

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:

CAESARS ENTERTAINMENT OPERATING
COMPANY, INC., *et al.*,

Debtors.

Chapter 11

Case No. 15-01145 (ABG)

(Jointly Administered)

**SENIOR UNSECURED NOTES TRUSTEE'S RESPONSE TO MEDIATION
MOTION**

Law Debenture Trust Company of New York ("Law Debenture"), solely in its capacity as indenture trustee (the "Senior Unsecured Notes Trustee") for the 6.50% unsecured notes due 2016 and the 5.75% unsecured notes due 2017 (collectively, the "Notes"), hereby files this response (the "Response") to the *Debtors' Motion for the Entry of an Order Approving Appointment of a Mediator to Mediate Issues Related to a Chapter 11 Plan of Reorganization* (the "Mediation Motion") [Docket No. 3195].¹ In support of this Response, the Senior Unsecured Notes Trustee respectfully states as follows:

1. Pursuant to the Mediation Motion, the Debtors seek entry of an order appointing a mediator to mediate issues related to a chapter 11 plan of reorganization (the "Mediation"). The Mediation Motion contemplates that the "relevant key stakeholders" to take part in the Mediation would include, among other parties, Law Debenture, solely in its capacity as the Senior Unsecured Notes Trustee.

¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Mediation Motion.

2. If the Mediation Motion is approved, the Senior Unsecured Notes Trustee is amenable to participating in the Mediation. The Senior Unsecured Notes Trustee, however, does not have a direct economic interest in the pending litigations and does not have the authority to settle or compromise the claims of the holders of the Notes absent direction; nor does it have the authority to vote the claims of the holders of the Notes.

3. To properly represent the “relevant key stakeholders,” the Senior Unsecured Notes Trustee respectfully suggests that the Mediation include one or more beneficial holders of the Notes. Moreover, certain of the holders of the Notes have counsel actively engaged in these cases who may be willing to participate in the Mediation.

4. Accordingly, the Senior Unsecured Notes Trustee requests that any order approving the Mediation Motion should provide that the “relevant key parties” that will take part in the Mediation include one or more beneficial holders of the Notes.

WHEREFORE the Senior Unsecured Notes Trustee respectfully requests that this Court (i) issue an order consistent with this Response; and (ii) grant to the Senior Unsecured Notes Trustee such other and further relief as this Court deems just and proper.

Dated: Chicago, Illinois
February 10, 2016

CHAPMAN AND CUTLER LLP

By: /s/ Michael T. Benz
Michael T. Benz
111 W. Monroe St.
Chicago, IL 60603
Tel.: (312) 845-3000
Fax: (312) 701-2361
Email: benz@chapman.com

-and-

SEWARD & KISSEL LLP

John R. Ashmead
Arlene R. Alves
One Battery Park Plaza
New York, New York 10004
Tel.: (212) 574-1200
Fax: (212) 480-8421
Email: ashmead@sewkis.com
alves@sewkis.com

*Attorneys for Law Debenture Trust Company of
New York, as Indenture Trustee for the 5.75% Notes
and 6.50% Notes*