IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: TRUMP ENTERTAINMENT RESORTS, INC., *ET AL.*[1], Debtors.	Case No. 14-12103 (KG) Chapter 11 (Jointly Administered) **Hearing: OST requested for November 14, 2014 at 2:00 p.m.** **Re: Docket Nos. 166 & 175**

(I) MOTION PURSUANT TO 11 U.S.C. § 1121(d) TO TERMINATE EXCLUSIVITY TO PERMIT THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO FILE AND SOLICIT ACCEPTANCES OF A CHAPTER 11 PLAN OF LIQUIDATION;

AND

(II) SUPPLEMENTAL OBJECTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO DEBTORS' MOTION FOR ORDER (A) APPROVING THE DISCLOSURE STATEMENT; (B) ESTABLISHING PROCEDURES FOR SOLICITATION AND TABULATION OF VOTES TO ACCEPT OR REJECT THE PLAN; (C) ESTABLISHING DEADLINE AND PROCEDURES FOR FILING OBJECTIONS; AND (D) GRANTING RELATED RELIEF

The Official Committee of Unsecured Creditors (the "Committee") of Trump Entertainment Resorts, Inc. ("TER") and its affiliated chapter 11 debtors and debtors-in-possession (collectively, the "Debtors"), by and through its counsel, hereby submits this (1) motion (the "Motion") to terminate exclusivity pursuant to 11 U.S.C. § 1121(d) to permit the Committee to file and solicit acceptances of a Chapter 11 Plan of Liquidation ("Committee

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Trump Entertainment Resorts, Inc. (8402), Trump Entertainment Resorts Holdings, LP. (8407), Trump Plaza Associates, LLC (1643), Trump Marina Associates, LLC (8426), Trump Taj Mahal Associates, LLC (6368), Trump Entertainment Resorts Development Company, LLC (2230), TER Development Co., LLC (0425) and TERH LP Inc. (1184). The mailing address for each of the Debtors is 1000 Boardwalk at Virginia Avenue, Atlantic City, NJ 08401.

Plan"); and (2) supplemental objection ("Supplemental Objection") with respect to the Debtors' motion seeking, *inter alia*, the entry of an order: (a) approving the Disclosure Statement for Debtors' Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code [Docket No. 477] (the "Second Amended Disclosure Statement", and including all prior and subsequent amended versions, the "Disclosure Statement"); (b) establishing procedures for solicitation and tabulation of votes to accept or reject the Debtors' Second Amended Chapter 11 Plan of Reorganization [Docket No. 476] (the "Second Amended Plan", and including all prior and subsequent amended versions, the "Debtors/Icahn Plan"); (c) establishing deadline and procedures for filing objections to the Plan and certain aspects thereof; and (d) granting related relief [Docket. No. 175] ("Disclosure Statement Motion"),[2] and respectfully represents as follows:

I. PRELIMINARY STATEMENT

1. From the very outset of the Debtors' chapter 11 cases, the Debtors' secured lenders (the "Icahn Parties") have attempted to dictate "house rules"—they hold all the cards, and they are the only game in town. Both in connection with the use of cash collateral and the Debtors/Icahn Plan, the Icahn Parties have sought to steamroll the Committee with conclusory allegations about the extent of their liens and claims. When the Committee attempted to test these allegations in discovery, the Icahn Parties hid behind a specious assertion of common interest privilege with the Debtors.

2. Notwithstanding, the Committee has fought hard to get a seat at the table. But the Second Amended Plan confirms that the Icahn Parties will not agree to share anything more than

[2] On October 31, 2014, The Committee filed its preliminary objection to the Disclosure Statement Motion [Docket No. 389], which is incorporated herein by reference in its entirety (the "Preliminary Objection"). Capitalized terms not defined herein have the meaning ascribed to them in the Preliminary Objection. The Committee hereby incorporates the arguments set forth in the Preliminary Objection as if fully set forth herein.

a nominal "tip" of value with the Committee's constituents. Even after the Court expressed significant concerns about the Debtors/Icahn Plan at the initial disclosure hearing on November 5, the Icahn Parties refused to commit to fund the Debtors' chapter 11 cases or to consider any meaningful return for general unsecured creditors. Only at the eleventh hour, less than five hours before the 2:00 p.m. continued hearing, did the Debtors file the Second Amended Plan, which provides for a distribution of less than 0.5% to general unsecured creditors (excluding the Icahn Parties' deficiency claims). These "too little, too late" changes do not alter the fundamental deficiencies inherent in the Debtors/Icahn Plan, particularly now that even the Debtors acknowledge it is all but certain that the Taj Mahal will close.

3. The Committee does not want to see the Debtors cease operations. But if that fate is inevitable, then it is all the more critical that the Committee's constituents be treated as equal players with respect to sharing in the remaining value that can be generated from the Debtors' estates. And with $30 million of cash on hand as of the end of last week, the Debtors continue to have sufficient liquidity even without any additional financing to avoid a chapter 7 liquidation. But the Debtors cannot afford to embark on a doomed chapter 11 plan confirmation process and then push the "reset" button when confirmation of the Debtors/Icahn Plan is denied.

4. There is another way. The Committee is prepared to file the Committee Plan, which would provide fair and equitable treatment to all creditors. The Committee Plan would satisfy administrative and priority claims. The Committee Plan would turn over the casino collateral to the Icahn Parties in full satisfaction of their secured claim. And the Committee Plan would fund a liquidating trust to provide meaningful value to general unsecured creditors.

5. Terminating exclusivity to permit the Committee Plan and the Debtors/Icahn Plan to proceed on a dual track will not materially delay or increase the expense of the plan

confirmation process. But it will prevent the Icahn Parties from maintaining a stranglehold on the Debtors' estates. The unique facts and circumstances of these cases constitute cause under section 1121(d), and the Committee respectfully requests that the Court grant the Motion to permit the Committee to file and solicit acceptances of the Committee Plan on a parallel track with the Debtors/Icahn Plan.

II. JURISDICTION AND STATUTORY PREDICATES FOR RELIEF

6. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. § 157 and 1334. Determination of the Motion is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A)&(L). Venue is proper in this Court pursuant to 28 U.S.C. § 1409(a).

7. The statutory basis for the relief sought herein is section 1121(d) of the Bankruptcy Code.

III. RELEVANT BACKGROUND

A. THE DEBTORS/ICAHN PLAN.

8. The Debtors filed their initial version of the Debtors/Icahn Plan and the Disclosure Statement on October 1, 2014. *See* [Docket Nos. 165 and 166]. On November 3, 2014, the Debtors filed a First Amended Chapter 11 Plan of Reorganization [Docket No. 405] (the "Amended Plan") and an amended version of the Disclosure Statement [Docket No. 406] (the "Amended Disclosure Statement") as well as their Valuation Analysis and Liquidation Analysis as exhibits 2 and 3, respectively, to the Amended Disclosure Statement. While the Debtors circulated a revised Amended Plan and Disclosure Statement to the Committee on November 5, 2014, that version of the Amended Plan and Disclosure Statement was not filed with the Court.

9. Pursuant to the Debtors' Valuation Analysis, a copy of which is attached hereto as Exhibit A, if the Taj Mahal remains open the Debtors' going concern enterprise value ranges

from a low of $140 million to a high of $190 million as of October 24, 2014. Upon a closure of the Taj Mahal however, the Debtors' reorganization value ranges from a low of $110 million to a high of $155 million, at most a $35 million decrease in value.

10. Pursuant to the Debtors' Liquidation Analysis, a copy of which is attached hereto as Exhibit B, the liquidation value of the Secured Parties' claims ranges from a low of approximately $77 million to a high of $102 million. Before Wind-Down Costs, the Debtors' Liquidation Analysis provides for a value range of $105 million to $143 million.

11. At approximately 9:35 a.m. on November 14 (less than five hours before the continued hearing on the Disclosure Statement and Disclosure Statement Motion), the Debtors filed the Second Amended Plan and a further amended version of the Disclosure Statement.

12. The Second Amended Plan provides for a nominal $1,000,000 distribution to general unsecured creditors (excluding the Icahn Parties' deficiency claims), plus participation in an unfunded litigation trust seeded with a limited package of avoidance actions. The Second Amended Plan contemplates debtor-in-possession financing of unspecified terms and amount. The Second Amended Plan is otherwise substantially similar to the prior versions of the Debtors/Icahn Plan.

