

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW JERSEY  
**Caption in compliance with D.N.J. LBR 9004-2(c)**

**LOWENSTEIN SANDLER PC**

Kenneth A. Rosen (KR 4963)  
Jeffrey D. Prol (JP 7454)  
65 Livingston Avenue  
Roseland, New Jersey 07068  
Tel: 973-597-2500  
Fax: 973-597-2400  
Email: krosen@lowenstein.com  
jprol@lowenstein.com

*-and-*

**STROOCK & STROOCK & LAVAN LLP**

Kristopher M. Hansen (KH 4679)  
Curtis C. Mechling (CM 5957)  
Erez E. Gilad (EG 7601)  
Sayan Bhattacharyya (SB 3810)  
180 Maiden Lane  
New York, New York 10038  
Tel: 212-806-5400  
Fax: 212-806-6006  
Email: khansen@stroock.com  
cmechling@stroock.com  
egilad@stroock.com  
sbhattacharyya@stroock.com

*Co-Counsel to Ad Hoc Committee of Holders of  
8.5% Senior Secured Notes Due 2015*

In re:

TCI 2 HOLDINGS, LLC, et al.,<sup>1</sup>

Debtors.

Chapter 11  
Case No.: 09-13654 (JHW)

(Jointly Administered)

<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: TCI 2 Holdings, LLC (0526); Trump Entertainment Resorts, Inc. (8402); Trump Entertainment Resorts Holdings, L.P. (8407); Trump Entertainment Resorts Funding, Inc. (8405); Trump Entertainment Resorts Development Company, LLC (2230); Trump Taj Mahal Associates, LLC, d/b/a Trump Taj Mahal Casino Resort (6368); Trump Plaza Associates, LLC, d/b/a Trump Plaza Hotel and Casino (1643); Trump Marina Associates, LLC, d/b/a Trump Marina Hotel Casino (8426); TER Management Co., LLC (0648); and TER Development Co., LLC (0425).

**MOTION OF THE AD HOC COMMITTEE OF HOLDERS OF THE  
8.5% SENIOR SECURED NOTES DUE 2015 FOR APPOINTMENT OF  
EXAMINER PURSUANT TO SECTION 1104(c) OF THE BANKRUPTCY CODE**

The ad hoc committee (the “Ad Hoc Committee”) of certain holders of the 8.5% Senior Secured Notes Due 2015 (the “Senior Secured Notes”) issued by Trump Entertainment Resorts Holdings, L.P. (“TER Holdings”) and Trump Entertainment Resorts Funding, Inc. (together with TER Holdings and the above-captioned debtors and debtors-in-possession, the “Debtors”), by and through their undersigned counsel, hereby move this Court (this “Motion”) for the entry of an order, pursuant to section 1104(c) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), directing the appointment of an examiner to investigate certain matters related to the Debtors’ chapter 11 cases (the “Chapter 11 Cases”), as described in more detail below. In support hereof, the Ad Hoc Committee respectfully represents as follows:

**PRELIMINARY STATEMENT**

1. These Chapter 11 Cases cry out for appointment of an examiner. Unrestrained by the oversight of a trustee or official creditors committee, and apparently still in the thrall of Donald Trump, the Debtors have engaged in conduct detrimental to the Debtors’ estates and in possible violation of their fiduciary duty to creditors.

2. The Ad Hoc Committee respectfully submits that three principal matters merit investigation:

- a. **The Florida Litigation and Aborted Trump Marina Sale.** For almost five years, the Debtors have poured tens of millions of dollars into the Florida Litigation (defined below) crafted by Mr. Trump. Now the Debtors have effectively torpedoed the proposed sale of the Trump Marina Hotel Casino (the “Trump Marina”) that would have settled the Florida Litigation, rid the Debtors of a money-losing operation, and provided the Debtors with a badly needed infusion of cash. They have done so purportedly for the privilege of spending many millions more in the pursuit of litigation of dubious value that they list nowhere as an asset of their estate and apparently do not include in their enterprise valuation. The Debtors’ failure to close the Trump Marina sale has

itself now generated new litigation based on fraud and conspiracy against the Debtors and their CEO and General Counsel. How and why did the Debtors allow this to happen? More specifically, is there any value in the Florida Litigation and can that litigation possibly justify the loss of the Trump Marina sale?

- b. **The Trump Partnership “Abandonment.”** Just four days before the Debtors’ bankruptcy filings last February, Mr. Trump purported to “abandon” his partnership interest in TER Holdings, declaring it to be “worthless.” Although the Debtors initially challenged whether this purported renunciation of Mr. Trump’s partnership interest was valid, it appears that it has not pursued the matter further as no mention of the issue is made in the plan of reorganization proposed by the Debtors and supported by Mr. Trump and Beal Bank (the “Insider Plan”) or accompanying Disclosure Statement (the “Insider Disclosure Statement”). The Ad Hoc Committee believes that, by this curious maneuver, Mr. Trump sought to avoid significant personal tax liability and to foist those liabilities on the Debtors. Just what are the facts surrounding Mr. Trump’s purported “abandonment” of his partnership interest, what are the tax or other implications for the Debtors of his actions and why are the Debtors not disclosing anything about this?
- c. **The Insider Plan Process.** After months of assuring the Court, creditors and the investing public that it was seriously considering a plan of reorganization proposed by the Ad Hoc Committee that would provide recoveries to all creditors, the Debtors disclosed on the night of August 3 that they had already decided in April to adopt the Insider Plan that would turn over the Debtors to Mr. Trump and Beal Bank and wipe out every other party in the case. How and why did the Debtors and their Board of Directors secretly decide to abandon the interests of their other creditors for the benefit of a single bank and a single out-of-the-money insider shareholder who attempted to abandon his limited partnership interests in the Company and foist his potential personal tax losses on the Debtors? How is it that Beal Bank decided to partner with Mr. Trump and possibly finance his investment in the Debtors under the Insider Plan? And how long have Mr. Beal and Mr. Trump conspired to attempt their takeover in violation of the Bankruptcy Code?

As described in significantly more detail below, all of these questions and more that undoubtedly will flow from an investigation should be answered by an independent examiner before the Court can consider the approval of the Insider Disclosure Statement and before creditors are asked to vote on the Insider Plan.

3. As shown below, appointment of an examiner is not only manifestly in the interests of creditors, but also is required as a matter of law under section 1104(c)(2) of the Bankruptcy Code. The requested investigation can be conducted at relatively modest cost and without undue delay. An examiner therefore should be appointed to investigate the three matters described above and any issues that flow from them and should report back to the Court and creditors in advance of any hearing to approve the Insider Disclosure Statement or confirm the Insider Plan.

### **JURISDICTION AND VENUE**

4. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 1334 and 157(b). This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **RELEVANT BACKGROUND FACTS**

#### **A. The Chapter 11 Cases**

5. On February 17, 2009 (the "Petition Date"), the Debtors each filed voluntary petitions for relief pursuant to chapter 11 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases and the Debtors have remained in possession of their assets and continued management of their business as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

6. No official committee has been appointed in the Chapter 11 Cases.

7. The Debtors filed their Insider Plan and Insider Disclosure Statement on the night of August 3, 2009.

#### **B. The Debtors' Capital Structure**

8. The Debtors' capital structure is simple and involves only two significant creditor constituents. The first is Beal Bank, which holds approximately \$488.8 million in debt. The

second is comprised of the holders of Senior Secured Notes, who hold notes in the principal amount of approximately \$1.25 billion. Most of the Debtors' general unsecured creditors have been paid under an extensive critical trade program approved by this Court at the inception of the Chapter 11 Cases.

9. More specifically, the Insider Plan provides for allowed claims of Beal Bank and the Senior Secured Notes in the amounts of \$486 million and \$1.25 billion, respectively. The Debtors' Plan also states that the Debtors' total enterprise value is \$458 million and classifies the Senior Secured Notes as unsecured obligations. The Debtors' valuation also means that \$28 million of Beal Bank's debt is unsecured. In addition, hundreds of millions of dollars of unsecured claims have been filed against the Debtors by Mr. Trump and other parties with whom the Debtors have contractual and other relationships.

10. It is beyond dispute that equity holders are "out of the money." Consequently, the only impaired creditor constituencies with an economic stake in the outcome of these proceedings are Beal Bank and the holders of the Senior Secured Notes.

11. Donald Trump, a major equity holder and contract counter-party of certain of the Debtors, has also been active in these Chapter 11 Cases, and is a co-proponent of the Insider Plan. Prior to the Petition Date, in addition to serving as Chairman of the Board of Trump Entertainment Resorts, Inc., the ultimate parent company of the Debtors, Mr. Trump was also a limited partner of TER Holdings before abandoning his limited partnership interests. Mr. Trump remains a large holder of TER common stock and is party to a number of agreements with certain of the Debtors.

