

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov

In re:)	Chapter 11
)	
FONTAINEBLEAU LAS VEGAS)	
HOLDINGS, LLC, <u>et al.</u> ¹)	Case No. 09-21481-BKC-AJC
)	
Debtors.)	(Jointly Administered)
<hr/>		

NOTICE OF PROPOSED SALE OF SUBSTANTIALLY ALL OF THE DEBTORS'
ASSETS, FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND
ENCUMBRANCES AND SCHEDULING FINAL SALE HEARING

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On June 9, 2009 (the "Petition Date"), the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed voluntary petitions under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). On May 3, 2009, the Debtors filed a motion with the Bankruptcy Court (the "Sale Motion") seeking, among other things, (a) authority to sell substantially all of the Debtors' assets free and clear of all liens, claims, interests and encumbrances (the "Sale Transaction"); (b) approval of certain procedures (the "Bidding Procedures") for the solicitation of bids with respect to the Sale Transaction; (c) authority to assume and assign certain executory contracts and unexpired leases in connection with the Sale Transaction; and (d) scheduling of a final hearing with the Bankruptcy Court for approval of the Sale Transaction (the "Sale Hearing").

2. The Asset Purchase Agreement by and among Fontainebleau Las Vegas Holdings, LLC, Fontainebleau Las Vegas, LLC, Fontainebleau Las Vegas Capital Corp., Fontainebleau Las Vegas Retail Parent, LLC, Fontainebleau Las Vegas Retail Mezzanine, LLC and Fontainebleau Las Vegas Retail, LLC as Sellers (collectively, the "Sellers") and Icahn Nevada Gaming Acquisition LLC, as Purchaser (the "Purchaser"), dated as of November 23, 2009 (collectively with all ancillary documents and agreements, the "Purchase Agreement"), contemplates a set of related transactions for the sale of the Purchased Assets (as defined in the Purchase Agreement) to the Purchaser, subject to higher or better offers made pursuant to the Bidding Procedures.

¹ The last four digits of each Debtor's tax identification number are: (i) Fontainebleau Las Vegas Holdings, LLC [9337]; (ii) Fontainebleau Las Vegas, LLC [9332]; and (iii) Fontainebleau Las Vegas Capital Corp. [7822]. The Debtor's current mailing address is 19950 West Country Club Drive, Aventura, Florida 33180.



3. A hearing on the Bidding Procedures was held before the Bankruptcy Court on November 23, 2009, after which the Bankruptcy Court entered an order, among other things, approving the Bidding Procedures Relief [Docket No. 1049] (the "Sale Procedures Order"). The Sale Procedures Order establishes the Bidding Procedures that govern the manner in which the Purchased Assets are to be sold. All bids must comply with the Bidding Procedures and be submitted so as to be received not later than 5:00 p.m., Pacific Time, on January 15, 2010.

4. The Sale Hearing currently is scheduled to be conducted on January 27, 2010 at 10:00 a.m. (Eastern Time) at the United States Bankruptcy Court for the Southern District of Florida, Claude Pepper Federal Building, 51 SW 1st Avenue, Room 1410, Miami, Florida 33130, before the Honorable A. Jay Cristol, United States Bankruptcy Judge, to consider the approval of the Purchase Agreement or any higher or better offer by a Successful Bidder (as defined in the Bidding Procedures). If the Purchaser is the Successful Bidder, the Debtors anticipate seeking entry of a Sale Order, on the terms described in the Sale Procedures Order and the Purchase Agreement (the "Sale Order"). The Sale Hearing may be adjourned or rescheduled without notice by an announcement of the adjourned date at the Sale Hearing.

5. A copy of the Sale Procedures Order (including the Bidding Procedures), the Sale Motion and the Purchase Agreement (without certain commercially sensitive attachments) may be obtained at www.kccllc.net/fblv.

6. OBJECTIONS TO ANY RELIEF REQUESTED IN THE SALE MOTION, INCLUDING THE DEBTORS' REQUEST TO APPROVE THE SALE OF THE PURCHASED ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS AND ENCUMBRANCES TO THE PURCHASER OR ANOTHER SUCCESSFUL BIDDER (EACH, AN "OBJECTION"), MUST BE MADE IN WRITING, FILED WITH THE BANKRUPTCY COURT, AND SERVED SO AS TO BE ACTUALLY RECEIVED BY 4:00 P.M. (EASTERN TIME) ON JANUARY 15, 2010; PROVIDED, HOWEVER, THAT IF A DETERMINATION IS MADE AT THE SALE HEARING THAT THE SUCCESSFUL BIDDER IS A BIDDER OTHER THAN THE PURCHASER, PARTIES IN INTEREST MAY OBJECT SOLELY TO SUCH DETERMINATION AT THE SALE HEARING.