B. THE DEBTORS' CASH POSITION.

13. On September 9, 2014, the Petition Date, the Debtors filed their original consolidated weekly cash flow projection for the period from September 12, 2014 through and including November 7, 2014 (the "Original Budget") as an exhibit to their motion for interim and final orders authorizing the post-petition use of cash collateral [Docket No. 13] (the "Cash Collateral Motion"). A copy of the Original Budget is attached hereto as Exhibit C.

14. On November 7, 2014, as required under the final Order approving the Cash Collateral Motion, the Debtors provided the Committee with a copy of their consolidated weekly

cash flow projection for the period from November 7, 2014 through and including December 19, 2014 (the "Updated Budget"), which projection assumes that the Taj Mahal casino remains open. A copy of the Updated Budget is attached hereto as Exhibit D.[3] On November 13, 2014, the Debtors provided the Committee with a consolidated weekly variance report for the week ending November 7, 2014 and a weekly consolidated cash flow projection for the period from November 14, 2014 through and including December 26, 2014, which projection assumes that the Taj Mahal closes on December 12, 2014 (the variance report and the cash flow projection are collectively referred to herein, as the "Closure Budget").[4]

15. As indicated in the Updated Budget and the Closure Budget, and summarized in the table below, the Debtors' overall cash balance has not suffered any decrease from the Petition Date through November 7 ,2014, but instead shows a modest increase from the Petition Date through the date of the Variance Report:

Cash Balances ($ in 000s)	Original Budget (Petition Date)	Variance Report (Actual Cash Balance as of November 7, 2014)	Closure Budget (November 14, 2014)
Floor Cash	$17,550	$10,522	$10,600
Working Capital	$7,954	$17,164	$14,947
Internet Gaming Balance	$1,300	$1,700	$1,000
Total Cash	**$26,804**	**$29,386**	**$26,547**

16. Notwithstanding the increase in the Debtors' cash balance over the 7 weeks that these cases have been pending, the Debtors have repeatedly advised the Court and parties in

[3] The Debtors did not indicate that the Updated Budget was confidential.

[4] The Debtors have alleged that the information contained in the Closure Budget is confidential business information and while the Committee does not agree with that assessment, out of an abundance of caution, the Committee did not attach a copy of the Closure Budget to this Supplemental Objection but will instead submit a copy for an in-camera review at the Court's discretion. Notwithstanding, the Committee confirmed that the Debtors do not object to the Committee making public the cash balances as set forth in the chart below and the projected cash balance as of December 26, 2014 as set forth in the Closure Budget.

interest that, absent debtor-in-possession financing, the Debtors project that they would run out of cash sometime around the end of this year.

C. THE COMMITTEE PLAN.

17. The Committee is prepared to file the Committee Plan, the key terms of which would be:

- The Icahn Parties would receive the Debtors' casino assets in full satisfaction of their secured claims.
- The City of Atlantic City would retain its secured property tax claims against the applicable real property.
- Administrative expenses and other priority claims would be paid from the Debtors' remaining cash on hand.
- The Debtors' non-casino assets (including additional remaining cash and claims and causes of action) would be transferred to a liquidating trust for the benefit of holders of allowed general unsecured claims (including the Icahn Parties' deficiency claim).

IV. RELIEF REQUESTED

18. The Committee requests that, pursuant to section 1121(d) of the Bankruptcy Code, the Court terminate the Debtors' exclusive periods to file and solicit acceptances of a chapter 11 plan in order to permit the Committee to file and solicit acceptances of the Committee Plan. The Committee further requests that the hearing on the Second Amended Disclosure Statement and the Disclosure Statement Motion be continued for approximately one week, in order to provide time for the Committee to file the Committee Plan and a proposed redline of the

Second Amended Disclosure Statement and related documents in order to allow for joint solicitation of votes on the Debtors/Icahn Plan and the Committee Plan.

V. BASIS FOR RELIEF

19. Section 1121(a) of the Bankruptcy Code provides a debtor with the exclusive right to file and solicit acceptances of a chapter 11 plan during the initial stage of a chapter 11 case. *See* 11 U.S.C. § 1121(b)(&(c).

20. However, this Court may shorten the Debtors' plan exclusivity periods "for cause". 11 U.S.C. §1121(d). Although "cause" is not defined in the Bankruptcy Code, the legislative history and reported case law interpreting section 1121(d) make clear that "cause" is a flexible standard designed to balance the competing interests of debtors and their constituencies. Congress designed section 1121 to strike a balance between the debtor's ability to control the process of proposing a chapter 11 plan with a creditor's or other party in interest's right to "limit the delay that makes creditors the hostages of Chapter 11 debtors." *United Savings Ass'n v. Timbers of Inwood Forest Assocs., Ltd. (In re Timbers of Inwood Forest Assocs., Ltd.)*, 808 F.2d 363, 372 (5th Cir. 1987), *aff'd* 484 U.S. 365 (1988).

21. Congress has made clear that exclusivity "should not be employed as a tactical device to put pressure on parties in interest to yield to a plan they consider unsatisfactory." Senate Report No. 99-764 & House Conference Report N. 99-958 (reprinted in U.S. Code Cong. & Adm. News, at 5227; *see also In re All Season Indus., Inc.*, 121 B.R. 1002, 1006 (Bankr. N.D. Ind. 1990) (denying extension of exclusivity when "such an extension would have the result of continuing to hold creditors hostage to the Chapter 11 process and pressuring them into accepting a plan they believe to be unsatisfactory"). Shortening the exclusivity period can permit parties with "perhaps a more objective view" to file a plan. *In re Crescent Beach Inn, Inc.*, 22 B.R. 155, 160-61 (Bankr. D. Me. 1982).

22. The Debtors are no strangers to a competitive plan process—the Debtors' 2010 chapter 11 cases were resolved via a dual track confirmation hearing wherein Judge Wizmur considered competing chapter 11 plans filed by the Debtors' bondholders and Mr. Icahn. *See In re TCI 2 Holdings, LLC*, 428 B.R. 117, 118, 182 (Bankr. D.N.J. 2010) (noting that the court was faced with two competing Chapter 11 plans of reorganization --the Ad Hoc Committee ("ACH")/Debtor Plan and the Beal/Icahn Plan - and concluding that while both of plans were confirmable, with certain modifications, the court would confirm the ACH/Debtor's plan because "while the [Beal/Icahn] plan was the more feasible plan in deleveraging of the debtors and infusion of capital in the form of equity, leaving the debtors with a clean balance sheet and adequate capital to rebuild the business, the debtors' plan clearly was more advantageous to creditors" as "only the only the First Lien Lenders benefit from the Beal/Icahn Plan."). A competitive plan process also has been employed in at least one other Atlantic City casino case. *See In re Greate Bay Hotel & Casino, Inc.*, 251 B.R. 213 (Bankr. D. N.J. 2000).

23. Here, cause exists on several grounds for the Court to terminate exclusivity to allow the Committee to file and solicit acceptances of the Committee Plan. First and foremost, the Icahn Parties have attempted to dictate the course of the Debtors' chapter 11 cases from the outset to the extreme prejudice of the interests of general unsecured creditors. The Icahn Parties strong-armed the Debtors into seeking overreaching and highly improper relief in connection with the proposed use of cash collateral, including overbroad releases and adequate protection liens on avoidance actions. Only with the intervention of the Court was the Committee able to scale back this relief and preserve the ability to seek a meaningful recovery for general unsecured creditors.

24. Unfortunately, the Icahn Parties have deployed the same strong-arm tactics in connection with the Debtors/Icahn Plan. The initial version of the Debtors/Icahn Plan and the First Amended Plan filed by the Debtors included zero distribution to general unsecured creditors. The Committee understands that until just a few days ago, the Icahn Parties abjectly refused the Debtors' request for even a nominal distribution for general unsecured creditors. Instead, the Icahn Parties insisted on retaining for themselves all of the value of the Reorganized Debtors under the Debtors/Icahn Plan, including value that could only be obtained through the use of this Court's jurisdiction under chapter 11, such as the labor cost savings resulting from the rejection of the Debtors' collective bargaining agreement under section 1113 of the Bankruptcy Code, and the preservation of hundreds of millions of dollars in net operating losses ("NOLs") and other valuable tax attributes.