### **C. The Insider Plan Process**

12. Starting in December 2008 and continuing through the weekend prior to the Petition Date, the Ad Hoc Committee engaged in extensive restructuring negotiations with the

Debtors and Donald Trump. In early January 2009, the Debtors presented a restructuring proposal to the Ad Hoc Committee in which the Debtors acknowledged that the Senior Secured Notes were indeed the fulcrum security and entitled to receive 95% of the stock of the restructured Debtors. The Ad Hoc Committee responded to the restructuring proposal on January 19, 2009 with incremental changes to the Debtors' proposal. Yet, despite the fact that the Ad Hoc Committee's proposal was quite close to the Debtors', the Debtors never provided a counterproposal or any response.

13. Instead, the Debtors requested that the Ad Hoc Committee negotiate directly with Donald Trump, the Chairman of the Debtors' Board of Directors during most of the negotiations, and with his daughter, Ivanka Trump. Unfortunately, those negotiations failed.<sup>2</sup>

14. Immediately after the Petition Date, and recognizing that Donald Trump's requests and negotiating position were vastly out of line with the economic reality of the Debtors' operations (past and present), the Ad Hoc Committee sought to negotiate directly with Beal Bank. As in its abortive attempts to negotiate with the Debtors, the Ad Hoc Committee delivered a number of term sheets to Beal Bank in the hope of generating a negotiating dialogue that would lead to an expeditious resolution. Beal Bank, however, chose not to respond to any of the Ad Hoc Committee's proposals and informed the Ad Hoc Committee that it would negotiate only with Mr. Trump.

---

<sup>2</sup> Despite certain members of the Ad Hoc Committee and their advisors executing confidentiality agreements and tendering diligence requests to the Debtors in December 2008 and January 2009, the Debtors were less than forthcoming on a number of fronts. For example, during the pre-bankruptcy diligence and one-way negotiating process, the Debtors failed to disclose to the Ad Hoc Committee the existence of a personal guaranty by Mr. Trump of the Senior Secured Notes in the amount of \$250 million. When the Ad Hoc Committee heard about the possible existence of the guaranty, the Debtors required the Ad Hoc Committee to negotiate directly with Mr. Trump to receive the document (while the Debtors took no part in those discussions), and still provided the document only after a week had passed.

15. Since the Petition Date, the Debtors have made no attempt to craft their own plan of reorganization. Instead, the Debtors simply asked each constituent to provide the Debtors with a plan proposal. Proposals from the Ad Hoc Committee, and, upon information and belief, Beal Bank and Donald Trump, were delivered to the Debtors in April 2009. Since then, through and including a meeting with the Debtors' full Board of Directors on June 25, 2009, the Ad Hoc Committee, specifically at the request of the Debtors who assured the Ad Hoc Committee that no final decision had been made, revised its proposal several times to include greater value for creditors by increasing the amount of their proposed rights of offering commitment and bridge debtor-in-possession ("DIP") financing. The Ad Hoc Committee subsequently delivered to the Debtors a detailed plan term sheet, a draft DIP commitment letter together with a comprehensive DIP financing term sheet, and a draft rights offering backstop agreement.

16. In the six weeks since the Debtors have had what amounts to the final proposals from the only two creditor constituents, the Debtors have done little to advance a plan process other than perfunctorily ask holders of the Senior Secured Notes to negotiate with Beal Bank and Mr. Trump. The Debtors have not scheduled any meetings or teleconferences among all constituents since the commencement of the Chapter 11 Cases and have barely communicated with the Ad Hoc Committee, only calling infrequently when they needed support on motions (*i.e.*, the critical vendor support motion). Other than arrange a single diligence meeting with the Debtors' management, the Debtors have done little more than barely respond to inquiries and information requests from Noteholders with near complete radio silence over the last few weeks, all the while revising projections continually downward. Nor did the Debtors prepare a draft plan amalgamating the two camps' positions in an attempt to encourage the parties to come together.

17. The Debtors' initial Exclusive Period to file a plan of reorganization was set to expire on June 17, 2009, prompting the Debtors to seek a 90-day extension (the "Exclusivity Extension Motion"). In the Exclusivity Extension Motion, which was filed at the end of May, the Debtors assured the Court and creditors that progress was being made and that additional time was needed to formulate a plan of reorganization. Indeed, co-counsel to the Debtors unequivocally declared that the Board was considering two competing plans and that no decision had been made.<sup>3</sup> Despite serious misgivings regarding the stalemate in the case, the Ad Hoc Committee consented to a 45-day extension of exclusivity, which it would never have done had it been told the truth by the Debtors, in the hope that additional time would afford the Debtors an opportunity to take some steps to forge consensus. Consequently, on June 16, 2009 with the support of the Ad Hoc Committee, this Court entered an order extending the Debtors' Exclusive Periods to file and solicit a plan of reorganization until August 3, 2009, and October 1, 2009, respectively.

18. However, as the Insider Disclosure Statement makes clear, the Debtors had already decided to propose the Insider Plan as far back as April 28, 2009, nearly a month prior to the filing of the Debtors' Exclusivity Extension Motion. Insider Disclosure Statement at VI. C. 3. The Debtors' "plan process" was, in hindsight, nothing more than a charade and a stall tactic.

19. Most dismayingly, the Insider Plan that the Debtors supposedly determined was "superior" to the proposals of the Ad Hoc Committee is a "new value" plan that purports to give 100% of the reorganized Debtors to Beal Bank and Mr. Trump and to give nothing to anyone else. Specifically, the Insider Plan provides for a \$100 million contribution from Beal Bank and

---

<sup>3</sup> Charles Stanziale, co-counsel to the Debtors, is quoted in a media article dated June 6, 2009 as follows: "Are the plans being reviewed by the company's financial consultant, management and legal counsel? The answer to that is yes," Stanziale said. "Has the board acted on any of these plans? No. Has there been a recommendation on either one? The answer is no." Donald Wittkowski, *Trump Plots Comeback for Casino Ownership*, PressofAtlanticCity.com, June 6, 2009, attached hereto as Exhibit A.



Donald Trump (who may be borrowing the money he is investing in the Debtors from Beal Bank) in exchange for 100% of the new equity. In addition, the balance of Beal Bank's pre-petition debt is reinstated on modified terms, even though the Debtors value the collateral as being worth less than the face amount of the debt.

20. On its face, the Insider Plan violates the Bankruptcy Code's absolute priority rule and flagrantly favors a single creditor (wholly owned by a single individual) and an insider equity holder to the severe prejudice of all other creditors. The Ad Hoc Committee submits that it is incomprehensible how the Debtors, consistent with their fiduciary duties, possibly could advance such an inequitable plan in good faith. The very circumstances of the Insider Plan's promulgation – including Mr. Trump's past domination and control of the Debtors (through multiple prior bankruptcy proceedings), the Debtors' repeated failure to negotiate with the Ad Hoc Committee, the Debtors' insistence that the Ad Hoc Committee negotiate only with Mr. Trump and his daughter, and the Debtors' apparent misrepresentations about how they were really conducting the "plan process" – all bespeak conflicts of interest and bad faith. These facts and circumstances require investigation by an independent examiner.

**D. The Florida Litigation and Aborted Trump Marina Sale**

21. For nearly five years, the Debtors have been pursuing litigation in Broward County Florida (the "Florida Litigation") against Coastal Development, LLC and others (collectively, the "Litigation Defendants"), alleging various causes of action for fraud, breach of fiduciary duty, conspiracy, and other alleged wrongs relating to the development and sale of Hard Rock casino and hotel projects on Seminole land in Hollywood and Tampa, Florida (the "Seminole Projects"). While it is difficult to ascertain exactly what the Debtors expect to gain from the Florida Litigation, it appears that they contend they should have been given the opportunity to profit from the Seminole Projects because Mr. Trump supposedly suggested the

projects to the Seminole tribe through one of the Litigation Defendants in 1995. *See, e.g., Trump Sues Developer Over Seminole Casino Project*, Daily Commercial News and Construction Record, Jan. 21, 2005, <http://www.dailycommercialnews.com/article/20050121600>, attached hereto as Exhibit B. The Florida Litigation has been proceeding for years at a cost of what is believed to be tens of millions of dollars to the Debtors and has been an acrimonious and intense matter, involving allegations of witness tampering against a lawyer that the Debtors sought to retain as an ordinary course professional in this case (Mr. Reardon). *See Witness Tampering in Broward?*, <http://southfloridalawyers.blogspot.com/2007/12/witness-tampering-in-broward.html> (last visited August 4, 2009), attached hereto as Exhibit C.

