

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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	:	
<b>In re:</b>	:	<b>Chapter 11</b>
	:	
<b>TRUMP ENTERTAINMENT RESORTS, INC., et al.,<sup>1</sup></b>	:	<b>Case No. 14-12103 (KG)</b>
	:	
<b>Debtors.</b>	:	<b>Jointly Administered</b>
	:	
	:	<b>Ref. Docket Nos. 591 and 641</b>
	-----X	

**ORDER, PURSUANT TO SECTION 105(a) OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULE 9019,  
APPROVING SETTLEMENT BY AND AMONG THE  
DEBTORS AND BETFAIR INTERACTIVE US LLC**

Upon consideration of the motion (the “**Motion**”)<sup>2</sup> of the Debtors for the entry of an order, pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, approving that certain Settlement Agreement by and among the Debtors and Betfair, (the “**Settlement Agreement**”), a copy of which is attached hereto as Exhibit 1; and upon consideration of the Motion and all pleadings related thereto; and due and proper notice of the Motion having been given; and it appearing that no other or further notice of the Motion is required; and it appearing that the Court has jurisdiction to consider the Motion in accordance with 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief

<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: Trump Entertainment Resorts, Inc. (8402), Trump Entertainment Resorts Holdings, L.P. (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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

requested in the Motion and provided for herein is in the best interest of the Debtors, their estates, and their creditors and is an appropriate exercise of the Debtors' business judgment; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is GRANTED as set forth herein.

2. Pursuant to section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, the Settlement Agreement is approved, and the terms and conditions of the Settlement Agreement (including the releases set forth therein) are incorporated into this Order as if fully set forth herein. Without limitation, on the Settlement Effective Date, subject to the payment of the Betfair Payment, Betfair will be entitled to accept remittance of all remaining funds from the Suspense Account to Betfair, in each case, free and clear of all liens, claims, and encumbrances.

3. Notwithstanding anything to contrary set forth in the Motion, Term Sheet or Settlement Agreement, upon entry of this Order, the Settlement Agreement shall be modified to remove any reference to the Betfair Proof of Claim in Paragraph 3 of the Settlement Agreement, and Paragraph 2(k) of the Settlement Agreement shall be deemed amended and restated as follows:

The Debtor's chapter 11 plan currently on file, as may be ordered, changed, amended, modified or supplemented from time to time in any respect, in whole or in part (the "Debtor Plan") shall be deemed modified to expressly incorporate and adopt the terms of the Settlement Agreement and the Settlement Order.

4. For the avoidance of doubt, upon the Settlement Effective Date, any and all proofs of claim in favor of Betfair, including those claims designated as claim numbers 556, 574 and 637 on the claims register, shall be disallowed and expunged without further Order of the Court, and Betfair shall be prohibited from filing or asserting any Claim (as defined in

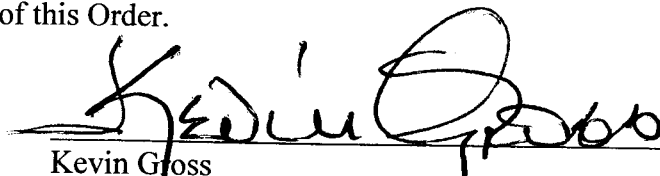
section 101(5) of the Bankruptcy Code) against the Debtors, except as otherwise permitted by the Settlement Agreement as modified by this Order.

5. The Debtors are authorized to execute and deliver all instruments and documents, and take such other action as may be necessary or appropriate, to implement and effectuate the relief granted by this Order.

6. This Order shall bind the Debtors, their estates and any successors thereto, including, any subsequently appointed chapter 7 trustee in respect of the Debtors and their estates.

7. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

Dated: December 19, 2014  
Wilmington, Delaware

  
Kevin Gross  
United States Bankruptcy Judge

**EXHIBIT 1**

**Settlement Agreement**

EXECUTION VERSION

**SETTLEMENT AGREEMENT**

This SETTLEMENT AGREEMENT (the "Settlement Agreement") is entered into as of December \_\_, 2014 by and among Trump Plaza Associates, LLC ("Plaza Associates") and its affiliated debtors (collectively, the "Debtors"), in the Debtors' chapter 11 cases (the "Chapter 11 Cases") pending in the United States Bankruptcy Court for the District of Delaware (the "Court"), Case No. 14-12103 (KG) (Jointly Administered) and Betfair Interactive US LLC ("Betfair" and together with the Debtors, the "Parties" and individually a "Party").