25. In response to a settlement offer made by the Committee on November 11, the Icahn Parties apparently have now agreed to provide some nominal value for general unsecured creditors. As set forth above, the Second Amended Plan provides for a $1,000,000 distribution to general unsecured creditors (excluding the Icahn Parties' deficiency claims) plus participation in an unfunded litigation trust seeded with a limited package of avoidance actions. However, this value is truly nominal—the cash distribution represents less than a 0.5% distribution to the holders of over $210 million in estimated general unsecured claims (excluding any deficiency claim for the Icahn Parties), and the Debtors have opined that the avoidance actions are worthless. Much like the $50,000 per month Carve-Out proposed under the Icahn Parties' initial cash collateral agreement, the recovery offered to general unsecured creditors under the Second Amended Plan is woefully deficient and not even worth the cost of soliciting votes from general unsecured creditors. It is abundantly clear that the Icahn Parties will not voluntarily agree to

provide the Committee's constituents with a fair and meaningful recovery. Therefore, the only way to prevent the Icahn Parties from holding general unsecured creditors hostage is to allow the Committee to file its competing Committee Plan (discussed in greater detail above and below).

26. Second, cause exists to terminate exclusivity because the Debtors have not addressed the key deficiencies in the Debtors/Icahn Plan. Although it appears certain that the Debtors will close the Taj Mahal, they are still pressing forward with a "toggle" plan that includes an unrealistic and unattainable "Hail Mary" set of conditions precedent for the Taj Mahal to remain open, juxtaposed with an unconfirmable alternative set of conditions precedent for the closure of the Taj Mahal.

27. The nominal distribution for general unsecured creditors belatedly included in the Debtors/Icahn Plan does not fix the fundamentally deficient nature of the Debtors/Icahn Plan under sections 1129(a)(1)-(3) and 1129(d) of the Bankruptcy Code. *See* Supplemental Objection. The costs of administering the proposed nominal distribution to general unsecured creditors are likely to exceed the amount of the distribution. Less than $0.5 cents on the dollar cannot change the primary purpose of the Plan and its lack of good faith.

28. Moreover, the other purported benefits of the Debtors/Icahn previously cited by the Debtors and the Icahn Parties are illusory. The Debtors do not need a plan process to hand over two dark casinos to the Icahn Parties in an orderly fashion—that could be accomplished via a sale or any number of other ways that would not result in a "firesale." In addition, administrative expenses and priority claims are already adequately provided for. The Debtors have nearly $30 million of cash on hand with which to satisfy these claims—it is not at all clear that the Debtors need any additional financing to do so. Indeed, perhaps the largest component of these claims, the Atlantic City property tax claims, are secured by a priming lien that runs

with the land—they are endemic to the Icahn Parties' collateral and would need to be paid regardless. Many other priority claims were satisfied pursuant to "first day" relief granted by this Court, including employee claims and pre-petition taxes. And the Icahn Parties already agreed to a cash collateral budget and a Carve-Out that collectively cover the bulk of potential administrative expense claims—this was a quid pro quo for the use of cash collateral and cannot be "double-counted" as a primary purpose of the Debtors/Icahn Plan.

29. Third, the Committee Plan is a viable and superior alternative to the Debtors/Icahn Plan. The Committee Plan is based upon a fundamental legal premise: that the Icahn Parties' secured claim must be limited to the value of their collateral as of the Petition Date, which is the liquidation value. The Committee previously raised this issue in the adequate protection context in connection with its objection to the proposed cash collateral agreement. *See* Objection of the Official Committee of Unsecured Creditors to Entry of Final Order Pursuant to 11 U.S.C. §§ 361, 362, 363, 364 And 507, (A) Authorizing Use Of Cash Collateral, (B) Granting Adequate Protection To Secured Creditors, and (C) Granting Related Relief [Docket No. 202). As of the Petition Date, the Debtors were already in the process of shutting down the Plaza. The Debtors also made it public no later than the Petition Date that the shutdown of the Taj Mahal was imminent unless the Debtors could obtain significant labor and tax concessions in the first few weeks after the Petition Date. It is now all but certain that the Taj Mahal will close, proving that the Debtors' estates did not have any going concern value as of the Petition Date.

30. The direct corollary of this conclusion is that the value of the Secured Parties' interest in collateral as of the Petition Date is limited to the <u>liquidation value</u> of their collateral. In the cash collateral context, this means that the Icahn Parties are only entitled to adequate protection for any diminution in this <u>liquidation value</u> that results from the imposition of the

automatic stay and the Debtors' use of the collateral. Thus, the Icahn Parties are not entitled to any adequate protection (whether via adequate protection liens or section 507(b) superpriority claims) above and beyond the liquidation value of their collateral.

31. In the plan context, the Icahn Parties will argue that the value of their secured claim must be "determined in light of the purpose of the valuation and of the proposed disposition or use of such property." 11 U.S.C. § 506(a). Yet assuming that the Taj Mahal does close, there is no difference between the disposition of the Icahn Parties' collateral under the Debtors/Icahn Plan and a chapter 7 liquidation. Moreover, courts have applied a "flexible" approach to valuation under section 506(a), endorsed by the Third Circuit, which refuses to provide a secured creditor with a windfall due to increase in the value of its collateral that results from the efforts of the debtor or the use of the chapter 11 process. *See Wood v. LA Bank (In re Wood)*, 190 B.R. 788, 794-96 (Bankr. M.D. Pa. 1996) (valuing secured claim as of petition date under "flexible" approach when post-petition increase in value is attributable solely to debtor's efforts); *In re Treats Invs., LLC*, 2002 Bankr. LEXIS 1950 (Bankr. N.D. Tex. 2002) (applying similar factors); *In re Heritage Highgate, Inc.*, 679 F.3d 132, 141 (3d Cir. 2012) (endorsing flexible approach to valuation under section 506(a)).

32. The Liquidation Analysis and Valuation Analysis submitted in support of the Debtors/Icahn Plan fully support the use of the "flexible" approach to limit the value of the Icahn Parties' secured claim to the liquidation value of their collateral. The Liquidation Analysis provides that the liquidation value of the Icahn Parties' collateral ranges from $105 million to $143 million before Wind-Down Costs, or approximately $77 million to $102 million after Wind-Down Costs. In contrast, the Valuation Analysis provides that if the Taj Mahal remains open, then the Debtors' going concern enterprise value ranges from a low of $140 million to a

high of $190 million as of October 24, 2014 (net of exit financing), whereas upon a closure of the Taj Mahal the Debtors' reorganization value ranges from a low of $110 million to a high of $155 million (net of exit financing).

33. Even using the high end of the Liquidation Analysis before Wind-Down costs of $143 million, the Debtors/Icahn Plan provides for the Icahn Parties to receive $165 million in value (net of exit financing) at the midpoint of the Valuation Analysis under the scenario where the Taj Majal remains open—an increase of $22 million.[5] Yet this increase in the Reorganized Debtors' enterprise value over and above liquidation value is premised on the Debtors having obtained in excess of $14 million per year in labor cost savings pursuant to the 1113 order, as well as the Debtors having negotiated $175 million in concessions/contributions from state and local taxing authorities. These significant value components (which clearly would be undervalued at only $22 million) are not inherent to the Icahn Parties' collateral, but instead are comparable to the increase in value realized in *In re Wood*, where the debtor was able to get certain real property re-zoned from residential to commercial. 190 B.R. at 795. Just as in *Wood*, the Icahn Parties are not entitled to a windfall for any increase in value that results solely from the Debtors' efforts or the benefits of the chapter 11 process.

34. This holds true even under the scenario where the Taj Mahal is closed. The Valuation Analysis provides for value range of $110 million to $155 million for the Reorganized Debtors (net of exit financing) under the Taj Mahal closure scenario, which reflects an increase of approximately $5 million to $12 million above the liquidation value before Wind-Down costs. Although the Debtors do not attribute this increase to any specific factor, it is clear that a significant component must be the preservation of the Debtors' NOLs and other tax attributes,

[5] The Committee does not concede any of these values, and expressly reserves all rights with respect thereto.

which can only be accomplished via a chapter 11 plan. Under the "flexible" approach, the Icahn Parties are not entitled to the exclusive benefit of this increase in value that is not inherent to their collateral.