22. Prior to the Petition Date, the Florida Litigation was placed on hold when the Debtors entered into a purchase and sale agreement (the “Marina Sale Agreement”) for the Trump Marina with Coastal Development, LLC (one of the Litigation Defendants) and Coastal Marina, LLC (together, “Coastal”) that, if closed, would have resulted in the dismissal of the Florida Litigation. The Marina Sale Agreement was dated May 28, 2008, and initially provided for a purchase price of \$316 million, subject to an EBITDA-based adjustment. While the Debtors’ credit agreement with Beal Bank provides for the payment of proceeds from the sale of the Debtors’ assets to Beal Bank, the Ad Hoc Committee believes that a significant portion of the proceeds from that sale were slated to be given directly to Mr. Trump as some form of finder’s fee for orchestrating the Florida Litigation and that the Debtors’ Board of Directors somehow approved of this arrangement. For reasons allegedly related to a slumping economy, the Marina Sale Agreement was amended on October 28, 2008, to reduce the purchase price to \$270 million and eliminate the EBITDA-based adjustment in exchange for Coastal agreeing to post an additional \$2 million deposit and consent to the release of \$15 million in deposits to the Debtors.

Even though the price was reduced, it is believed that Mr. Trump was still slated to receive a significant portion of the sale proceeds, despite public comments by the Debtors' CEO saying that the Debtors were still figuring out what to do with such proceeds. See Judy DeHaven, *Owner Reduces Price in Trump Marina Deal*, The Star-Ledger, Oct. 29, 2008, [http://www.nj.com/business/index.ssf/2008/10/owner\\_reduces\\_price\\_in\\_trump\\_m.html](http://www.nj.com/business/index.ssf/2008/10/owner_reduces_price_in_trump_m.html), attached hereto as Exhibit D.

23. In January 2009, the Debtors forecast that the Trump Marina would generate only \$2.4 million in EBITDA for 2009, yet the property was under contract to be sold for \$270 million, a price widely acknowledged by the market as far in excess of the property's actual worth. Given the Debtors' projections for the property and the immaterial benefits inuring to the estate upon the contract's termination (*i.e.*, a \$2 million deposit and the right to proceed with a precarious litigation that is the brainchild of Mr. Trump), the Ad Hoc Committee urged the Debtors to engage in a full court press to try and close a deal that was more in line with economic reality. After commencing the Chapter 11 Cases, the Debtors allowed the outside closing date under the Marina Sale Agreement date to pass without the Debtors accepting repeated offers from Coastal to purchase the Trump Marina, even though the Trump Marina has become a cash drain on the Debtors and is projected to continue to detract from its operations for the foreseeable future. Indeed, prior to the filing of the Insider Disclosure Statement, the Debtors' financial advisor and their management took the position that the Trump Marina had negative value.

24. At the urging of the Ad Hoc Committee, Coastal has since provided the Debtors with a renewed proposal for the acquisition of the Trump Marina—one that would provide substantial present value into the Debtors' estates in exchange for a property that loses money

every day for the Debtors. The Debtors, however, rejected the new Coastal proposal on many grounds, including that the purchase price was far less than its original contract price, would net no recovery for the Debtors, and that Coastal was not likely to close the transaction. In response, Coastal assured the Debtors that it would escrow the purchase price immediately and address any other concerns that the Debtors had. Remarkably, the Debtors chose not to respond to such a proposal other than to state in the Insider Disclosure Statement that to date the terms of Coastal's renewed sale proposals have been unacceptable to them. *See* Insider Disclosure Statement at VI. C. 4.

25. Soon after the expiration of the Marina Sale Agreement, the Debtors sought to hire three law firms in connection with the recommencement of the Florida Litigation, including Mr. Reardon, against whom witness tampering and other allegations of professional misconduct had been leveled in connection with the Florida Litigation. *See* Sal Martucci, *Secret Trump Tapes Bring Sale and Settlement, The Donald Gets \$300M for Marina*, NJ Casino News, <http://www.njcasinonews.com/trumpsettlement.html> (last visited August 4, 2009), attached hereto as Exhibit E.

26. On July 28, 2009, Coastal commenced an adversary proceeding in these Chapter 11 Cases (the "Coastal Adversary Proceeding") against the Debtors and their CEO and General Counsel, Messrs. Mark Juliano and Robert Pickus, respectively, alleging that the Debtors let the Trump Marina fall into serious disrepair and hid property defects from them during the negotiations, and ultimately engaged in a conspiracy to defraud Coastal of its deposit and to purchase an asset at far more than its actual worth.

27. Even though it is believed that the Debtors have spent tens of millions of dollars pursuing Mr. Trump's Florida Litigation and have hired professionals in this case whose sole

representation relates to the Florida Litigation, they have not listed the Florida Litigation on their schedule of assets. Nor do they attribute any value to the litigation in the recently filed Insider Plan. Nevertheless, the Debtors have rejected offers from Coastal to purchase the Trump Marina for cash when the Trump Marina costs the Debtors millions of dollars a year to keep open. They also will need to spend significant sums defending themselves in the Coastal Adversary Proceeding.

28. To ignore real purchase offers for the Trump Marina and to take on hugely expensive and disruptive litigation connected to it, the Debtors must believe that the Florida Litigation has value. And yet, as noted, they do not ascribe any value to the Florida Litigation in the Insider Disclosure Statement. Before any disclosure statement can be approved and before any confirmation proceedings can occur on the Insider Plan, creditors of the Debtors' estates and this Court need to know the truth behind the countless fraud allegations swirling around the Florida Litigation, the Coastal Adversary Proceeding and the related sale of the Trump Marina. There are no statutory committees in this case. Due to the significant allegations of fraud that surround these issues, an examiner must be appointed to investigate them and render a report.

**E. The Trump Partnership "Abandonment"**

29. On February 13, 2009, just four days before the bankruptcy filing, Donald Trump and his daughter Ivanka Trump resigned from the TER Board of Directors. That same day, Mr. Trump sent a letter to the Debtors stating that he had determined that his limited partnership interests in TER Holdings were worthless, and that he was abandoning them.<sup>4</sup> Mr. Trump publicly disassociated himself from management<sup>5</sup> and declared that "my investment in [the

---

<sup>4</sup> A true and correct copy of Mr. Trump's February 13, 2009 letter is attached hereto as Exhibit F.

<sup>5</sup> Despite Mr. Trump's public statements disassociating himself from the history of these Debtors, Mr. Trump has been an integral part of the Trump hotels and casinos in his varying capacities, including substantial (and at

Debtors] is worthless to me now.” See Kyle Peterson, *Trump Entertainment Files for Bankruptcy*, Reuters.com, Feb. 17, 2009, attached hereto as Exhibit G; Jeffrey McCracken and Tamara Audi, *Trump Unit to Seek Chapter 11*, Wall Street Journal, <http://online.wsj.com/article/SB123482989751595525.html>, attached hereto as Exhibit H.

30. On March 12, 2009, the Debtors sent a letter responding to Mr. Trump’s letter referencing the terms of the TER Holdings partnership agreement that requires the prior written consent of the general partner (Trump Entertainment Resorts, Inc.) to the withdrawal of a limited partner from the partnership, which consent had not been given. Accordingly, the Debtors were of the view that Mr. Trump’s purported abandonment was not accepted and not valid.<sup>6</sup>

31. While it is unclear what Mr. Trump’s goal was in attempting to abandon his partnership interests or whether such abandonment was effective, the Ad Hoc Committee believes that Mr. Trump’s purported abandonment was an attempt by Mr. Trump to insulate himself from potential tax liabilities and to shift those liabilities to the Debtors. The appointment of an examiner in these cases is needed to investigate the effectiveness of Mr. Trump’s purported abandonment of his partnership interests, what, if any, injury to the Debtors has or would result from such abandonment and the implications thereof on the Debtors’ reorganization.

**RELIEF REQUESTED**

32. The Ad Hoc Committee requests the appointment of an examiner to conduct an investigation of the Debtors and their respective directors and senior officers, in respect of the following issues:

- The facts and circumstances of the Debtors’ proposal of the Insider Plan;

---

times, sole) equity holder, chairman of the Board of Directors, and president and/or CEO all through three prior chapter 11 proceedings.

<sup>6</sup> A true and correct copy of the Debtors’ March 12, 2009 letter is attached hereto as Exhibit I.

- The facts and circumstances of the Florida Litigation, the aborted Marina Sale Agreement and the related Coastal Adversary Proceedings; and
- Donald Trump’s purported “abandonment” of his partnership interests and the tax and other financial implications thereof for the Debtors.

### **ARGUMENT**

#### **A. The Appointment of an Examiner is Mandatory in These Cases**

33. Section 1104(c) of the Bankruptcy Code provides:

If the court does not order the appointment of a trustee under this section, then at any time before the confirmation of a plan, on request of a party in interest or the United States Trustee, and after notice and a hearing, the court shall order the appointment of an examiner to conduct such an investigation of the debtor as is appropriate, including an investigation of any allegations of fraud, dishonesty, incompetence, misconduct, mismanagement, or irregularity in the management of the affairs of the debtor of or by current or former management of the debtor, if—

- (1) such appointment is in the interests of creditors, any equity security holders, and other interests of the estate; or
- (2) the debtor’s fixed, liquidated, unsecured debts, other than debts for goods, services or taxes, or owing to an insider, exceed \$5,000,000.