**Recitals**

**WHEREAS**, on June 27, 2013, Plaza Associates and Betfair entered into a ten-year online gaming operations agreement (the "Online Gaming Agreement");

**WHEREAS**, pursuant to the Online Gaming Agreement, Betfair operated an online gaming service under the internet gaming permits granted to Plaza Associates (the "Betfair Casino");

**WHEREAS**, in connection with the Betfair Casino, Plaza Associates opened certain bank accounts at Bank of America Merrill Lynch (last four digits of account numbers: 3527, 3556, 3569, 3530 and 3543) into which the cash earned and utilized with respect to the Betfair Casino was deposited (the "Online Gaming Accounts");

**WHEREAS**, on July 16, 2014 and July 30, 2014, Betfair purported to deliver written notices of default to Plaza Associates under the Online Gaming Agreement;

**WHEREAS**, on August 12, 2014, Betfair began to direct newly deposited funds (NJ NGR) into a segregated bank account under Betfair's exclusive control (the "Suspense Account");

**WHEREAS**, on September 4, 2014, Betfair purported to terminate the Online Agreement by notice to Plaza Associates;

**WHEREAS**, on September 9, 2014 (the "Petition Date"), the Debtors commenced the Chapter 11 Cases;

**WHEREAS**, on September 16, 2014, the Debtors closed the Trump Plaza Hotel and Casino (the "Plaza");

**WHEREAS**, the New Jersey Division of Gaming Enforcement authorized the closure of Betfair's operations hosted by the Plaza Associates as of 11:59 p.m. on Thursday, November 20, 2014 (the "Cessation Date");

**WHEREAS**, on November 21, 2014, Betfair filed the *Motion of Betfair Interactive US LLC for an Order Declaring that the Automatic Stay of Bankruptcy Code Section 362 Does Not Apply to the Funds in the Betfair Interactive Suspense Account, or, in the Alternative, Granting It Relief from the Automatic Stay* [Docket No. 533] (the "Betfair Motion"), which, among other

things, asserts that Betfair properly declared Plaza Associates in default of the Online Agreement and that the Online Agreement was terminated properly on September 4, 2014;

**WHEREAS**, Betfair asserts, and the Debtors dispute, that the (i) cash deposited in the Online Gaming Accounts pursuant to the Online Gaming Agreement, (ii) certain cash identified in the budget attached to the *Final Order (A) Authorizing Postpetition Use of Cash Collateral, (B) Granting Adequate Protection to the Secured Parties, and (C) Granting Related Relief* [Docket No. 342] (the "Final Cash Collateral Order") in the line item "Internet Gaming Balance" that is attributable to the Online Gaming Agreement, and (iii) the cash deposited in the Suspense Account is (a) not property of the Debtors' estates, (b) is not Cash Collateral (as defined in the Final Cash Collateral Order), and (c) is held in trust for the benefit of Betfair and/or the Betfair Players (as defined in the Online Gaming Agreement) pursuant to the Online Gaming Agreement;

**WHEREAS**, on November 24, 2014, Betfair timely filed three proofs of claim (Claim Nos. 556, 574 and 637) (collectively, the "Proofs of Claim"), which each assert a claim in the aggregate amount of \$9,639,306.00;

**WHEREAS**, the Parties executed that certain *Term Sheet for Settlement by and Among Debtors and Betfair Interactive US LLC*, dated December 3, 2014 (the "Term Sheet") to permanently settle all claims and causes of action by and between the Debtors and Betfair with respect to: (a) the Online Gaming Agreement and the Betfair Casino; (b) ownership of the Betfair Customer Data (as defined in the Online Gaming Agreement) and the TP Customer Data (as defined in the Online Gaming Agreement); (c) the cash deposited in the Online Gaming Accounts and the Suspense Account; and (d) all other amounts due and payable by the Debtors to Betfair, or by Betfair to the Debtors, pursuant to the Online Gaming Agreement as of the date of commencement of the Chapter 11 Cases or as of the date hereof, subject to the terms and conditions set forth herein;

**WHEREAS**, on December 4, 2014, the Debtors filed the *Debtors' Motion for Entry of an Order, Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rule 9019, Approving Settlement By and Among the Debtors and Betfair Interactive US LLC* [Docket No. 591] (the "Settlement Motion"), which seeks the entry of an order, in the form attached to the Settlement Motion as Exhibit A, approving this Settlement Agreement and the Term Sheet (the "Settlement Order");

**WHEREAS**, pursuant to the Term Sheet, the Parties agreed to negotiate and execute this Settlement Agreement, consistent with the terms and provisions of the Term Sheet;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Conditions to Effectiveness of Settlement Agreement**

The settlement by and among the Parties as set forth in this Settlement Agreement will be subject to the satisfaction of each of the following conditions (collectively, the "Settlement Effectiveness Conditions"):

- (a) Execution and delivery of this Settlement Agreement;
- (b) The filing of the Settlement Motion no later than December 5, 2014;
- (c) The Settlement Order shall have become a final, nonappealable order; and
- (d) The Parties' compliance with each of the terms and provisions of the Term Sheet.