35. All of the foregoing reasons constitute cause under section 1121(d) to terminate the Debtors' exclusive periods to propose and solicit acceptances of a chapter 11 plan. While there is sufficient liquidity for the Debtors to proceed promptly through a competing plan confirmation process, even without additional financing,[6] there is not enough liquidity for the Debtors to proceed to a confirmation hearing only to have confirmation denied or conditioned on plan amendments and re-solicitation. The Debtors' estates have one shot at confirming a chapter 11 plan, and otherwise will almost certainly need to be converted to cases under chapter 7. Terminating exclusivity will not materially increase any delay or expense, particularly since the parties will be making the same arguments in support of their respective plan and against the opposing plan, and because the issues at stake are primarily legal as opposed to factual. Therefore, the Committee respectfully requests that the Court terminate exclusivity to permit the Committee to file and solicit acceptances of the Committee Plan concurrently with the Debtors/Ichan Plan.

VI. SUPPLEMENTAL OBJECTION

36. Based on the foregoing, the Committee objects to the entry of an order approving the Disclosure Statement and granting the relief requested in the Disclosure Statement Motion pending a resolution of the Motion. In the event that the Court grants the Motion, then the Committee respectfully submits that the Court should adjourn the hearing on the Disclosure Statement and the Disclosure Statement Motion for approximately one week to allow the

[6] Assuming the Debtors diligently conserve cash and proceed with an orderly closure of the Taj Mahal.

Committee to file the Committee Plan and a proposed redline of the Disclosure Statement and related documents in order to allow for joint solicitation of votes on the Amended Plan and the Committee Plan.

37. In the event that the Court is not inclined to grant the Motion, then the Committee renews its Preliminary Objection and respectfully requests that the Court deny the Disclosure Statement Motion and refuse to approve the Disclosure Statement.

38. In the event that the Court is inclined to grant the Disclosure Statement Motion and approve the Disclosure Statement, the Committee respectfully requests that the Court condition such relief upon the following modifications to the proposed Disclosure Statement Order:

- Paragraph 16 – needs to be clarified such that allowance of Class 3 First Lien Credit Agreement Claims for voting purposes does not affect or impair rights of any party in interest to seek to have such vote designated pursuant to section 1126(e).
- Paragraph 33 – as set forth in the Preliminary Objection, ordinary course trade creditors should be excluded from the Administrative Claims Bar Date for goods or services provided within thirty (30) days of the Administrative Claims Bar Date.

VII. RESERVATION OF RIGHTS

39. As set forth in section II(A), *supra*, the Debtors filed the most recent versions of the Debtors/Icahn Plan at approximately 9:35 a.m. on November 14 (less than five hours before the continued hearing on the Disclosure Statement and Disclosure Statement Motion). Therefore, the Committee reserves all of its rights to supplement this Motion and Supplemental Objection with respect to the Second Amended Plan, the Disclosure Statement and/or arguments raised at or after the hearing.

WHEREFORE, the Committee respectfully requests that this Court (i) grant the Motion, (ii) deny the Disclosure Statement Motion, and (iii) and grant such other and further relief as the Court deems just and proper.

Dated: November 14, 2014
Wilmington, Delaware

GIBBONS P.C.

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EXHIBIT A

Valuation of Reorganized Debtors

In conjunction with formulating the Plan, the Debtors requested that their financial advisor, Houlihan Lokey, advise them with respect to the reorganization value of the Reorganized Debtors with the Taj Mahal operating on a going concern basis and the Plaza on a closed basis. Solely for purposes of the Plan, Houlihan Lokey has estimated the range of reorganization value of the Reorganized Debtors, after incorporating the $100 million New Term Loan, to be approximately $240 million to $290 million (with a midpoint value of $265 million) as of October 24, 2014. After deducting the proposed amount of New Term Loan, the reorganization value of the Reorganized Debtors available to pre-petition creditors is estimated to be $140 million to $190 million (with a midpoint value of $165 million) as of October 24, 2014. In the alternative reorganization in which the Taj Mahal is closed, Houlihan Lokey has estimated the range of reorganization value as approximately $125 million to $170 million (with a midpoint value of $147.5 million. After deducting the proposed amount of the New Term Loan (estimated to be approximately $15 million if the Taj Mahal is closed), the reorganization value of the Reorganized Debtors available to pre-petition creditors is estimated to be $110 million to $155 million (with a midpoint value of $132.5 million) as of October 24, 2014. Houlihan Lokey's estimate of a range of enterprise values does not constitute an opinion as to fairness from a financial point of view of the consideration to be received under the Plan or of the terms and provisions of the Plan.

THE ESTIMATED RANGE OF THE REORGANIZATION VALUE, AS OF OCTOBER 24, 2014, REFLECTS WORK PERFORMED BY HOULIHAN LOKEY ON THE BASIS OF INFORMATION IN RESPECT OF THE BUSINESS AND ASSETS OF THE DEBTORS CURRENTLY AVAILABLE TO HOULIHAN LOKEY. IT SHOULD BE UNDERSTOOD THAT, ALTHOUGH SUBSEQUENT DEVELOPMENTS MAY AFFECT HOULIHAN LOKEY'S CONCLUSIONS, HOULIHAN LOKEY DOES NOT HAVE ANY OBLIGATION TO UPDATE, REVISE, OR REAFFIRM ITS ESTIMATE.

The financial projections annexed hereto (the "Financial Projections") were prepared by management of the Debtors. Houlihan Lokey's estimate of a range of reorganization values assumes that the Financial Projections will be achieved by the Reorganized Debtors in all material respects, including revenue growth and improvements in operating margins, earnings and cash flow. If the business performs at levels above or below those set forth in the Financial Projections, such performance may have a material impact on the estimated range of values derived therefrom.

- In estimating the Reorganized Debtors' reorganization value range, Houlihan Lokey:
- Reviewed certain historical financial information of the Debtors for recent periods;
- Reviewed certain internal financial and operating data of the Debtors, including the Financial Projections;
- Met with certain members of senior management of the Debtors to discuss operations and future prospects;

- Reviewed publicly available financial data and considered the market value of public companies that Houlihan Lokey deemed generally comparable to the operating business of the Debtors;

- Considered relevant precedent transactions in the gaming industry;

- Considered certain economic and industry information relevant to the business of the Debtors; and

- Conducted such other studies, analysis, inquiries, and investigations as it deemed appropriate.

ALTHOUGH HOULIHAN LOKEY CONDUCTED A REVIEW AND ANALYSIS OF THE DEBTORS' BUSINESS, OPERATING ASSETS AND LIABILITIES AND THE REORGANIZED DEBTORS' BUSINESS PLAN, IT ASSUMED AND RELIED ON THE ACCURACY AND COMPLETENESS OF ALL FINANCIAL AND OTHER INFORMATION FURNISHED TO IT BY THE DEBTORS, AS WELL AS PUBLICLY AVAILABLE INFORMATION. IN ADDITION, HOULIHAN LOKEY DID NOT INDEPENDENTLY VERIFY THE FINANCIAL PROJECTIONS IN CONNECTION WITH SUCH ESTIMATES OF THE REORGANIZATION VALUE, AND NO INDEPENDENT VALUATIONS OR APPRAISALS OF THE DEBTORS WERE SOUGHT OR OBTAINED IN CONNECTION HEREWITH.

ESTIMATES OF THE REORGANIZATION VALUE DO NOT PURPORT TO BE APPRAISALS OR NECESSARILY REFLECT THE VALUES THAT MAY BE REALIZED IF ASSETS ARE SOLD AS A GOING CONCERN, IN LIQUIDATION, OR OTHERWISE.

IN THE CASE OF THE REORGANIZED DEBTORS, THE ESTIMATES OF THE REORGANIZATION VALUE PREPARED BY HOULIHAN LOKEY REPRESENT THE HYPOTHETICAL REORGANIZATION VALUE OF THE REORGANIZED DEBTORS. SUCH ESTIMATES WERE DEVELOPED SOLELY FOR PURPOSES OF THE FORMULATION. SUCH ESTIMATES REFLECT COMPUTATIONS OF THE RANGE OF THE ESTIMATED REORGANIZATION ENTERPRISE VALUE OF THE REORGANIZED DEBTOR THROUGH THE APPLICATION OF VARIOUS VALUATION TECHNIQUES.

