficulties in employee retention and recruitment as a result of the Company's substantial indebtedness, the ongoing downturn in the gaming industry, or any other factor;
- construction factors, including delays, increased costs of labor and materials, availability of labor and materials, zoning issues, environmental restrictions, soil and water conditions, weather and other hazards, site access matters and building permit issues;
- severe weather conditions or natural disasters, including losses therefrom, including losses in revenues and damage to property, and the impact of severe weather conditions on the Company's ability to attract customers to certain of its facilities, such as the amount of losses and disruption to us as a result of Hurricane Sandy in late October 2012;
- litigation outcomes and judicial and governmental body actions, including gaming legislative action, referenda, regulatory disciplinary actions and fines and taxation;
- acts of war or terrorist incidents or uprisings, including losses therefrom, including losses in revenues and damage to property;
- the effects of environmental and structural building conditions relating to the Company's properties;
- access to insurance on reasonable terms for the Company's assets; and
- the impact, if any, of unfunded pension benefits under multi-employer pension plans.

These forward-looking statements should, therefore, be considered in light of various important factors set forth above and from time to time in the Company's filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. The Company undertakes no obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events, except as required by law.