

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

	)	
In re:	)	Chapter 11
	)	
CAESARS ENTERTAINMENT OPERATING	)	Case No. 15-01145 (ABG)
COMPANY, INC., <u>et al.</u> , <sup>1</sup>	)	
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	<b>Re: Docket Nos. 4219, 4223</b>

**NOTICE OF ORDERS (A) APPROVING THE DISCLOSURE STATEMENT  
AND (B) APPROVING THE SOLICITATION PROCEDURES**

**TO ALL CREDITORS, EQUITY INTEREST HOLDERS, AND PARTIES IN INTEREST  
IN THE ABOVE-CAPTIONED CHAPTER 11 CASES, PLEASE TAKE NOTICE THAT:**

1. Approval of Disclosure Statement and Solicitation Procedures. On June 28, 2016, the United States Bankruptcy Court for the Northern District of Illinois (the “Bankruptcy Court”) entered an order [Docket No. 4223] approving the *Disclosure Statement for the Debtors’ Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 4220] (as may be amended, modified, or supplemented from time to time and including all exhibits thereto, the “Disclosure Statement”), as providing adequate information for holders of Claims<sup>2</sup> against or Interests in, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) to make a decision as to whether to accept or reject the *Debtors’ Second Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 4218] (as may be amended or modified from time to time and including all exhibits and supplements thereto, the “Plan”). Also on June 28, 2016, the Bankruptcy Court entered the *Order (A) Approving the Solicitation Procedures and (B) Granting Related Relief* [Docket No. 4219] (the “Solicitation Procedures Order”) approving, among other things, the procedures for solicitation of votes to accept or reject the Plan and the tabulation of such votes on the Plan (the “Solicitation Procedures”).

**Voting on the Plan**

2. Voting Record Date. **June 22, 2016**, the first day of the Disclosure Statement Hearing, is the Voting Record Date and will be used to determine (i) which Holders of Claims in Class D (Prepetition Credit Agreement Claims), Class E (Secured First Lien Notes Claims),

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

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings given to them in the Plan, the Disclosure Statement, or the Solicitation Procedures Order, as applicable.



Class F (Second Lien Notes Claims), Class G (Subsidiary-Guaranteed Notes Claims), Class H (Senior Unsecured Notes Claims), Class I (Undisputed Unsecured Claims), Class J (Disputed Unsecured Claims), Class K (Convenience Unsecured Claims), Class L (Insurance Covered Unsecured Claims), Class M (Par Recovery Unsecured Claims), Class N (Winnick Unsecured Claims), Class O (Caesars Riverboat Casino Unsecured Claims), and Class P (Chester Downs Management Unsecured Claims) are entitled to vote on the Plan and (ii) whether Claims have been properly transferred to an assignee pursuant to Bankruptcy Rule 3001(e) such that the applicable assignee may vote on the Plan.

3. Voting Classes. Holders of Claims as of the Voting Record Date that are entitled to vote to accept or reject the Plan include Holders of Claims in Class D (Prepetition Credit Agreement Claims), Class E (Secured First Lien Notes Claims), Class F (Second Lien Notes Claims), Class G (Subsidiary-Guaranteed Notes Claims), Class H (Senior Unsecured Notes Claims), Class I (Undisputed Unsecured Claims), Class J (Disputed Unsecured Claims), Class K (Convenience Unsecured Claims), Class L (Insurance Covered Unsecured Claims), Class M (Par Recovery Unsecured Claims), Class N (Winnick Unsecured Claims), Class O (Caesars Riverboat Casino Unsecured Claims), and Class P (Chester Downs Management Unsecured Claims).