THE VALUE OF AN OPERATING BUSINESS IS SUBJECT TO NUMEROUS UNCERTAINTIES AND CONTINGENCIES THAT ARE DIFFICULT TO PREDICT AND WILL FLUCTUATE WITH CHANGES IN FACTORS AFFECTING THE FINANCIAL CONDITION AND PROSPECTS OF SUCH A BUSINESS. AS A RESULT, THE ESTIMATE OF THE RANGE OF THE REORGANIZATION ENTERPRISE VALUE OF THE REORGANIZED DEBTORS SET FORTH HEREIN IS NOT NECESSARILY INDICATIVE OF ACTUAL OUTCOMES, WHICH MAY BE SIGNIFICANTLY MORE OR LESS FAVORABLE THAN THOSE SET FORTH HEREIN. SUCH ESTIMATES ARE INHERENTLY SUBJECT TO UNCERTAINTIES AND ACTUAL OUTCOMES AND RESULTS MAY DIFFER MATERIALLY FROM THOSE SET FORTH HEREIN.

A. Valuation Methodology

Houlihan Lokey performed a variety of analyses and considered a variety of factors in preparing the valuation of the Reorganized Debtors. In valuing the Taj Mahal as an open and operating property and related organization, Houlihan Lokey primarily relied on three methodologies for estimating enterprise value: comparable public company analysis, transaction multiple analysis, and discounted cash flow analysis. Houlihan Lokey made judgments as to the significance of each analysis in determining the Debtors' indicated enterprise value range. Houlihan Lokey's valuation must be considered as a whole, and selecting just one methodology or portions of the analyses, without considering the analyses as a whole, could create a misleading or incomplete conclusion as to the Debtor's enterprise value.

With respect to the Trump Plaza, which closed on September 16, 2014, Houlihan Lokey has assumed a value of $20 to 30 million, which is based on a variety of assumptions but takes into account (a) previous offers received for the Trump Plaza; and (b) metrics on recent sale values for Claridge's and Atlantic Club, which are comparable closed facilities sold in 2014. This value has been added to the enterprise value estimates for the Taj Mahal of $220 million to $260 million after giving effect to the New Term Loan. As further discussed in the explanation of the Financial Projections, the valuation in this scenario assumes, *inter alia*, the Taj Mahal (a) remains open, (b) obtains the relief requested from the State of New Jersey and/or Atlantic City, and (c) obtains a $100mm New Term Loan from affiliates of the holders of First Lien Credit Agreement Claims.

If the Taj Mahal is closed, Houlihan Lokey estimates a value for the Taj Mahal of $80 to $100 million, while the value of the Trump Plaza would remain the same. Such a value of the Taj Mahal was determined by applying a discount to the recent sale price of Revel, which was sold as a closed property. The discount to the Revel sale value reflects the difference in property condition and older age of the Taj Mahal as compared to Revel, partially offset by the fact that the Taj Mahal has more rooms and a larger customer database. Liquidation proceeds of Current Assets, Intangible Assets, and Other Assets (in the same low and high amounts as in the Liquidation Analysis) of $25-40 million are added to the Trump Plaza and Taj Mahal closure values to reach an estimated total enterprise value range of $125 to $170 million in the scenario in which the Taj Mahal is closed.

In preparing its valuation estimate of the Debtors in the scenario in which the Taj Mahal stays open, Houlihan Lokey performed a variety of analyses and considered a variety of factors, some of which are described herein. The following summary does not purport to be a complete description of the analyses and factors undertaken to support Houlihan Lokey's conclusions. The preparation of a valuation is a complex process involving various determinations as to the most appropriate analyses and factors to consider, as well as the application of those analyses and factors under the particular circumstances. As a result, the process involved in preparing a valuation is not readily summarized.

B. Comparable Public Company Analysis

A comparable public company analysis estimates value based on a comparison of the target company's financial statistics with the financial statistics of public companies that are similar to the target company. It establishes a benchmark for asset valuation by deriving the value of "comparable" assets, standardized using a common variable such as revenues, earnings, and cash flows. The analysis includes a financial comparison of each company's income statement, balance sheet, and cash flow statement. In addition, each company's performance, profitability, margins, leverage and business trends are also examined. Based on these analyses, a number of financial multiples and ratios may be calculated to gauge each company's relative performance and valuation.

A key factor to this approach is the selection of companies with relatively similar business and operational characteristics to the target company. Criteria for selecting comparable companies include, among other relevant characteristics, similar lines of businesses (in this case, companies involved in the gaming industry), business risks, target market segments, location of markets, growth prospects, market presence, size, and scale of operations. The selection of truly comparable companies is often difficult and subject to interpretation. The underlying concept is to develop a premise for relative value, which, when coupled with other approaches, presents a foundation for determining value.

Houlihan Lokey analyzed the current trading value for the comparable companies as a multiple of the latest twelve months ("***LTM***") ended June 30, 2014 and projected fiscal years ending 2014, 2015 and 2016 earnings before interest, taxes, depreciation, and amortization ("***EBITDA***"). The derived multiples were applied to the Debtor's EBITDA for the projected fiscal year ending December 31, 2016. Given the large discrepancies between current and pro forma EBITDA, Houlihan Lokey used 2016 as a "stabilized" EBITDA figure to exclude the temporary disruptions and effects of (a) property closures in 2014 and (b) the substantial capital improvements to take place in 2015 as a result of the $100 million new money investment.

C. Precedent Transactions Analysis

A precedent transactions analysis estimates value by examining publicly announced merger and acquisition transactions. An analysis of the disclosed purchase price as a multiple of various operating statistics reveals industry acquisition multiples for companies in the same industry as the Debtors. These transaction multiples are calculated based on the purchase price (including any debt assumed) paid to acquire companies that are comparable to the Debtors. Houlihan Lokey specifically focused on prices paid as a multiple of EBITDA, as this is typically reflective of the cash flow derived by companies comparable to the Debtors, in determining a range of values for the Debtors. These multiples are then applied to the Debtors' EBITDA for the projected fiscal year ending December 31, 2016 to determine the total enterprise value or value to a potential buyer. As in the comparable company analysis, Houlihan Lokey used 2016 as a "stabilized" EBITDA figure to exclude certain temporary disruptions and effects expected in 2014 and 2015.

Unlike the comparable public company analysis, the valuation in this methodology includes a "control" premium, representing the purchase of a majority or controlling position in a company's assets. Thus, this methodology generally produces higher valuations than the

comparable public company analysis. Other aspects of value that manifest itself in a precedent transaction analysis include the following:

Circumstances surrounding a sale transaction may introduce "diffusive quantitative results" into the analysis (e.g., an additional premium may be extracted from a buyer in the case of a competitive bidding contest).

The market environment is not identical for transactions occurring at different periods of time. Accordingly, Houlihan Lokey focused on the most recent transactions in determining a multiple range.

Circumstances pertaining to the financial position of a company may have an impact on the resulting purchase price (e.g., a company in financial distress may receive a lower price due to perceived weakness in its bargaining leverage).

As with the comparable company analysis, because no acquisition used in any analysis is identical to a target transaction, valuation conclusions cannot be based solely on quantitative results. The reasons for and circumstances surrounding each acquisition transaction are specific to such transaction, and there are inherent differences between the businesses, operations and prospects of each. Therefore, qualitative judgments must be made concerning the differences between the characteristics of these transactions and other factors and issues that could affect the price an acquirer is willing to pay in an acquisition.

D. Discounted Cash Flow Approach

The discounted cash flow ("***DCF***") valuation methodology relates the value of an asset or business to the present value of expected future cash flows to be generated by that asset or business. The DCF methodology is a "forward looking" approach that discounts the expected future cash flows by a theoretical or observed discount rate determined by calculating the average cost of debt and equity for publicly traded companies that are similar to the Debtors. The expected future cash flows have two components: the present value of the projected unlevered free cash flows for a determined period and the present value of the terminal value of cash flows (representing enterprise value beyond the time horizon of the Financial Projections). Houlihan Lokey's discounted cash flow valuation is based on the Financial Projections of the Debtors' operating results. Houlihan Lokey discounted the projected cash flows using the Debtors' estimated weighted average cost of capital and calculated a terminal value for the Debtors. The terminal multiple methodology, which utilizes a projected transaction multiple to capitalize the cash flows in the final period, was considered for determining the terminal value. An alternative methodology for estimating the terminal value, which utilizes a cash flow growth rate into perpetuity, was analyzed in part to assess the appropriate terminal multiple level.