11 U.S.C. § 1104(c) (emphasis added).

34. Section 1104(c) thus mandates the appointment of an examiner upon the satisfaction of four factors: First, the debtor must still be in possession of the estate and a trustee must not have been appointed. Second, a plan must not have been confirmed. Third, a party in interest or the United States Trustee must request the appointment. Lastly, one of the conditions set forth in section 1104(c)(1) or (c)(2) must be satisfied—either the appointment of the examiner is in the best interests of the creditors or the specified unsecured debts exceed \$5 million. *See, e.g., In re UAL Corp.*, 307 B.R. 80, 84 (Bankr. N.D. Ill. 2004) (“[A]ppointment of

an examiner is mandatory if the four conditions are met, but the court retains the discretion to determine the nature and scope of the examiner's investigation.”).

35. There is no question that no trustee has been appointed,<sup>7</sup> no plan has been confirmed, and that the Ad Hoc Committee is a party in interest in these cases. Furthermore, as described above, the fixed and liquidated value of the unsecured claims against the Debtors, other than debts for goods, services or taxes, or owing to an insider, far exceeds \$5 million. Where the circumstances set forth in section 1104(c)(2) are present, the plain language of the statute requires the appointment of an examiner. *See In re Revco D.S., Inc.*, 898 F.2d 498, 500-01 (6th Cir. 1990); *In re Vision Dev. Group of Broward County, LLC*, 2008 WL 2676827, at \*3 (Bankr. S.D. Fla. June 30, 2008) (finding that appointment of an examiner was mandatory where mezzanine lenders had claims of over \$5 million); *In re Loral Space & Comm., Ltd.*, No. 04 Civ. 8645RPP, 2004 WL 2979785, at \*5 (S.D.N.Y. Dec. 23, 2004) (finding that section 1104(c)(2) mandates the appointment of an examiner where the debt threshold is met); *In re Big Rivers Elec. Corp.*, 213 B.R. 962, 965-66 (Bankr. W.D. Ky. 1997) (finding that appointment of an examiner was mandatory because debt met \$5 million threshold). Accordingly, under the plain meaning of section 1104(c)(2), the appointment of an examiner is mandatory in these cases.

36. Although some courts have concluded that the appointment of an examiner under section 1104(c)(2) is discretionary in certain extreme circumstances, the facts of those cases are readily distinguishable and such cases are inapplicable here. *See, e.g., In re Rutenberg*, 158 B.R.

---

<sup>7</sup> The statute provides that an examiner cannot be appointed if a trustee has been appointed; however, this limitation was not intended to require the denial of a motion to appoint a trustee as a precondition to the appointment of an examiner. *See Keene Corp. v. Coleman (In re Keene Corp.)*, 164 B.R. 844, 855 (Bankr. S.D.N.Y. 1994) (stating that “[a] motion to appoint an examiner stands on its own, and need not be part of an unsuccessful motion to appoint the trustee.”); *see also Gilman Servs.*, 46 B.R. at 322 (granting motion to appoint examiner where no separate motion to appoint a trustee had been filed). In fact, several cases have concluded that a court may appoint an examiner *sua sponte*. *See In re Public Serv. Co. of N.H.*, 99 B.R. 177, 182 (Bankr. D.N.H. 1989); *In re UNR Indus., Inc.*, 789, 795 (Bankr. N.D. Ill. 1987).



230, 233 (Bankr. M.D. Fla. 1993) (court denied motion for appointment of examiner where an individual debtor was no longer engaged in business); *In re GHR Cos.*, 43 B.R. 165, 176 (Bankr. D. Mass. 1984) (court denied motion for appointment of examiner where court was considering appointing a trustee instead); *In re Shelter Res. Corp.*, 35 B.R. 304, 305 (Bankr. N.D. Ohio 1983) (denying motion to appoint a trustee to investigate fairness of settlement where such investigation was rendered moot by approval of settlement); *In re Bradlee Stores, Inc.*, 209 B.R. 36, 38 (Bankr. S.D.N.Y. 1997) (denying motion to appoint a trustee due to the fact that the movants were petitioning the court for appointment mere weeks before the statute of limitations on certain claims expired).

**B. The Appointment of an Examiner Is Also Justified Under Section 1104(c)(1)**

37. While the appointment of an examiner in this case is mandated by the provisions of section 1104(c)(2), grounds for such appointment also exist under section 1104(c)(1). To determine whether appointment of an examiner under section 1104(c)(1) is appropriate, courts must determine “whether the creditors and equity security holders would be served by the appointment of an examiner and whether the costs of an examiner are not disproportionately high.” *See In re Gilman Servs., Inc.*, 46 B.R. 322, 327 (Bankr. D. Mass. 1985) (finding that benefit to the estate of appointment of an examiner outweighed the costs where: (1) there had been an unexplained loss of assets since the filing of the bankruptcy, (2) the debtor’s financial reporting was deficient, and (3) transfer of real estate assets to a partnership owned by shareholders of the debtors may have been a fraudulent conveyance). In the similar case of *Keene Corp.*, the court appointed an examiner pursuant to section 1104(c)(1) because actions were filed against the debtor and former officers and directors alleging fraud relating to postpetition transfers of property of the debtor. 164 B.R. at 856. Noting that *Keene* was a “textbook” case calling for the appointment of an examiner in the interests of creditors, the court

also focused on the fact that the chairman and president were also named defendants in the cases brought against the debtor and an impartial investigation would eliminate any conflict of interest.

*Id.*

38. Under the facts and circumstances of this case, the appointment of an examiner is justified under section 1104(c)(1) because investigation into the issues enumerated above would serve the interest of creditors, particularly as no official committee has been appointed in these cases to take on an oversight or investigatory role with respect to the Debtors. The Debtors' creditors are entitled to understand and investigate the facts surrounding management's proposal of a plan that wipes out all but a single creditor, the murky circumstances surrounding the Florida Litigation and aborted sale of the Trump Marina, and the facts and implications of Mr. Trump's mysterious "abandonment" of his partnership interests. This interest would be served by having an independent third party conduct an investigation as proposed in this Motion. Moreover, as these matters are the subject of existing or anticipated litigation, the appointment of, and investigation of these matters by, an examiner would come at little incremental expense to the Debtors' estates.

#### **NOTICE**

39. Notice of this Motion has been given to (i) the Office of the United States Trustee for the District of New Jersey; (ii) counsel for the Debtors; (iii) counsel to U.S. Bank National Association, as Indenture Trustee; (iv) counsel to Beal Bank; and (v) to any parties that requested notice in these cases. The Ad Hoc Committee submits that no other or further notice is required under the circumstances.

40. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Ad Hoc Committee respectfully requests that this Court enter an order, substantially in the form of the proposed order attached hereto, appointing an examiner in these Chapter 11 Cases and granting the relief requested herein and granting the Ad Hoc Committee such other and further relief as is just and proper.

Dated: August 11, 2009

Respectfully submitted,

LOWENSTEIN SANDLER PC

By: /s/ Jeffrey D. Prol

Kenneth A. Rosen (KR 4963)

Jeffrey D. Prol (JP 7454)

65 Livingston Avenue

Roseland, New Jersey 07068

Tel: 973-597-2500

Fax: 973-597-2400

Email: krosen@lowenstein.com

jprol@lowenstein.com

STROOCK & STROOCK & LAVAN LLP

Kristopher M. Hansen (KH 4679)

Curtis C. Mechling (CM 5957)

Erez E. Gilad (EG 7601)

180 Maiden Lane

New York, New York 10038

Tel: 212-806-5400

Fax: 212-806-6006

Email: khansen@stroock.com

cmechling@stroock.com

egilad@stroock.com

*Co-Counsel to the Ad Hoc Committee of Holders of 8.5% Senior Secured Notes Due 2015*

**Exhibit A**

**pressofatlanticcity.com**

This is for personal, noncommercial use only.

To search archives, visit  
[pressofatlanticcity.com/archives](http://pressofatlanticcity.com/archives)

## Trump plots comeback for casino ownership

By DONALD WITTKOWSKI, Staff Writer, 609-272-7258 | Posted: Saturday, June 6, 2009 |

ATLANTIC CITY - Donald Trump is attempting to regain control of the casino company that still bears his name but no longer has him as the boss.

The loquacious Trump has been unusually quiet since his resignation as chairman of Trump Entertainment Resorts Inc. in February in a dispute with corporate bondholders. However, newly filed bankruptcy documents show he has teamed up with a bank to make an offer for the company.

Buried deep in a list of bankruptcy bills are brief entries indicating that "DJT" - Trump's initials - and Beal Bank have proposed a deal that is under review by the company's financial and legal advisers. Trump declined to comment Friday.

Newark attorney Charles A. Stanziale Jr., bankruptcy counsel for Trump Entertainment, confirmed Friday that a confidential offer from Trump and Beal Bank will be considered by the company's board of directors.

Bondholders who own \$1.25 billion in Trump Entertainment notes have made a competing confidential offer, Stanziale added.

Donald Trump and bondholders have been on bad terms since they spurned his offer in February to buy the publicly traded company and take it private. Now they are fighting again in bankruptcy court. At stake is ownership of the three Trump Entertainment casinos in Atlantic City.