The latest date on which the Settlement Effectiveness Conditions have been satisfied shall be referred to as the "Settlement Effective Date." Prior to the Settlement Effective Date, without limitation, the parties reserve their rights in respect of the Suspense Account under ¶ 26 of the Final Cash Collateral Order.

2. **Agreement**

(a) The above recitals are true and correct and are hereby incorporated herein, as if fully set forth in this Paragraph 2(a).

(b) The Parties each agree to support the Settlement Motion and to exercise commercially reasonable efforts to seek the Bankruptcy Court's prompt approval of the Settlement Motion. Notwithstanding anything to the contrary set forth in this Settlement Agreement, except as set forth in this Paragraph 2(b), the respective obligations of the Parties under this Settlement Agreement are subject to the approval of this Settlement Agreement pursuant to the Settlement Order.

(c) The Parties acknowledge that Betfair owns all Betfair Customer Data (as defined in the Online Gaming Agreement) and jointly owns the TP Customer Data (as defined in the Online Gaming Agreement), and Betfair may use the TP Customer Data for its own commercial purpose.

(d) The Parties agree that from and after the execution of the Term Sheet, Betfair shall not withdraw or remit any funds in the Online Gaming Accounts other than to the extent necessary to reimburse customer wallets in an amount not to exceed \$30,500.

(e) Promptly upon the Settlement Effective Date, Betfair will pay to the Debtors a sum of \$46,000 in cash (the "Betfair Payment").

(f) Upon the Settlement Effective Date, the Online Gaming Agreement shall be deemed terminated, effective as of September 4, 2014, except to the extent specific terms of the Online Gaming Agreement continue in effect in accordance with the express terms of this Settlement Agreement or any other written agreement between Betfair and Plaza Associates entered into after the date hereof.

(g) The Debtors consent to the various orders of the State of New Jersey, Division of Gaming Enforcement dated November 7, 2014, November 20, 2014 and shall reasonably

cooperate with Betfair to enable the transition of the Betfair Casino from its land-based platform at the Plaza to its replacement land-based platform at the hotel and casino owned by Golden Nugget Atlantic City, LLC, including, without limitation, making BF Equipment at the Taj Mahal Casino Resort available for pickup by Betfair (as soon as possible at mutually convenient times for Betfair and the Debtors, but no later than Friday, December 5, 2014), in each case, at no cost to the Debtors or the Debtors' estates.

(h) Subject to the payment of the Betfair Payment, Betfair will be entitled to accept remittance of all remaining funds currently in the Suspense Account and pay those funds from the Suspense Account to Betfair, in each case, free and clear and of all liens, claims and encumbrances. Betfair's maintenance of the Suspense Account and remittance of the Suspense Account funds to itself shall not be deemed a violation of automatic stay.

(i) Upon the Settlement Effective Date, Betfair will automatically be deemed to release all rights and claims to any and all funds remaining in the Online Gaming Accounts, and Plaza Associates shall be entitled to all such funds remaining in the Online Gaming Accounts and shall deliver those funds to itself.

(j) Upon the Settlement Effective Date, Betfair will indemnify Plaza Associates for any claims by any BF Players (as defined in the Online Gaming Agreement) to any funds in the Online Gaming Accounts related to the play of such BF Players at the Betfair Casino.

(k) Upon the Settlement Effective Date, the Proofs of Claim shall be deemed reduced and reclassified, and Betfair shall be deemed to hold an allowed general unsecured claim in the amount of \$700,000 (the "Betfair Proof of Claim") without any requirement that Betfair file any amendment to the Proofs of Claim. The Debtor's chapter 11 plan currently on file, as may be ordered, changed, amended, modified or supplemented from time to time in any respect, in whole or in part (the "Debtor Plan") shall be deemed modified to expressly incorporate and adopt the terms of the Settlement Agreement and the Settlement Order.