This approach relies on the company's ability to project future cash flows with some degree of accuracy. Because the Debtors' Financial Projections reflect significant assumptions made by the Debtors' management concerning anticipated results, the assumptions and judgments used in the Financial Projections may or may not prove correct and, therefore, no assurance can be provided that projected results are attainable or will be realized. Houlihan

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Lokey cannot and does not make any representations or warranties as to the accuracy or completeness of the Financial Projections.

E. Estimated Recovery to First Lien Credit Agreement Claims and General Unsecured Claims under the Plan ($ in millions)

	Plaza Closed & Taj Mahal Open	Plaza Closed & Taj Mahal Closed
Post-Money Total Enterprise Value (midpoint)	$265.0	$147.5
Less: New Term Loan (1)	(100.0)	(15.0)
Total Enterprise Value available to pre-petition creditors	$165.0	$132.5
First Lien Credit Agreement Claims	$292.3	$292.3
Recovery for First Lien Credit Agreement Claims	**$165.0**	**$132.5**
Recovery % for First Lien Credit Agreement Claims	**56.5%**	**45.3%**
Value Available for General Unsecured Claims	**$0.0**	**$0.0**
Recovery % for General Unsecured Claims	**0.0%**	**0.0%**

(1) In a plan in which the Taj Mahal remains open, the New Term Loan in the amount of $100 million will be used for capital improvements required to achieve the Projections, replenishment of the Debtors' current working capital cash deficit and satisfaction of all Administrative Claims, Priority Non-Tax Claims and Other Secured Claims. In a plan in which the Taj Mahal is closed, the New Term Loan (in the reduced amount of approximately $15 million) will be used to cover Administrative Claims.

EXHIBIT B

LIQUIDATION ANALYSIS UNDER CHAPTER 7

Section 1129(a)(7) of the Bankruptcy Code requires that each holder of an impaired claim or equity interest receive property on account of such claim or interest with a value not less than the value of the property such holder would receive in a liquidation conducted under chapter 7 of the Bankruptcy Code. The following analysis and computations (the "***Liquidation Analysis***") have been prepared by the Debtors' senior management, with the assistance of Houlihan Lokey, as an estimate of the values which might be realized by all classes of creditors and interest holders in the event the assets of the Debtors were to be liquidated in chapter 7 cases under the Bankruptcy Code.

Under the Plan, Classes 3 (First Lien Credit Agreement Claims), 4 (General Unsecured Claims), 5A-5B (Existing Securities Law and Equitably Subordinated Claims), and 6 (Existing TER Interests) are impaired. The Liquidation Analysis shows that the holders of Claims in Class 3 would receive less value in a liquidation under chapter 7 than they will receive under the Plan. The Claims and interests in Classes 4 (General Unsecured Claims), 5A-5B (Existing Securities Law and Equitably Subordinated Claims), and 6 (Existing TER Interests) are impaired because the Plan does not provide any recovery to the holders of claims or interests. The Liquidation Analysis shows that the holders of claims or interests in such classes also would not receive any recovery in a liquidation under chapter 7.

The tables set forth below show the application of the Liquidation Analysis as to each class of claims and interests.

This Liquidation Analysis is hypothetical and based on a number of estimates and assumptions that, although developed and considered reasonable by the Debtors' senior management, are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of the Debtors. Accordingly, while the analysis that follows is necessarily presented with numerical specificity, there can be no assurance that the values estimated would be realized if the Debtors were in fact liquidated.

NO REPRESENTATION OR WARRANTY CAN OR IS BEING MADE WITH RESPECT TO THE ACTUAL PROCEEDS THAT COULD BE RECEIVED IN A CHAPTER 7 LIQUIDATION OF THE DEBTORS. THE LIQUIDATION VALUATIONS HAVE BEEN PREPARED SOLELY FOR PURPOSES OF ESTIMATING PROCEEDS AVAILABLE IN A CHAPTER 7 LIQUIDATION OF THE DEBTORS' ESTATES AND DO NOT REPRESENT VALUES THAT MAY BE APPROPRIATE FOR ANY OTHER PURPOSES. NOTHING CONTAINED IN THESE VALUATIONS IS INTENDED OR MAY CONSTITUTE A CONCESSION OR ADMISSION BY THE DEBTORS FOR ANY OTHER PURPOSE.

Approach

A trustee in a chapter 7 case is charged with liquidating the debtor's assets as expeditiously as possible in order to make distributions to creditors and, if applicable, equity interest holders. A chapter 7 case typically results in additional expenses, including the chapter 7 trustee's compensation and the expenses of its counsel and other advisors. In addition, a "forced" sale in chapter 7 is likely to result in lower net proceeds than a sale under normal circumstances as a consequence of, among other factors, the additional risks assumed by potential buyers due to a shortened diligence process, potentially negative perceptions involved in liquidation sales, the current state of the capital markets, the limited universe of prospective distress buyers for these types of properties, and the "bargain hunting" mentality of liquidation sales.

Related Assets

- Certain Personal Property

The Debtors hold many slot machines and other furniture, fixtures and equipment. As further highlighted in the notes below, in estimating the value of this personal property, it is assumed that the majority of these assets are sold together with the properties.

- Gaming and Alcohol Licenses

The New Jersey gaming licenses are non-transferable.

The Debtors' Atlantic City liquor licenses are issued by the New Jersey Casino Control Commission and are dependent on certain contingencies that potentially invalidate them in a chapter 7 liquidation. Therefore, for the purposes of this Liquidation Analysis, the Atlantic City liquor licenses are assumed to have no value.

- Other Assets

Under a chapter 7 liquidation, it is assumed that the license agreement between the Debtors and Donald J. Trump would be rejected. For purposes of this Liquidation Analysis no separate value was ascribed to that agreement.

Allocation of Proceeds

The Liquidation Analysis necessarily contains estimates of the amounts of Claims that will ultimately become allowed Claims. Estimates for various classes of Claims are based solely upon the evaluation of the Debtors' books and records. No order or finding has been entered by the Court estimating or otherwise fixing the amount of all Claims as set forth in this Liquidation Analysis. Certain Claims such as priority employee Claims, rejection Claims associated with unexpired leases and executory contracts, litigation claims, tax assessments or claims of gaming regulators were not estimated.

Liquidation proceeds are allocated in the following priority: (i) first to the costs, fees and expenses associated with the chapter 7 trustee and liquidation; (ii) second to the secured creditors to the extent of the value of their collateral; (iii) third to any Administrative Claims (other than Administrative Claims allowed to be paid pursuant to the Carve-Out in the Cash Collateral Order), priority Claims and other Claims entitled to priority in payment under the Bankruptcy Code; and (iv) fourth to General Unsecured Claims.

Other Assumptions

This Liquidation Analysis assumes a liquidation of the Debtors' assets over six to twelve months. This time period reflects an estimate of the time required to dispose of the material assets as well as collection of any and all receivables. The Liquidation Analysis is presented on a consolidated basis, notwithstanding that the Plan does not request substantive consolidation.

It is assumed that in a chapter 7 liquidation, the Taj Mahal would be closed and the Plaza would remain closed, and each would be sold on a "closed" as-is basis.

This analysis does not reflect the amount of any superpriority adequate protection claims arising under section 507(b) of the Bankruptcy Code that may be asserted by the First Lien Lenders pursuant to the terms of the Cash Collateral Order.

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The Liquidation Analysis further assumes that there are no recoveries from the pursuit of any potential preferences, fraudulent conveyances, or other causes of action and does not include the estimated costs of pursuing such actions.

Conclusion

Based on the assumptions used in this Liquidation Analysis, in a chapter 7 liquidation there would be no recovery for General Unsecured Claims, and the First Lien Credit Agreement Claims would be impaired and receive a lower recovery than under the Plan.