"The board will look at both proposals and determine whether it is satisfied that the offers meet the needs of the company," Stanziale said.

Stanziale also raised the possibility that a third party could bid for the company or that Trump Entertainment's management could craft its own plan for new ownership. He stressed that the board of directors has not yet committed to any plan this early in the game.

"Are the plans being reviewed by the company's financial consultant, management and legal counsel? The answer to that is yes," Stanziale said. "Has the board acted on any of these plans? No. Has there been a recommendation on either one? The answer is no."

Trump Entertainment filed for Chapter 11 bankruptcy protection Feb. 17 in hopes of restructuring \$1.7 billion of suffocating debt made worse by the company's declining business in

the recession. Four days before the bankruptcy filing, Donald Trump and daughter Ivanka Trump resigned from the company's board of directors.

Angered that his offer to take the company private was rejected by bondholders, Trump quit as chairman and announced he was no longer associated with the casino operations. Privately, though, he has been maneuvering to get back into the casino business.

Bankruptcy documents also refer to the Trump-Beal team as the "Trump family," suggesting that Ivanka Trump is part of the proposed deal, too. She serves as her father's board room sidekick in his NBC reality show "The Apprentice" and also represented him at a bankruptcy hearing in March.

Trump's financial backer, Beal Bank, is headed by Andy Beal, a Trump friend. Beal Bank is one of Trump Entertainment's lead creditors. In December 2007, the company received a \$500 million loan from Beal Bank Nevada, an affiliate of the Dallas-based bank. Beal is currently owed \$493 million on its loan, Stanziale said.

Beal Bank came to Trump's rescue during another bout with bankruptcy in 2005. At that time, the bank supplied a \$100 million loan that allowed the casino operator to continue paying its bills while simultaneously working on a plan to pull itself out of bankruptcy protection. Trump emerged from Chapter 11 in May 2005, only to fall back into bankruptcy four years later.

Trump Entertainment is asking for a 90-day extension of its exclusive rights to submit a reorganization plan in its current bankruptcy case. The company faces a June 17 deadline to file the plan but wants the court to push back the date to Sept. 15 to give it more time to negotiate a deal. A bankruptcy judge is scheduled to rule on the request June 16.

E-mail Donald Wittkowski:

DWittkowski@pressofac.com

© 1970-2009 The Press of Atlantic City Media Group

**Exhibit B**

# DAILY COMMERCIAL NEWS

## AND CONSTRUCTION RECORD

LATEST NEWS >

O H & S | Trade Contracting

January 21, 2005

Defendant calls lawsuit 'a ludicrous work of fiction'

### Trump sues developer over Seminole casino project

MIAMI

Donald Trump has sued a former associate and the developers of the Seminole Hard Rock Hotel & Casino, claiming they cheated him out of a profitable contract.

Trump accused Richard Fields of lying to him when Fields advised him to abandon the deal that Trump had been cultivating with the Seminole Tribe of Florida for three years, according to the suit.

Then Fields banded with Baltimore-based Cordish Co. and, the lawsuit said, they fraudulently represented themselves as Trump associates to land the deal.

The lawsuit, filed in circuit court in Broward County, charges Fields with fraud, misrepresentation and breach of fiduciary duty.

"As public records clearly show, Mr. Trump voluntarily abandoned this project and the tribe years ago," said Fields' spokesman, Howard Wolfson.

"Sadly, Mr. Trump now believes he can use the courts to work himself back into a successful deal by defaming, making false claims and insulting the tribe he walked away from."



Donald Trump

Wolfson said counter claims were being prepared.

Also named in the suit are Cordish Co. officials David Cordish and Joseph Weinberg and several related companies owned by Cordish and Fields.

All defendants were charged with civil conspiracy, violating the Florida deceptive and unfair trade practices act and interference with a prospective business relationship.

The suit seeks unspecified damages.

The defendants issued this statement:

"The plaintiff's lawsuit is a ludicrous work of fiction. The defendants will not only completely prevail in the litigation, but will also recover substantial damages against Donald Trump."



Trump met Fields in 1993 when he was a talent agent for Trump's now ex-wife Marla Maples, the lawsuit said.

Fields became a Trump associate by 1995, and the next year they flew to the Big Cypress Seminole Reservation to meet with James Billie, then chairman of the Seminoles, according to the suit.

Billie expressed interest in working with Trump and Fields continued working on a possible deal for about three years, when Fields advised Trump that the tribe was no longer interested, the suit said.

Fields and Trump terminated their relationship in 1999, but the suit alleges that Fields continued to contact the Seminoles, "misleading them into believing that he still represented Trump."

Fields then began working with Cordish, whose subsidiaries in 2000 entered a contract to develop hotel and casino sites in Hollywood and Tampa, the suit said.

Trump learned of Fields' involvement during a groundbreaking ceremony in January 2001, according to the suit.

The tribe declined to comment because it wasn't named in the suit.

The Associated Press



500 Hood Rd, 4th Fl., Markham, ON. L3R 9Z3  
Phone: 905-752-5408 | Fax: 905-752-5450  
Toll free: 800-465-6476 | Toll free Fax: 888-396-9413  
E-mail: [dcnonl@reedbusiness.com](mailto:dcnonl@reedbusiness.com)

© Reed Business Information a division of Reed Elsevier Inc. All rights reserved.

**Exhibit C**

THURSDAY, DECEMBER 6, 2007

## Witness Tampering in Broward?



That's the allegation made against Connecticut attorney Robert Reardon in a suit involving Donald Trump, pending before Judge Stretfeld in Broward.

Look at this list of characters -- Herman Russomanno, Larry Stumpf, Nell Sonnet, Scott Rothstein, let alone The Donald.

Sounds like fun.

Here's a snippet from the Herald:

The suit, filed in 2004, has stretched over three years. Trump sued former business associate Richard Fields, Power Plant and The Cordish Company because he said Fields cheated him out of the lucrative deal with the Seminole Tribe. He and Fields had been trying for years to strike a deal with the tribe to develop casinos with them.

The lawsuit alleges that Fields left Trump's organization and formed a partnership with Cordish while still allowing the Seminole Tribe to believe Trump was behind their efforts.

The witness-tampering motion, which will be heard by Circuit Judge Jeffrey Stretfeld early next year, accuses Trump's side of trying to suppress damaging testimony that could be offered by both Stone and Nicholas Ribis, former president of Trump Hotels and Resorts.

Supporting the motion: an affidavit by Scott Rothstein of Fort Lauderdale, Stone's lawyer and partner in their public relations and political strategy consulting company.

"The Rothstein affidavit establishes on its face a pattern of unlawful witness tampering in its most crude and offensive manner," the motion says.

'STUNNED'

In the affidavit, Rothstein said he was "stunned" by statements from Trump's lawyer during the meeting, which took place at Rothstein's Fort Lauderdale office on Valentine's Day.

Reardon told Stone and Rothstein during the meeting that one of the main issues in the litigation involved the statute of limitations. He then told them that ' . . . Mr. Trump first learned of Richard Fields' involvement in the Seminole project from a newspaper clipping in January of 2001.'

When Stone didn't agree, the affidavit says, Reardon 'suggested that 'It was important that [Roger Stone's] memory conform to his time frame,' and that 'maybe the best thing was for [Roger Stone] to remember nothing.' I was stunned by Mr. Reardon's statement and we concluded the meeting."

Russomanno called the statements ``orchestrated, fabricated and baseless."

Wow. You can review the motion [here](#).

**Exhibit D**

## Owner reduces price in Trump Marina deal

Posted by [djpaul](#) October 29, 2008 00:03AM

Trump Marina's price has dropped and a deadline for financing has been waived, but the New York businessman who wants to buy the aging gambling parlor from Donald Trump's casino company said last night the sale is still on.

Richard Fields, chairman of Coastal Development, and Trump Entertainment Resorts said in a joint statement they agreed to reduce the sale price of the Marina to \$270 million, from \$316 million, and waive yesterday's deadline for financing commitments. In addition, Trump Resorts can terminate the agreement if it does not close by May 28, although it has the option to extend that by 60 days if Coastal needs time to obtain regulatory approvals.

Coastal has partnered with singer Jimmy Buffett to transform the Marina into a Margaritaville casino, but New Jersey casino regulators said last week they would require Buffett and his Margaritaville corporation to qualify for a state casino license.

In a show of faith that Coastal was serious about buying the Marina, it agreed to release \$15 million to Trump Resorts that it had held in escrow since the agreement was announced in May. Coastal has also put another \$2 million in escrow, and Fields has asked to start renovating the Marina before the deal closes.

"We're confident that it's going to close, and we think it's still the right thing for the future of the Marina and the company," Trump Resorts chief executive Mark Juliano said last night.

The news was not entirely unexpected but industry observers expressed relief just the same. Although Fields, a one-time Trump protege, has said for weeks he has financing, analysts had worried the market meltdown and credit crunch would derail the deal, giving Trump Resorts no choice but to restructure yet again.