(l) Betfair shall support and agrees to vote to accept the Debtor Plan as modified hereby, by the Term Sheet and the Settlement Order.

(m) Pursuant to any plan of reorganization or liquidation that is filed, prosecuted, modified, confirmed, becomes effective, and is consummated, the Debtors, the reorganized Debtors, and any estate representative (including, without limitation, any liquidating or plan trustee) shall be and shall remain bound by this Settlement Agreement.

### 3. Releases

(a) For the consideration herein recited and effective as of the Settlement Effective Date, Betfair, on the one hand, and the Debtors, on the other hand, each on behalf of themselves and their estates, and on behalf of each of their respective past, present and future parent and subsidiary corporations, officers, directors, shareholders, managers, members, insurers, agents, employees, affiliates, predecessors, successors and assigns, and each of them, hereby fully and unconditionally remise, release, acquit, satisfy and forever discharge each other and all of their respective past, present and future parent and subsidiary corporations, their officers, directors,



shareholders, managers, members, insurers, agents, attorneys, employees, affiliates, predecessors, successors and assigns, and each of them, jointly and severally, from any and all claims, actions, demands or causes of action (including, without limitation, any obligation, whether under the Online Gaming Agreement or otherwise, for fees, costs or expenses, including attorneys' fees and any and all other fees, costs or expenses incurred in connection with the Online Gaming Agreement and incurred in the negotiation, preparation and execution of this Settlement Agreement) which the Parties ever had, now have, or may have, or which any predecessor, successor, or assign of the Parties have, shall have, or may have, of any nature and description whatsoever, whether based on state law, federal law, common law, legal or equitable in nature, known or unknown, suspected or unsuspected, disclosed or undisclosed, accrued or hereinafter accruing, absolute or contingent, based on, arising under, or in connection with the facts, events, causes of action or claims arising under or related to the Online Gaming Agreement, the Betfair Casino and the Online Gaming Accounts from the beginning of the world through and including the Settlement Effective Date; *provided, however*, that nothing herein shall release, impair or modify any of the Parties' rights and obligations arising under this Settlement Agreement, the Term Sheet or the Betfair Proof of Claim.

(b) Waiver of Civil Code Section 1542: To the extent applicable, it is the intention of the parties hereto that the foregoing releases shall be effective as a bar to all actions, fees, damages, losses, claims and liabilities and demands of whatsoever character, nature and kind, known or unknown, suspected or unsuspected, released pursuant to Section 3(a) of this Settlement Agreement; in furtherance of this intention, the Parties thereto expressly waive any and all rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil Code which are as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

The Parties acknowledge that the foregoing waiver of the provisions of Section 1542 of the California Civil Code was separately bargained for. The Parties expressly consent that this Settlement Agreement shall be given full force and effect in accordance with each and all of its express terms and provisions, including those terms and provisions relating to unknown and unsuspected claims, demands and causes of action, if any, to the same effect as those terms and provisions relating to any other claims, demands and causes of action released pursuant to Section 3(a) of this Settlement Agreement. Notwithstanding this or any other provision in this Settlement Agreement to the contrary, the Parties expressly agree that, by entering into this Settlement Agreement, none of the Parties have waived or relinquished any right and/or remedy with respect to this Settlement Agreement, the Term Sheet, or the Betfair Proof of Claim to which they are entitled, and that in the event of a breach of any of the terms of this Settlement Agreement or the Term Sheet by any of the Parties, the Parties retain any and all legal rights and/or remedies with respect to said breach.

4. **Representations and Warranties**

Each Party (severally and not jointly) represents, covenants and warrants to the other Parties, only as to itself and not as to each of the others, that the following statements are true and correct as of the date hereof with respect to such Party:

- (a) Each Party has the requisite power and corporate, limited liability company, limited partnership or similar authority to enter into this Settlement Agreement and perform all of the obligations under this Settlement Agreement, and the execution, delivery and performance of this Settlement Agreement by such Party has been duly authorized by all necessary corporate, limited liability company, limited partnership or similar action on the part of such Party, and the person executing this Settlement Agreement on behalf of such Party is duly authorized to do so and thereby bind that Party.
- (b) The execution, delivery and performance of this Settlement Agreement by such Party does not and shall not (i) violate any provision of law, rule or regulation applicable to it or its organizational documents or (ii) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligations to which it is a party or under its organizational documents.
- (c) This Settlement Agreement and the terms, covenants, conditions, provisions, obligations, undertakings, rights, and benefits hereof shall be binding upon and shall inure to the benefit of the undersigned Parties and their respective representatives, affiliated companies, predecessors, parent companies, subsidiaries, successors, and assigns.