4. Voting Deadline. Any Holder of a Claim entitled to vote on the Plan has been mailed a General Solicitation Package that includes a ballot or master ballot form (a “Ballot” or “Master Ballot,” as applicable) and appropriate instructions for voting on the Plan. For any vote to accept or reject the Plan to be counted, you must follow the appropriate voting instructions, must complete all required information on (as applicable) the Ballot or Master Ballot, and must execute and return the completed Ballot or Master Ballot (as applicable) so that it is actually received by Prime Clerk LLC (“Prime Clerk”), the Debtors’ notice, claims, and solicitation agent retained in these chapter 11 cases, no later than **4:00 p.m. (prevailing Central Time) on October 31, 2016** (the “Voting Deadline”), at the following address: Caesars Entertainment Operating Company, Inc., et al., Balloting Center c/o Prime Clerk LLC, 830 Third Avenue, 3rd Floor, New York, New York 10022 or through online transmission solely via, and in accordance with the instructions set forth on, Prime Clerk’s E-Ballot platform on the Debtors’ case website (<https://cases.primeclerk.com/CEOC>). **Any Ballot or Master Ballot received after the Voting Deadline may not be counted (unless the Voting Deadline is extended) and failure to follow the voting instructions accompanying the Ballot or Master Ballot may disqualify your vote.**

5. Additional Information. Copies of the Plan, the Disclosure Statement, the Solicitation Procedures Order, and other information regarding these chapter 11 cases are available free of charge on the Debtors’ restructuring website maintained by Prime Clerk, at <https://cases.primeclerk.com/CEOC>, or by (a) calling the Debtors’ restructuring hotline at (855) 842-4123 within the United States or Canada or, outside of the United States or Canada, by calling +1 (646) 795-6969, or (b) e-mailing Prime Clerk at [ceocballots@primeclerk.com](mailto:ceocballots@primeclerk.com). You may also obtain copies of any pleadings by visiting the Bankruptcy Court’s website at <http://www.ilnb.uscourts.gov> in accordance with the procedures and fees set forth therein.

### **Confirmation of the Plan**

6. Confirmation Hearing. A hearing to consider confirmation of the Plan (the “Confirmation Hearing”) will commence on **January 17, 2017, at 10:30 a.m. (prevailing**

**Central Time)**, or as soon thereafter as counsel may be heard, before the Honorable A. Benjamin Goldgar or any other judge who may be sitting in his place and stead, in Courtroom No. 642 in the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, Illinois 60604. **The Confirmation Hearing may be continued from time to time without further notice, including by announcement of the adjourned date(s) at the Confirmation Hearing or any continued hearing.**

7. Plan Supplement Documents. The Debtors will use commercially reasonable efforts to file certain documents, agreements, schedules, and exhibits with the Bankruptcy Court that relate to implementation of the Plan, including new debt documents and new organizational documents (collectively, the “Plan Supplement”), on or before **July 18, 2016**. Once filed, the Plan Supplement may be obtained from Prime Clerk for free as set forth herein or for a fee via PACER at <http://www.ilnb.uscourts.gov>.

8. Objection Deadline and Procedures. The Bankruptcy Court has established **October 31, 2016, at 4:00 p.m.** (prevailing Central Time), as the deadline for filing and serving objections to the Confirmation of the Plan (unless otherwise agreed by the Debtors or by order of the Bankruptcy Court) (the “Plan Objection Deadline”). Any objection to the Plan must (a) be in writing, (b) conform to the Bankruptcy Rules and the Local Bankruptcy Rules, (c) state the name and address of the objecting party and (if not contingent, disputed, or unliquidated) the amount and nature of the Claim or Interest, (d) provide the Debtors notice of the nature of any objection to the Plan, and (e) be filed, contemporaneously with a proof of service, with the Bankruptcy Court and served so that it is actually received by each of (i) the United States Trustee for the Northern District of Illinois, (ii) all entities on the Service List (as defined in the Case Management Order and available on the Debtors’ case website at <https://cases.primeclerk.com/CEOC>), and (iii) those parties who have requested service of papers in this case pursuant to Bankruptcy Rule 2002. Parties objecting to the Plan may, but are not required to, propose a modification to the Plan that would resolve such objection (if applicable).