The company emerged from Chapter 11 bankruptcy protection only 3½ years ago, but has struggled along with the rest of Atlantic City, where the 11 casinos have wrestled with a smoking ban, a slowing economy and intense competition for gamblers.

A.C. casino revenue fell 15 percent in September and 6.3 percent for the first nine months of the year. Although a full smoking ban that has been implemented since mid-October will be lifted in mid-November, analysts still think the market has a way to go before it recovers.

"We believe with or without the smoking ban, things will get worse (before they get better)," Deutsche Bank analyst Andrew Zarnett wrote in a recent note to investors.

As part of the original \$316 million agreement for Trump Marina, the price could have fallen in \$5 million increments if Trump Marina did not hit certain cash flow targets. The casino has been a poor performer: one of the worst performers in Atlantic City. For the first six months of the year, gross operating profit has plunged 37.1 percent, more than double the city average of 17.1 percent.

In comparison, gross operating profit increased 2.2 percent at Trump Plaza and fell 8.7 percent at the Trump Taj Mahal during the same time period.

Under the new agreement, the \$270 million price will remain fixed.

Analysts said they were not so much concerned with the decline in the sale price as they were about whether the deal would get done at all. Cash is tight. And Trump Resorts carries a whopping \$1.6 billion in debt.

If the agreement to sell Trump Marina were to fall apart, Trump Resorts could be facing yet another Chapter 11 filing, analysts said.

"They need to sell (Trump Marina) to avoid some severe stress," said Michael Paladino, an analyst for Fitch Ratings. "It's definitely something that will delay any type of filing.

"In the second quarter, they were draining cash on an operating basis," Paladino said. "They can only do that for so long."

But Juliano said with the \$15 million cash released from Coastal and the assurances that the company can pull together financing for the deal, Trump Resorts should be able to make its interest payments through June of next year.

"We're pretty comfortable, particularly with the sale of the Marina, that we have adequate cash flows to support our debt, and we're looking forward to making a determination on what to do with the proceeds of the sale."

Categories: Business

Comments

Footer

**Exhibit E**



## Secret Trump tapes bring sale and settlement *The Donald gets \$300M for Marina*

By Sal Martucci, NJ Casino News



New York developer and casino mogul Donald Trump told intimates last summer that he would "never" settle the raging lawsuit between Trump Entertainment and former Trump Apprentice Richard Fields. Trump was suing Fields in the Florida Courts claiming that Fields hijacked the lucrative Seminole Hard Rock Casino development deal from the New York Billionaire.

Last week, Trump Entertainment announced the sale of the Trump Marina Hotel and Casino Resort in Atlantic City to Fields for \$316,000,000.00. Along with the sale, the Trump-Fields Florida lawsuit over the Seminole deal was essentially settled.

Fields had made an earlier attempt to purchase the Trump Marina from the Trump Entertainment Board which is largely controlled by

Morgan-Stanley, the New York Investment Bank that owns more Trump bonds than any other institution. The Board gave Fields an exclusive negotiating period to purchase the property three months ago but Trump and his daughter Ivanka, who also sits on the Board, scuttled that deal.

Curiously, Fields partner, David Cordish in the Seminole deal unsuccessfully entered into separate negotiations to acquire both the Trump Marina and the Trump Plaza. Cordish's exploratory talks violated Fields "exclusivity" and Cordish withdrew under threat of lawsuit.

Neither Fields or Cordish has been licensed in New Jersey. Questions have been raised about whether Cordish, a Baltimore-based developer can be licensed in Kansas where he is bidding for a State Lottery casino location.

Insiders say that Fields claim, contained in e-mails from legal discovery, that Trump surreptitiously and illegally eavesdropped on the telephone calls of his ex-wife, Maria Maples, after their separation, hastened Trump to settle the matter.

Fields alleged that Trump monitored calls between himself and Maples at a time when Trump was separated and Maples was living in California and was dating singer Michael Bolton. Fields also alleged that Trump regularly recorded conversations of his guests at Mar-a-Lago, his estate and club in Palm Beach, Florida as well as habitually recording his business and personal phone calls. Trump denied these allegations in depositions but moved to settle the case to the surprise of his Florida attorneys.

Before the matter settled, Trump attorney Robert Reardon of Connecticut, was accused by a prominent Ft. Lauderdale attorney of seeking to tamper with witness testimony in the case. Reardon was also admonished by Florida Civil Court Judge Jeffrey Streifeld for leaking subpoenas to the Ft. Lauderdale Sun-Sentinel prior to their being served on witnesses in the case. Reardon also allegedly

attempted to get former Trump CEO Nicholas L. Ribis to sign an affidavit which Reardon had drafted that included numerous falsehoods. Ribis was represented in the case by former New Jersey Attorney General David Samson.

Fields, who failed to win a contract to manage the video lottery terminals for the New York Racing Association last year, purchased the Suffolk Downs Race Track outside of Boston but has failed in his efforts to get Massachusetts to legalize casino gambling at the track.

"When Donald found out what Fields had on him, he decided the fight wasn't worth it," said one lawyer involved in the case, "although the statute of limitations for wire-tapping has expired, the potential embarrassment of listening to the phone calls of your ex-wife drove Donald to settle."

Nonetheless, Trump was all smiles when he said "Fields was the best apprentice I ever had" in a statement.

###

---

© 2008 NJCasinoNews.com

**Exhibit F**

February 13, 2009

Trump Entertainment Resorts, Inc.  
725 Fifth Avenue  
New York, NY 10022  
Attention: Robert M. Pickus, Esq.,  
General Counsel

Trump Entertainment Resorts Holdings, L.P.  
c/o Trump Entertainment Resorts, Inc.  
725 Fifth Avenue  
New York, NY 10022  
Attention: Robert M. Pickus, Esq.,  
General Counsel

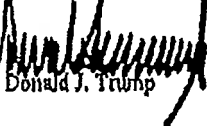
Re: Limited Partnership Interest in Trump Entertainment Resorts Holdings, L.P.

Dear Sir:

Reference is hereby made to that certain Fourth Amended and Restated Agreement of Limited Partnership of Trump Entertainment Resorts Holdings, L.P., made and entered into May 20, 2005 (as amended and in effect as of the date hereof, the "Partnership Agreement"), by and among Trump Entertainment Resorts, Inc. ("TERR"), Donald J. Trump, Trump Casinos, Inc., TCI 2 Holdings, L.L.C., and the Parsons (as defined therein) who may become party to the Partnership Agreement from time to time pursuant to the terms thereof. Capitalized, undefined terms used herein have the respective meanings ascribed to them in the Partnership Agreement.

The undersigned has determined that his Partnership Interests are worthless and lack potential to regain value. The undersigned intends to abandon, and is hereby abandoning, any and all of his Partnership Interests. The undersigned hereby notifies TERR, as the General Partner, and the Partnership of his abandonment of any and all of his Partnership Interests. Accordingly, effective immediately, the undersigned hereby relinquishes any and all rights, and disavows any and all obligations, under the Partnership Agreement or otherwise with respect to the Partnership and the Partnership Interests.

Sincerely,

  
Donald J. Trump

February 13, 2009  
Page 2

cc: Trump Casinos, Inc.  
1000 Boardwalk at Virginia Avenue  
Atlantic City, NJ 08401  
Attention: President

TCI 2 Holdings, LLC  
725 Fifth Avenue  
New York, NY 10022  
Attention: President

Holders of the 8.5% Senior Secured Notes due 2015  
c/o Stroock & Stroock & Lavan LLP  
180 Maiden Lane  
New York, NY 10038  
Attention: Kristopher M. Hansen, Esq.

Beal Bank S.S.B.  
6000 Legacy Drive  
Plano, TX 75024  
Attention: James Erwin

**Exhibit G**



Print | Close this window

## Trump Entertainment files for bankruptcy

Tue Feb 17, 2009 6:16pm EST

By Kyle Peterson

CHICAGO (Reuters) - Trump Entertainment Resorts Inc, the casino operator named for Donald Trump, filed for bankruptcy protection on Tuesday as recession and declining gambling revenues battered the company and its rivals.

The Chapter 11 filing marks the third plunge into bankruptcy for the company, which was created out of a restructuring in 2005. It also underscores the struggles facing the casino business as recession squeezes casino gambling.

Trump Entertainment owns and operates three casino hotels in hard-hit Atlantic City, New Jersey, including the Trump Taj Mahal, Trump Plaza and Trump Marina.

The company did not request debtor-in-possession financing to operate during its restructuring and said it would continue to run as normal.

"This filing will result in no immediate change in our daily operations, and we expect to make no changes regarding our operating structure or philosophy," Trump Chief Executive Mark Juliano said in a statement.

Nine affiliates of the casino operator including Trump Plaza Associates, Trump Plaza Associates, Trump Marina Associates and Trump Taj Mahal Associates simultaneously sought protection, according to the filing.