7. ANY OBJECTION MUST BE SERVED IN ACCORDANCE WITH PARAGRAPH 6 ABOVE ON EACH OF THE FOLLOWING PARTIES:

(i) Bilzin Sumberg Baena Price & Axelrod LLP, 200 South Biscayne Boulevard, Suite 2500, Miami, Florida 33131-5340, Attn: Scott L. Baena, Esq. (sbaena@bilzin.com), and Jay M. Sakalo, Esq. (jsakalo@bilzin.com), Counsel for the Debtors;

(ii) Stutman Treister & Glatt P.C., 1901 Avenue of the Stars, 12th Floor, Los Angeles, California 90067, Attn: Eve H. Karasik, Esq. (ekarasik@stutman.com), Counsel for the Examiner;

- (iii) Sonnenschein Nath & Rosenthal LLP, 1221 Avenue of Americas, New York, New York 10020, Attn: Peter D. Wolfson, Esq. (pwolfson@sonnenschein.com) and D. Farrington Yates, Esq. (fyates@sonnenschein.com), Counsel for the Purchaser;
- (iv) Hennigan, Bennett & Dorman, LLP, 865 S. Figueroa Avenue, Los Angeles, California 90017, Attn: Bruce Bennett, Esq. (bennettb@hbdlawyers.com) and Sidney P. Levinson, Esq. (levinsons@hbdlawyers.com) and Akerman Senterfitt, One Southeast Third Avenue, 25th Floor, Miami, Florida 33131-1714, Attn: Michael Goldberg, Esq. (michael.goldberg@akerman.com), Co-Counsel for the Term Lender Steering Group;
- (v) Quinn Emanuel Urquhart, Oliver & Hedges, LLP, 865 S. Figueroa Street, 10th Floor, Los Angeles, California 90017, Attn: Eric Winston, Esq. (ericwinston@quinnemanuel.com) and Bast Amron LLP, SunTrust International Center, One SE Third Avenue, Suite 1440, Miami, Florida 33131, Attn: Brett Amron, Esq. (bamron@bastamron.com), Co-Counsel for Aurelius Capital Management, LP.
- (vi) Genovese Joblove & Battista, P.A., 100 Southeast 2nd Street, 44th Floor, Miami, Florida 33131, Attn: Paul Battista, Esq. (pbattista@gjb-law.com) and Fox Rothschild, LLP, Midtown Building, Suite 400, 1301 Atlantic Avenue, Atlantic City, New Jersey 08401, Attn: Michael Viscount, Esq. (mviscount@foxrothschild.com), Co-Counsel for the Official Committee of Unsecured Creditors (the "Committee");
- (vii) Tew Cardenas LLP, 1441 Brickell Avenue, 15th Floor, Miami, Florida 33131, Attn: David M. Levine, Esq. (dml@tewlaw.com), Counsel to Fidelity National Title Insurance Company, Lawyers Title Insurance Corporation, Commonwealth Land Title Insurance Company, Transnation Title Insurance Company, and First American Title Insurance Company
- (viii) Seward & Kissel LLP, One Battery Park Plaza, New York, NY 10004, Attn: Jeffrey Berman, Esq. (bermanj@sewkis.com), Counsel to Wilmington Trust NSB;
- (ix) Sheppard Mullin, 333 South Hope Street, 48th Floor, Los Angeles, CA 90071, Attn: William Scott, IV, Esq. (bscott@sheppardmullin.com) and Hunton & Williams LLP, 1111 Brickell Avenue, Suite 2500, Miami, FL 33131, Attn: Craig Rasile, Esq. (crasile@hunton.com), Counsel to Bank of America, N.A.; and
- (x) Squire Sanders Dempsey, 1900 Phillips Point West, 777 South Flagler Drive, West Palm Beach, Florida 33401-6198, Attn: Tina Talarchyk, Esq., (ttalarchyk@ssd.com), Counsel to U.S. Bank, N.A.

8. The Purchase Agreement contemplates, and the Sale Order, if approved, shall authorize the assumption and assignment of certain executory contracts and unexpired leases that are the property of the Debtors (collectively, the "Designated Agreements"). In accordance with the Sale Procedures Order, additional individual notices setting forth the specific Designated Agreements (or groups thereof) to be assumed by the Debtors and assigned to the Purchaser and

the proposed cure amounts for such contracts will be given to all counterparties to Designated Agreements.

9. The failure of any person or entity to file an Objection on or before the applicable Objection Deadline shall be deemed a consent to the Sale Transaction contemplating the sale of the Purchased Assets to the Purchaser or another Successful Bidder and the other relief requested in the Sale Motion, and be a bar to the assertion, at the Sale Hearing or thereafter, of any objection to the Bidding Procedures, the Sale Motion, the Auction, the sale of the Purchased Assets or the Debtors' consummation and performance of the Purchase Agreement or other agreement with a different Successful Bidder (including in any such case, without limitation, the transfer of the Purchased Assets free and clear of all liens, claims and encumbrances).

10. This Notice is subject to the full terms and conditions of the Sale Motion, the Sale Procedures Order, the Bidding Procedures, and the Purchase Agreement, which shall control in the event of any conflict. The Debtors encourage parties in interest to review such documents in their entirety and consult an attorney if they have questions or want advice.

Dated: **November 24, 2009**

BY ORDER OF THE COURT