### **Temporary Allowance of Claims for Voting**

9. Temporary Allowance of Claims. Creditors that are not entitled to vote on the Plan or that disagree with the Claim amount indicated on the Ballot they receive on account of a Claim in a Voting Class may nevertheless still be able to vote their Claim (or vote a different Claim amount) if one or more of the following events (each, a “Resolution Event”) occurs in accordance with, and subject to, the Disputed Claim Procedures set forth in the Solicitation Procedures Order prior to the Voting Deadline of **October 31, 2016, at 4:00 p.m. (prevailing Central Time)**:

- (a) The Bankruptcy Court enters an order allowing the Disputed Claim in accordance with section 502(b) of the Bankruptcy Code after notice and a hearing.
- (b) If, after the Holder of a Disputed Claim files a motion seeking entry of an order temporarily allowing such Disputed Claim for voting purposes only in accordance with Bankruptcy Rule 3018(a) and notices such motion for a hearing, the Bankruptcy Court enters such an order.

- (c) The Debtors and the Holder of the Disputed Claim execute a stipulation or other agreement resolving the objection and allowing that Claim in an agreed-upon amount.
- (d) The Debtors and the Holder of the Disputed Claim execute a stipulation or other agreement temporarily allowing that Holder to vote its Claim in an agreed-upon amount.
- (e) The pending objection is voluntarily withdrawn by the Debtors.

10. Effect of Confirmation/Effective Date. If the Plan becomes effective in accordance with its terms, among other things, on the Effective Date, the release, injunction, and exculpation provisions set forth in Article VIII of the Plan and below also will become effective. These release, injunction, and exculpation provisions may be subject to significant litigation and objections from certain of the Debtors' creditors and parties in interest at the Confirmation Hearing. **Acceptance of the Plan by any entity or a Class does not preclude such entity or member of such Class from objecting to Confirmation on any ground.**

**ARTICLE VIII.B: DEBTOR RELEASE.** Effective as of the Effective Date, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, on and after the Effective Date, each Released Party is deemed released by each and all of the Debtors, the Estates, and the Reorganized Debtors from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of each and all of the Debtors, the Estates, or the Reorganized Debtors, as applicable, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that each and all of the Debtors, the Estates, or the Reorganized Debtors would have been legally entitled to assert in its or their own right (whether individually or collectively), or on behalf of the Holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, any or all of the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the purchase, sale, transfer, or rescission of the purchase, sale, or transfer of any debt, security, asset, right, or interest of any or all of the Debtors or the Reorganized Debtors, the Restructuring Support Agreements, the Upfront Payment, the RSA Forbearance Fees, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Restructuring Documents or related agreements, instruments, or other documents (including the Restructuring Support Agreements), any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to the Debtors or the Estates, including, for the avoidance of doubt, all claims, Causes of Action, or liabilities arising out of or relating to the Challenged Transactions, the Caesars Cases, and the Prepetition CEC Guarantees; provided that the foregoing Debtor Release shall not operate to waive or release any right, Claim, or Cause of Action (1) in favor of any Debtor, Reorganized Debtor, or New Property Entity, as applicable, arising under any contractual obligation

owed to such Debtor or Reorganized Debtor not satisfied or discharged under the Plan or (2) as expressly set forth in the Plan or the Plan Supplement.

**ARTICLE VIII.C: THIRD-PARTY RELEASE.** Effective as of the Effective Date, each and all of the Releasing Parties (regardless of whether a Releasing Party is a Released Party) conclusively, absolutely, unconditionally, irrevocably, and forever discharges and releases (and each Entity so discharged and released shall be deemed discharged and released by the Releasing Parties) each and all of the Released Parties and their respective property from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including with respect to any rights or Claims that could have been asserted against any or all of the Released Parties with respect to the Guaranty and Pledge Agreement (but only to the extent released in connection with the Bank Guaranty Settlement), the Upfront Payment, the RSA Forbearance Fees, any derivative claims, asserted or assertable on behalf of any or all of the Debtors, the Estates, or the Reorganized Debtors, as applicable, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, any or all of the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the Restructuring Support Agreements, the purchase, sale, transfer, or rescission of the purchase, sale, or transfer of any debt, security, asset, right, or interest of any or all of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring or any alleged restructuring or reorganization of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Restructuring Documents, or related agreements, instruments, or other documents (including the Restructuring Support Agreements and, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date relating to the Debtors or the Estates, including, for the avoidance of doubt, all claims, Causes of Action, or liabilities arising out of or relating to each and all of the Challenged Transactions, the Caesars Cases, and the Prepetition CEC Guarantees (including but not limited to any claim under any Indenture or under the Trust Indenture Act). Notwithstanding anything to the contrary in the foregoing, the Third-Party Release shall not release (1) any obligation or liability of any party under the Plan or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (2) any postpetition settlement agreements between any Released Party and a creditor of the Debtors or the Estates, or (3) any postpetition liabilities incurred in the ordinary course by the Released Parties.