Trump had assets of about \$2.1 billion and total debts of about \$1.74 billion on December 31, 2008, it said in its filing with the U.S. Bankruptcy Court for the District of New Jersey.

The company, eager to conserve cash, missed a \$53.1 million bond interest payment due on December 1 as a sharp downturn in consumer spending hit casino revenue, prompting bondholders to push for bankruptcy.

### WIDELY EXPECTED

Experts had been looking for a Chapter 11 filing from Trump since it missed the December 1 bond interest payment.

"It had been moving in this direction for two months," said KeyBanc gaming industry analyst Dennis Forst.

"I think (restructuring) could take a while," he said. "Obviously, they weren't able to restructure it with the debt holders in the two months they had."

The filing comes days after the casino operator's namesake founder said he would resign from the board over disagreements with bondholders who wanted the company to file for bankruptcy.

Friday's statement did not say when Trump's resignation would be offered or take effect. His daughter Ivanka Trump also said she was resigning.

Trump, a very public and flamboyant figure in an industry filled with colorful, headstrong executives, said the company represents less than 1 percent of his net worth, and that "my investment in it is worthless to me now."

No stranger to bankruptcy, Trump Entertainment Resort Holdings went into Chapter 11 in 2004, from which it emerged a year later with Trump having relinquished the position of CEO.

Casino companies have been hurt in the last year as the gambling boom fizzled and tight credit markets stifled growth plans. Meanwhile, the Chinese government has made efforts to slow down the Macau gambling market.

The sector now faces a wave of restructurings. In May, the privately held casino operator Tropicana Entertainment LLC filed for Chapter 11.

The Dow Jones U.S. Gambling Index has fallen some 83 percent since its lifetime high reached in October 2007.

(Reporting by Kyle Peterson in Chicago, Chelsea Emery and Christopher Kaufman in New York and Ajay Kamalakaran in Bangalore, editing by Dave Zimmerman)

© Thomson Reuters 2009. All rights reserved. Users may download and print extracts of content from this website for their own personal and non-commercial use only. Reproduction or redistribution of Thomson Reuters content, including by framing or similar means, is expressly prohibited without the prior written consent of Thomson Reuters. Thomson Reuters and its logo are registered trademarks or trademarks of the Thomson Reuters group of companies around the world.

Thomson Reuters journalists are subject to an Editorial Handbook which requires fair presentation and disclosure of relevant interests.



**Exhibit H**

Begin seeing your opportunities



Dow Jones Reprints: This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit [www.djreprints.com](http://www.djreprints.com)  
See a sample reprint in PDF format. Order a reprint of this article now

**THE WALL STREET JOURNAL**  
WSJ.com

BUSINESS | FEBRUARY 17, 2009

## Trump Unit to Seek Chapter 11

*Casino Operator Expected to File Tuesday for Protection From Creditors*

By JEFFREY MCCRACKEN and TAMARA AUDI

Trump Entertainment Resorts Inc., Donald Trump's casino group, is expected to file Tuesday morning for protection from its creditors under Chapter 11 of the Bankruptcy Code, said several people familiar with the matter.

The company's board authorized the filing late Monday night, said these people, after deciding that the Atlantic City, N.J., casino operator would otherwise be forced into bankruptcy involuntarily by creditors.



DONALD TRUMP

Such a filing would mark the third appearance in bankruptcy court for Trump Entertainment, which most recently emerged from bankruptcy proceedings in 2005. Any filing would likely be in Camden, N.J., where the company, which had \$960 million in sales last year, entered its previous petition.

In the filing, the board wouldn't be aligning the company with reorganization plans set out either by Mr. Trump or company bondholders, said people familiar with the matter.

The planned board meeting follows months of negotiations between the real-estate mogul and his casino's bondholders, who had given the company several waivers to delay an interest payment due late last year. Late last week, the bondholders told the company they would seek an involuntary bankruptcy proceeding to force the company into Chapter 11. Bondholders and their legal advisers had all of the paperwork ready for an involuntary filing.

Mr. Trump, founder of the company, resigned as chairman of the board late Friday night, saying he disagreed with the actions of bondholders, many of which backed the casino when it exited bankruptcy last time. His daughter, Ivanka Trump, also resigned from the board.

Mr. Trump holds 28% of the company's stock, according to a recent filing. Shares of Trump Entertainment Resorts trade at around 23 cents, down from more than \$4 a year ago.

"Some time ago, I made an offer to buy the company in the hopes that I might be able to reverse its fortunes, but the bondholders turned me down," Mr. Trump said in a statement.

"Now I will study and watch as the horrible and outrageous fees being paid to lawyers and consultants will suck the blood from the company. ... These are very tough times in Atlantic City. Almost every company is in serious financial trouble. Despite this, I will be watching closely and at some point in the future, I hope to return," Mr. Trump said.

His resignation gave the board confidence to file for bankruptcy, said people familiar with the matter. Directors concluded

that he had "abandoned his partnership interest, and they didn't need his consent to act," one of these people said. Mr. Trump appointed some members of the board.

Trump Entertainment Resorts missed a bond payment of \$53 million due earlier this year saying it needed to conserve cash. The latest waiver from bondholders expires Tuesday morning.

The casino operator isn't related to Mr. Trump's real-estate holdings in New York, Chicago and elsewhere. But the casinos can continue to use Mr. Trump's name, despite his departure and any bankruptcy proceedings.

The company operates the Trump Taj Mahal Casino Resort and Trump Plaza Hotel & Casino on Atlantic City's Boardwalk, and the Trump Marina Hotel Casino in Atlantic City's Marina District. It agreed to sell Trump Marina Hotel Casino last May but the deal still hasn't closed.

Representatives for Trump Entertainment declined to comment.

Trump Entertainment has a total of \$1.25 billion in bond debt. It also has about \$500 million in bank debt. Mr. Trump personally guaranteed \$250 million of the bonds, according to two people, and bondholders could pursue the matter in bankruptcy.

Most of the casino industry is laboring under heavy debt, as consumers have cut back on casino visits and spending in the past year. Major casino companies like Harrah's Entertainment Inc., MGM Mirage and Las Vegas Sands Corp. have been forced to sell properties at big discounts, cut thousands of employees and halt planned development. At least one operator, Station Casinos Inc., is contemplating bankruptcy protection.

But Atlantic City has been struggling much longer. It has been battered by competition and a fading image as new casinos have emerged and expanded in neighboring states like Pennsylvania, New York and Connecticut.

Atlantic City posted the biggest drop in gambling revenue in its history in December, with an 18.7% decline from a year earlier. According to state regulators, Atlantic City casinos posted a 9.4% decline in January.

Several Atlantic City casinos are in severe distress -- the Tropicana is up for sale in bankruptcy court; Resorts Atlantic City is facing foreclosure.

Atlantic City's older casinos have had a tough time competing against new luxury properties. One exception: Trump's Taj Mahal, which recently added a new luxury tower. The casino posted a revenue increase of nearly 10% in January, compared with a year earlier.

Trump Entertainment has hired the law firm of Weil Gotshal & Manges LLP as bankruptcy counsel and Lazard Ltd. as financial advisers.

Bondholders have hired the law firm of Strock & Strock & Lavan LLP as bankruptcy counsel. They also have hired the investment-banking firm of Houlihan Lokey Howard & Zukin as financial advisers.

Write to Jeffrey McCracken at [jeff.mccracken@wsj.com](mailto:jeff.mccracken@wsj.com) and Tamara Audi at [tammy.audi@wsj.com](mailto:tammy.audi@wsj.com)

Printed in The Wall Street Journal, page B2

Copyright 2009 Dow Jones & Company, Inc. All Rights Reserved  
This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our Subscriber Agreement and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-

Trump Unit to Seek Chapter 11 - WSJ.com

Page 3 of 3

0008 or visit  
[www.djreprints.com](http://www.djreprints.com)

**Exhibit I**

15 South Pennsylvania Avenue  
Atlantic City, New Jersey 08401

(609) 449-5573  
rpickus@trump.com



ROBERT M. PICKUS  
CHIEF ADMINISTRATIVE OFFICER  
& GENERAL COUNSEL

March 12, 2009

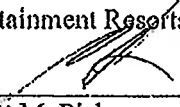
Mr. Donald J. Trump  
725 Fifth Avenue  
New York, New York 10022

Dear Mr. Trump:

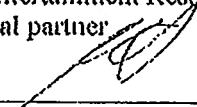
We are in receipt of your letter dated February 13, 2009 pursuant to which you purport to abandon your interests as a partner in Trump Entertainment Resorts Holdings, L.P. (the "Partnership"). Pursuant to Section 10.3 of the Partnership's Fourth Amended and Restated Agreement of Limited Partnership, a limited partner may not withdraw from the Partnership without the prior written consent of the general partner of the Partnership. Trump Entertainment Resorts, Inc., which is the general partner of the Partnership, has not consented, and does not consent, to such withdrawal. Accordingly, your purported abandonment of your partnership interest is not accepted and is not valid. The undersigned hereby reserve all of their rights and remedies with respect thereto.