Liquidation Analysis

	Notes Ref.	Book Value as of 9/30/2014 (1)	Asset Recovery Percentage Low	Asset Recovery Percentage High	Hypothetical Liquidation Values Low	Hypothetical Liquidation Values High
Current Assets						
Cash & Cash Equivalents	(2)	$16,484	*100%*	*100%*	$16,484	$16,484
Accounts Receivable, Net	(3)	7,534	*50%*	*70%*	3,767	5,274
Accounts Receivable, Other	(3)	1,700	*70%*	*80%*	1,190	1,360
Inventories	(4)	1,196	*5%*	*10%*	60	120
Prepaid Expenses and Other	(5)	4,640	*5%*	*10%*	232	464
Current Assets		**$31,554**	*69%*	*75%*	**$21,733**	**$23,701**
Property & Equipment						
Taj Mahal Property & Equipment					64,000	80,000
Plaza Property & Equipment					16,000	24,000
Property & Equipment, Net	(6)				**$80,000**	**$104,000**
Intangible Assets, Net	(7)	**$8,700**	*40%*	*60%*	**$3,480**	**$5,220**
Other Assets						
CRDA Investments, Net		17,547	*0%*	*50%*	-	8,774
Other Assets, Net		17,598	*0%*	*10%*	-	1,760
Other Assets	(8)	**$35,145**	*0%*	*30%*	**$0**	**$10,533**
Total Net Proceeds Available for Distribution					**$105,213**	**$143,455**
Wind-Down Costs						
Wind-Down Costs during Chapter 7 process	(9)				(10,000)	(20,000)
Professional Fees @ 3%	(10)				(2,662)	(3,809)
Trustee fees @ 3%	(10)				(2,582)	(3,695)
Disputed Post-petition Property Tax Claims	(11)				(9,475)	(9,475)
Pre-termination Cash Collateral Order Administrative Fee Carve-Out					(3,000)	(4,000)
Post-termination Cash Collateral Order Administrative Fee Carve-Out					(500)	(500)
Subtotal Wind-Down Costs					**($28,219)**	**($41,479)**
Net Proceeds Available for Distribution After Windown Costs					**$76,994**	**$101,976**

Recovery Analysis

	Notes Ref.	Estimated Claims	Recovery Percentage in Ch 7 Low	Recovery Percentage in Ch 7 High	Recovery Values Low	Recovery Values High
Class 2: Other Secured Claims	(12)	400	100.0%	100.0%	400	400
Class 3: First Lien Credit Agreement Claims	(12)	292,257	26.2%	34.8%	76,594	101,576
Chapter 11 Admin / 507(b) Claims (Excluding Carve-Out)	(12)	5,000	0.0%	0.0%	0	0
Class 1: Priority Non-Tax Claims	(12)	$0	0.0%	0.0%	0	0
Disputed Pre-petition Priority Tax Claims	(11)	$12,218	0.0%	0.0%	0	0
Class 4: General Unsecured Claims	(12)	N/A	0.0%	0.0%	0	0
Class 5(a) Existing Securities Law Claims		N/A	0.0%	0.0%	0	0
Class 5(b) Equitably Subordinated Claims		N/A	0.0%	0.0%	0	0
Class 6: Existing TER Interests		N/A	0.0%	0.0%	0	0
Total		**$309,875**			**$76,994**	**$101,976**

LIQUIDATION ANALYSIS NOTES

Note 1 ─ Asset Values

Except for Cash and Cash Equivalents noted in Note 2 below, all asset values use the Debtors' consolidated book values, by asset, as of September 30, 2014, as a proxy for the liquidation values upon liquidation as of November 30, 2014.

Note 2 – Cash and Cash Equivalents

Cash and cash equivalents are presented on a consolidated basis as adjusted for the most recent 13-week cash flow forecast available to the Debtors. The cash and cash equivalents estimated in the Liquidation Analysis are presented on a consolidated basis from the projected cash balance as of November 28, 2014, including all cash on the casino floor, working capital cash and cash in the internet gaming accounts.

Note 3 ─ Accounts Receivable

The majority of the Debtors' Net Accounts Receivable arise from customer gaming "markers" or lines of credit. Given the significant future uncertainty involved in any sale, the Liquidation Analysis assumes that collection of receivables would be significantly negatively impacted. Other Accounts Receivable consist of items such as credit card receivables and ATM fee receivables. These items are estimated to receive a higher recovery than marker returns.

Note 4 ─ Inventory

Inventory is comprised largely of food, beverage, restaurant tableware and miscellaneous goods from retail outlets. Due to the perishable nature of food and beverage inventory, and certain requirements by gaming regulators to dispose of alcoholic beverages, only the tableware and retail inventory would yield a small recovery.

Note 5 ─ Prepaid and Other Current Assets

Prepaid and Other Current Assets are comprised largely of prepaid insurance and prepaid slot machine licensing fees. It is assumed that a small portion of the unutilized prepaid amounts are collectible; however, insurance premiums for property insurance and other insurance will be difficult or imprudent to attempt to recover.

Note 6 ─ Property and Equipment

Property and equipment are generally comprised of land, buildings and improvements and personal property used in the operation of each of the casino properties. The Liquidation Analysis assumes the property and equipment would be sold property-by-property (i.e., the Taj Mahal and Plaza property are sold separately), and relies primarily on recent sales of shut casinos in the Atlantic City market to estimate a range of recovery values. For purposes of this Liquidation Analysis, the Taj Mahal's and Plaza's property liquidation values have been calculated by starting with the same values of the property and equipment, on a closed basis, of $80-100 million and $20-30 million, respectively, as contained in the Valuation Analysis, and thereafter applying a 20% decrease in the sale price, as these sale processes would occur on a "fire sale" basis. These discounts collectively result in liquidation value ranges of $64-80 million and $16-24 million for the Taj Mahal and the Plaza, respectively.

As in the Revel sale, slot machines and other furniture, fixtures & equipment are assumed to be sold together with the Taj Mahal. If these assets were to be sold separately, any bid for the properties would likely be reduced by an amount for any buyer to refurnish the properties.

Note 7 ─ Intangible Assets, Net

Intangible Assets consist of the Debtors' trademarks, trade names, customer lists and other data. This Liquidation Analysis is based on the Debtors' estimates of the values obtained in customer lists and other data in the Atlantic Club liquidation in late 2013 and early 2014.

Note 8 – Other Assets

Other Assets are comprised largely of Casino Reinvestment Development Authority ("CRDA") deposits and investments, prepaid rent and retainers to professionals. A material portion of the CRDA-related assets are assumed to be recovered over time, while the other assets are assumed to yield minimal recovery.

Note 9 – Wind-Down Costs

Certain costs and expenses would be required to wind down the property, including utilities, property tax payments, security personnel and other costs. The Liquidation Analysis estimates the wind-down costs would be $10-20 million.

Note 10 ─ Professional Fees and Trustee Fees

Professional fees represent the costs related to attorneys and financial advisors retained by a chapter 7 Trustee. Professional fees are based on 3% of the total proceeds available for distribution (excluding cash and cash equivalents).

In accordance with section 326 of the Bankruptcy Code, the statutory maximum fee allowed to a trustee in a chapter 7 liquidation is 3% of monies disbursed. For the purpose of this Liquidation Analysis, the fee is estimated to be based on 3% of the total proceeds available for distribution less cash and payments to professionals.

Note 11 – Property Taxes

Property taxes prior to conversion of these cases are split in this Liquidation Analysis between (a) pre-petition priority unsecured claims and (b) post-petition administrative claims. The Debtors dispute the Debtors' properties' assessments and associated real property taxes.

Note 12 – Claims and Recoveries

Chapter 11 Administrative Claims consists of post-petition accounts payable and other administrative claims not covered by the Carve-Out in the Cash Collateral Order. The Chapter 11 Administrative Claims exclude any potential superpriority adequate protection claims arising under section 507(b) of the Bankruptcy Code that may be asserted by the First Lien Lenders pursuant to the terms of the Cash Collateral Order. Such amounts would be in addition to those shown in this Liquidation Analysis.

Class 1 – Priority Non-Tax Claims are estimated to be zero.

Class 2 – Other Secured Claims consists primarily of Slot Financing arrangements; the slot vendors would be assumed to either receive their slot machine equipment back or cash recovery for liquidation of such equipment. The Liquidation Analysis assumes $0 with respect to any secured claim asserted by Levin Staller.