**ARTICLE VIII.D: EXCULPATION.** Effective as of the Effective Date, to the fullest extent permissible under applicable law and without affecting or limiting either of the Debtor Release or Third-Party Release, and except as otherwise specifically provided in the Plan, each Debtor, each Reorganized Debtor, each New Property Entity, each Estate, and each Exculpated Party is hereby released and exculpated from any claim, obligation, Cause of

**Action, or liability for any prepetition or postpetition action taken or omitted to be taken in connection with, or related to formulating, negotiating, soliciting, preparing, disseminating, confirming, administering, or implementing the Plan, or consummating the Plan (including the Restructuring Support Agreements), the Disclosure Statement, the New Governance Documents, the Restructuring Transactions, and/or the Separation Structure or selling or issuing the New Debt, the New Interests, the New CEC Convertible Notes, the New CEC Common Equity, any New CEC Capital Raise, and/or any other Security to be offered, issued, or distributed in connection with the Plan, the Chapter 11 Cases, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Plan (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion) or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, except for actual fraud, willful misconduct, or gross negligence in connection with the Plan or the Chapter 11 Cases following the Petition Date, each solely to the extent as determined by a Final Order of a court of competent jurisdiction; provided, however, that in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. Each of the Debtors, the Reorganized Debtors, the New Property Entities, the Estates, and each Exculpated Party has, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the restructuring of Claims and Interests in the Chapter 11 Cases and in connection with the Restructuring Transactions, the negotiation, formulation, or preparation of the Restructuring Documents or related agreements, instruments, or other documents pursuant to the Plan, and the solicitation and distribution of the Plan and, therefore, is not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.**

**ARTICLE VIII.E: INJUNCTION. Effective as of the Effective Date, pursuant to section 524(a) of the Bankruptcy Code, to the fullest extent permissible under applicable law, and except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or Confirmation Order, or any documents, instruments, or agreements (including those set forth in the Plan Supplement) executed to implement the Plan or Confirmation Order, all Entities who have held, hold, or may hold Claims, Interests, or Liens that have been discharged pursuant to Article VIII.A of the Plan, released pursuant to Article VIII.B or Article VIII.C of the Plan, or are subject to exculpation pursuant to Article VIII.D of the Plan are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, any or all of the Debtors, the Reorganized Debtors, the New Property Entities, or the Released Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims or Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such**

Entities on account of or in connection with or with respect to any such Claims or Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or Estates of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such Entity has timely asserted such setoff right prior to the Effective Date in a document Filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a Claim or Interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests released or settled pursuant to the Plan.

**THE PLAN, IF APPROVED BY THE BANKRUPTCY COURT, WILL BIND ALL HOLDERS OF CLAIMS AGAINST AND INTERESTS IN THE DEBTORS TO THE FULLEST EXTENT AUTHORIZED OR PROVIDED UNDER THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING SECTIONS 524 AND 1141 OF THE BANKRUPTCY CODE, AND BY ALL OTHER APPLICABLE LAW.**

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Dated: July 11, 2016  
Chicago, Illinois

*/s/ David R. Seligman, P.C.*

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James H.M. Sprayregen, P.C.

David R. Seligman, P.C.

**KIRKLAND & ELLIS LLP**

**KIRKLAND & ELLIS INTERNATIONAL LLP**

300 North LaSalle

Chicago, Illinois 60654

Telephone: (312) 862-2000

Facsimile: (312) 862-2200

- and -

Paul M. Basta, P.C.

Nicole L. Greenblatt, P.C.

**KIRKLAND & ELLIS LLP**

**KIRKLAND & ELLIS INTERNATIONAL LLP**

601 Lexington Avenue

New York, New York 10022-4611

Telephone: (212) 446-4800

Facsimile: (212) 446-4900

*Counsel to the Debtors and Debtors in Possession*