Very truly yours,

Trump Entertainment Resorts, Inc.

By:   
Robert M. Pickus  
Chief Administrative Officer and  
General Counsel

Trump Entertainment Resorts Holdings, L.P.  
By: Trump Entertainment Resorts, Inc.,  
its general partner

By:   
Robert M. Pickus  
Chief Administrative Officer and  
General Counsel

March 12, 2009

Page 2

cc: Thomas Cerebino, Esq.  
Willkie Parr & Gallagher LLP  
787 Seventh Avenue  
New York, New York 10019

Holder of the 8.5% Senior Secured Note due 2015  
c/o Stroock & Stroock & Lavan LLP  
190 Maiden Lane  
New York, New York 10038  
Attention: Kristopher M. Hansen, Esq.

Beal Bank S.S.B.  
6000 Legacy Drive  
Plano, Texas 75024  
Attention: James Erwin

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW JERSEY  
**Caption in compliance with D.N.J. LBR 9004-2(c)**

**LOWENSTEIN SANDLER PC**

Kenneth A. Rosen (KR 4963)  
Jeffrey D. Prol (JP 7454)  
65 Livingston Avenue  
Roseland, New Jersey 07068  
Tel: 973-597-2500  
Fax: 973-597-2400

*-and-*

**STROOCK & STROOCK & LAVAN LLP**

Kristopher M. Hansen (KH 4679)  
Curtis C. Mechling (CM 5957)  
Erez E. Gilad (EG 7601)  
Sayan Bhattacharyya  
180 Maiden Lane  
New York, New York 10038  
Tel: 212-806-5400  
Fax: 212-806-6006

*Co-Counsel to Ad Hoc Committee of Holders of  
8.5% Senior Secured Notes Due 2015*

In re:

TCI 2 HOLDINGS, LLC, et al.,<sup>1</sup>

Debtors.

Chapter 11

Case No.: 09-13654 (JHW)

(Jointly Administered)

**Re: D.I. [ ]**

**ORDER GRANTING MOTION OF THE AD HOC COMMITTEE OF HOLDERS OF THE  
8.5% SENIOR SECURED NOTES DUE 2015 FOR APPOINTMENT OF EXAMINER  
PURSUANT TO SECTION 1104 OF THE BANKRUPTCY CODE**

The relief set forth on the following pages, numbered two (2) through five (5), is hereby

**ORDERED.**

<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: TCI 2 Holdings, LLC (0526); Trump Entertainment Resorts, Inc. (8402); Trump Entertainment Resorts Holdings, L.P. (8407); Trump Entertainment Resorts Funding, Inc. (8405); Trump Entertainment Resorts Development Company, LLC (2230); Trump Taj Mahal Associates, LLC, d/b/a Trump Taj Mahal Casino Resort (6368); Trump Plaza Associates, LLC, d/b/a Trump Plaza Hotel and Casino (1643); Trump Marina Associates, LLC, d/b/a Trump Marina Hotel Casino (8426); TER Management Co., LLC (0648); and TER Development Co., LLC (0425).



Page: 2  
In Re: TCI 2 HOLDINGS, LLC, et al  
Case No: 09-13654 (JHW)  
Caption: ORDER GRANTING MOTION OF THE AD HOC COMMITTEE OF HOLDERS  
OF THE 8.5% SENIOR SECURED NOTES DUE 2015 FOR APPOINTMENT OF EXAMINER  
PURSUANT TO SECTION 1104 OF THE BANKRUPTCY CODE

---

Upon consideration of the motion (the “Motion”)<sup>8</sup> of the ad hoc committee (the “Ad Hoc Committee”) of certain holders of the 8.5% Senior Secured Notes Due 2015 (the “Senior Secured Notes”) issued by Trump Entertainment Resorts Holdings, L.P. (“TER Holdings”) and Trump Entertainment Resorts Funding, Inc. (together with TER Holdings and the above-captioned debtors and debtors-in-possession, the “Debtors”) seeking the entry of an order, pursuant to 11 U.S.C. § 1104(c), directing the appointment of an examiner to investigate certain matters related to the Debtors’ Chapter 11 Cases; and the Court finding that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iii) the relief requested in the Motion is in the best interests of the Debtors, their estates, and their creditors; (iv) proper and adequate notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary; (v) upon review of all the pleadings submitted to the Court in support of the Motion and any opposition or objection thereto; (vi) upon oral argument in support of and in opposition to the Motion, if any; and (vii) sufficient cause appearing therefor, it is hereby:

**ORDERED, ADJUDGED AND DECREED THAT:**

1. The relief requested by the Motion is granted in its entirety;
2. Pursuant to 11 U.S.C. § 1104(c), subject to approval by this Court, the Office of the United States Trustee is directed to appoint an examiner on or before \_\_\_\_\_, 2009;

---

<sup>8</sup> Each capitalized term that is not defined herein shall have the meaning ascribed thereto in the Motion.

Page: 3  
In Re: TCI 2 HOLDINGS, LLC, et al  
Case No: 09-13654 (JHW)  
Caption: ORDER GRANTING MOTION OF THE AD HOC COMMITTEE OF HOLDERS  
OF THE 8.5% SENIOR SECURED NOTES DUE 2015 FOR APPOINTMENT OF EXAMINER  
PURSUANT TO SECTION 1104 OF THE BANKRUPTCY CODE

---

3. The examiner shall be vested with the authority, responsibility and power to investigate:

- The facts and circumstances of the Debtors' proposal of the Insider Plan;
- The facts and circumstances of the Florida Litigation, the Marina Sale Agreement and the related Coastal Adversary Proceedings; and
- Donald Trump's purported "abandonment" of his partnership interests and the tax and other financial implications thereof for the Debtors.

4. If the Debtors assert the attorney-client privilege or work product doctrine to block any discovery by the examiner, after notice and a hearing this Court may direct the Debtors to waive the privilege or the work product doctrine if it appears that a chapter 11 trustee would be entitled to the same discovery or would have no compelling reason to assert the attorney-client privilege or work product doctrine;

5. The Debtors and all of the Debtors' affiliates, subsidiaries, and other companies under their control are directed to fully cooperate with the examiner in connection with the performance of the examiner's duties. The Debtors shall provide to the examiner all documents and information that the examiner deems relevant to discharge the examiner's duties under this Order;

Page: 4  
In Re: TCI 2 HOLDINGS, LLC, et al  
Case No: 09-13654 (JHW)  
Caption: ORDER GRANTING MOTION OF THE AD HOC COMMITTEE OF HOLDERS  
OF THE 8.5% SENIOR SECURED NOTES DUE 2015 FOR APPOINTMENT OF EXAMINER  
PURSUANT TO SECTION 1104 OF THE BANKRUPTCY CODE

---

6. Until the examiner has filed the reports required by this Order and section 1106(b) of the Bankruptcy Code, neither the examiner nor the examiner's representatives or agents shall make any public disclosures concerning the performance of the examiner's duties, except in hearings before the Court; provided, however, that (a) the examiner may provide to the Securities and Exchange Commission, the United States Department of Justice, the Internal Revenue Service, the United States Attorney for the District of New Jersey, and any other governmental agencies any information requested by them; and (b) this paragraph shall not prevent the examiner from communicating with the Debtors and any committee of the Debtors to further the cooperation provided for herein;

7. With respect to issues identified in paragraph 3 above, the examiner shall prepare and file an interim or final report within sixty (60) days after the date of the examiner's appointment unless this time is extended for good cause shown, by order of this Court;

8. Any examiner may retain counsel and other professionals if he or she determines that such retention is necessary to discharge his or her duties, with such retention being subject to the approval of this Court under standards equivalent to those set forth in section 327(e) of the Bankruptcy Code;

9. The examiner and any professionals retained by the examiner pursuant to any order of this Court shall be compensated from the Debtors' estates pursuant to further orders of this Court;

Page: 5  
In Re: TCI 2 HOLDINGS, LLC, et al  
Case No: 09-13654 (JHW)  
Caption: ORDER GRANTING MOTION OF THE AD HOC COMMITTEE OF HOLDERS  
OF THE 8.5% SENIOR SECURED NOTES DUE 2015 FOR APPOINTMENT OF EXAMINER  
PURSUANT TO SECTION 1104 OF THE BANKRUPTCY CODE

---

10. The examiner shall be a “party in interest” under section 1109(b) of the Bankruptcy Code with respect to matters that are within the scope of the duties delineated in this Order or as such duties may hereafter be modified by this Court, and shall be entitled to appear at hearings and be heard with respect to matters that are within the examiner’s duties;

11. Nothing in this Order shall impede the right of the United States Trustee or of any other party in interest to request any other lawful relief, including but not limited to the expansion of the scope of the examiner’s investigation.

## General Information

<b>Court</b>	United States Bankruptcy Court for the District of New Jersey; United States Bankruptcy Court for the District of New Jersey
<b>Docket Number</b>	1:09-bk-13654
<b>Status</b>	Closed