Class 3 – Holders of the secured portion of the First Lien Credit Agreement Claims would receive the remainder of the recovery, as they have a lien on substantially all assets of the estate.

Class 4 – General Unsecured Claims would receive zero recovery under a chapter 7 liquidation given the insufficient value to satisfy the secured portion of the First Lien Credit Agreement Claims in full, as well as Chapter 11 Administrative Claims and potential Priority Claims.

EXHIBIT C

(Original Budget)

CONSOLIDATED TRUMP
WEEKLY CASH FLOW PROJECTION
$ in 000s

	W/E 9/12/2014	W/E 9/19/2014	W/E 9/26/2014	W/E 10/3/2014	W/E 10/10/2014	W/E 10/17/2014	W/E 10/24/2014	W/E 10/31/2014	W/E 11/7/2014
Deposits:									
Casino & Hotel (Net of Marker Returns)	$ 7,920	$ 5,603	$ 5,376	$ 6,671	$ 5,339	$ 5,494	$ 5,334	$ 5,339	$ 4,864
Floor Cash Released from Plaza Closure	0	4,250	0	0	0	0	0	0	0
Total Deposits	7,920	9,853	5,376	6,671	5,339	5,494	5,334	5,339	4,864
Currency Order	0	0	(540)	0	0	0	(540)	0	0
Net Deposits	7,920	9,853	4,836	6,671	5,339	5,494	4,794	5,339	4,864
Disbursements:									
Payroll & Taxes	1,882	1,827	2,460	1,560	1,411	1,331	1,331	2,975	1,326
Health Benefits	846	163	0	178	15	835	0	82	100
Union Benefits	1,849	52	1	0	0	1,650	50	0	0
Accounts Payable	1,395	2,723	1,358	1,277	2,386	1,823	1,291	1,802	1,566
Utilities	4,520	1,259	7	417	25	1,456	1,017	0	1,262
Capital Expenditures	65	65	65	65	65	60	50	50	45
Capital Leases	3	0	369	68	28	0	11	54	11
Win Tax	350	396	392	317	269	300	301	295	300
Progressive Slot Wires	200	15	185	10	160	10	160	10	160
Casino Drafts	880	413	420	406	396	396	396	396	395
Real Estate	0	0	0	0	0	0	0	0	0
Sales & Use, Comp Taxes	0	0	1,300	0	0	0	1,490	0	0
CRDA / Slot License Fees	0	0	0	0	0	1,036	0	0	0
AC Alliance	0	0	0	796	0	0	0	0	0
Board of Directors Fees	0	0	0	180	0	0	0	0	0
Corporate Audit Fees	0	0	0	0	0	25	0	10	0
Total Operating Disbursements	11,990	6,913	6,557	5,274	4,755	8,922	6,097	5,674	5,165
Memo: Net Unlevered Change in Cash	*(4,070)*	*2,940*	*(1,721)*	*1,397*	*584*	*(3,428)*	*(1,302)*	*(335)*	*(301)*
Restructuring Expenses	50	0	0	325	0	840	0	0	375
Total Disbursements	**12,040**	**6,913**	**6,557**	**5,599**	**4,755**	**9,762**	**6,097**	**5,674**	**5,540**
Net Cash Flow	(4,120)	2,940	(1,721)	1,072	584	(4,268)	(1,302)	(335)	(676)
Beginning Working Capital Cash	12,074	7,954	10,894	9,173	10,245	10,829	6,561	5,259	4,923
Ending Working Capital Cash	**$ 7,954**	**$ 10,894**	**$ 9,173**	**$ 10,245**	**$ 10,829**	**$ 6,561**	**$ 5,259**	**$ 4,923**	**$ 4,247**
Estimated Cash on Casino Floor	17,550	11,500	11,500	10,200	10,100	9,800	10,300	10,200	10,100
Internet Gaming Balance	1,300	1,500	1,700	1,900	1,900	1,900	1,900	1,900	1,900
Estimated Total Cash & Cash Equivalents	**$ 26,804**	**$ 23,894**	**$ 22,373**	**$ 22,345**	**$ 22,829**	**$ 18,261**	**$ 17,459**	**$ 17,023**	**$ 16,247**

NOTE: Deposits and disbursements (including professional fees) are shown on a cash basis, without regard for timing of accruals for revenues and expenses.

EXHIBIT D

(Updated Budget)

CONSOLIDATED TRUMP
WEEKLY CASH FLOW PROJECTION (TAJ OPEN)
$ in 000s

	W/E 11/7/2014	W/E 11/14/2014	W/E 11/21/2014	W/E 11/28/2014	W/E 12/5/2014	W/E 12/12/2014	W/E 12/19/2014	Total 7 Weeks
Deposits:								
Casino & Hotel (Net of Marker Returns)	$ 4,639	$ 3,878	$ 3,656	$ 3,429	$ 4,289	$ 3,606	$ 2,075	$ 25,572
Floor Cash Released from Taj Closure	0	0	0	0	0	0	0	0
Total Deposits	4,639	3,878	3,656	3,429	4,289	3,606	2,075	25,572
Currency Order	(655)	0	0	0	(540)	0	0	(1,195)
Net Deposits	3,984	3,878	3,656	3,429	3,749	3,606	2,075	24,377
Disbursements:								
Payroll & Taxes	1,360	1,363	1,361	1,290	1,394	1,334	1,319	9,420
Local 54 Severance	0	0	0	0	0	700	0	700
Health Benefits - Non Union	679	95	30	95	95	692	30	1,716
Union Benefits - Trades	0	210	50	0	0	210	50	520
Accounts Payable	1,425	2,338	2,019	2,586	1,572	2,499	1,534	13,973
Utilities	142	870	1,751	581	383	347	421	4,495
Capital Expenditures	0	10	10	10	10	10	10	60
Capital Leases	0	190	0	0	96	0	0	286
Win Tax	266	125	300	300	325	175	250	1,741
Progressive Slot Wires	0	694	10	140	10	140	10	1,004
Casino Drafts	225	250	250	275	275	250	250	1,775
Real Estate	0	0	0	0	0	0	0	0
Sales & Use, Comp Taxes	0	0	670	0	0	0	0	670
CRDA / Slot License Fees	0	0	0	0	0	0	0	0
AC Alliance	0	0	0	0	0	0	0	0
Board of Directors Fees	0	0	0	0	0	0	0	0
Corporate Audit Fees	0	0	0	0	85	0	0	85
Total Operating Disbursements	4,097	6,145	6,451	5,277	4,245	6,357	3,874	36,445
Memo: Net Operating Cash Flow	*(113)*	*(2,267)*	*(2,795)*	*(1,848)*	*(496)*	*(2,751)*	*(1,799)*	*(12,068)*
Restructuring Expenses	0	1,290	490	0	0	1,382	350	3,512
Total Disbursements	4,097	7,435	6,941	5,277	4,245	7,739	4,224	39,957
Net Cash Flow	(113)	(3,557)	(3,285)	(1,848)	(496)	(4,133)	(2,149)	(15,580)
Beginning Working Capital Cash	16,999	16,886	13,329	10,044	8,196	7,701	3,568	16,999
Ending Working Capital Cash	**$ 16,886**	**$ 13,329**	**$ 10,044**	**$ 8,196**	**$ 7,701**	**$ 3,568**	**$ 1,420**	**$ 1,420**
Estimated Cash on Casino Floor	10,700	10,600	10,500	10,300	10,800	10,600	10,400	10,400
Internet Gaming Balance	1,700	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Adjusted Total Cash & Cash Equivalents	**$ 29,286**	**$ 25,429**	**$ 22,044**	**$ 19,996**	**$ 20,001**	**$ 15,668**	**$ 13,320**	**$ 13,320**

Notes:
(a) Deposits and disbursements (including professional fees) are shown on a cash basis, without regard for timing of accruals for revenues and expenses.
(b) Cash Flow does not include the Real Estate Tax and SID payments for the 3rd and 4th Quarters of 2014.
(c) This Forecast does not include disbursements for Pre-Petition Utilities ($5.8M), and certain Pre-Petition Accounts Payable ($2.5M)
(d) This Forecast does not include accrued but unpaid restructuring expenses through December ($3.1M).