5. **Miscellaneous.**

(a) **Choice of Law.** This Settlement Agreement shall be governed by and construed under and in accordance with the laws of the State of New Jersey, without regard to the conflicts of laws principles thereof. The Bankruptcy Court shall retain jurisdiction over any action or proceeding arising out of or relating to this Settlement Agreement, and all claims in respect of such action or proceeding may be heard and determined in such Court. **EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ITS RIGHTS TO A JURY TRIAL FOR ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS SETTLEMENT AGREEMENT.**

(b) **Successors and Assigns.** The agreements, terms and provisions contained in this Settlement Agreement shall be binding upon, and inure to the benefit of, each of the Parties and their respective legal representatives, beneficiaries, predecessors, successors and assigns.

(c) **No Admission; Reservation of Rights.** The Parties understand and agree that any claim, cause of action or defense that any Party may have against another in connection with the Online Gaming Agreement or the subject matter thereof is disputed, and that the Parties are entering into this Settlement Agreement for the purpose of settling such disputes by compromise in order to avoid further litigation. Neither the execution nor delivery of this Settlement Agreement shall constitute an admission of any wrongdoing or liability whatsoever on the part of

any of the Parties. If the Bankruptcy Court does not enter the Settlement Order or the Settlement Order does not become a final, nonappealable order, then nothing in this Settlement Agreement shall in any way limit, modify or affect, or be deemed to limit, modify or affect, any of the rights, claims or defenses of the Parties in respect of the Suspense Account, the Betfair Motion or otherwise.

(d) Cooperation/Further Assurances. The Parties agree to cooperate fully and execute any and all supplementary documents and to take all additional action which may be reasonably necessary or appropriate to give full force and effect to the terms and intent of this Settlement Agreement.

(e) Construction. No Party shall be deemed the drafter of any part of this Settlement Agreement; the rule that any ambiguity in a contract shall be construed against the drafter of the contract shall not apply to any part of this Settlement Agreement. The headings herein are solely for the convenience of the Parties and do not form a substantive part of this Settlement Agreement.

(f) Mutually Dependent Provisions; Waivers. All of the provisions of this Settlement Agreement are mutually dependent and each provision hereof shall be binding and enforceable only if all provisions hereof are all binding and enforceable to the full extent provided for herein; *provided, however*, that, as to any particular provision or condition hereof, a Party enjoying the rights of such provision or condition or to whom the benefits of such provision or condition inure, may waive in writing another Party's compliance with such provision or the occurrence of such condition.

(g) Entire Agreement. This Settlement Agreement constitutes the entire agreement and understanding among the Parties with respect to the subject matter hereof, sets forth all terms and conditions of this Settlement Agreement, and cancels and supersedes any and all prior agreements, representations, and/or understandings, whether written or oral, among the Parties relating to the subject matter of this Settlement Agreement.

(h) Amendments. Neither this Settlement Agreement nor any terms hereof may be amended, changed, waived, discharged, or terminated unless such amendment, change, waiver, discharge or termination is in a writing signed by all the Parties hereto.

(i) Representation by Counsel. The Parties acknowledge that they have each relied upon the professional advice rendered by independent legal counsel of their own selection prior to entering into this Settlement Agreement. The Parties further acknowledge that the terms of this Settlement Agreement have been completely reviewed and explained to them by their attorneys, and those terms are fully understood and voluntarily accepted by each Party.

(j) Counterparts. This Settlement Agreement may be executed in counterparts. Each counterpart shall be deemed an original, all of which together shall constitute a single agreement. Any of the signatures to this Settlement Agreement may be delivered by facsimile or electronically mailing a portable data format ("PDF") copy, and such facsimile or electronically

mailed PDF copy signature shall be fully binding on the person or party tendering the facsimile or PDF signature and shall serve as an original executed copy for all purposes.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of the date first written above.

TRUMP ENTERTAINMENT RESORTS, INC.  
on behalf of itself and its affiliated Debtors.



\_\_\_\_\_  
Name: ROBERT GRIFFIN  
Title: CEO

BETFAIR INTERACTIVE US LLC

\_\_\_\_\_  
Name:  
Title:

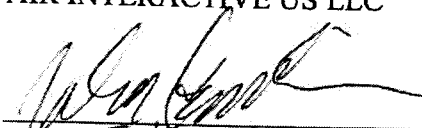
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TRUMP ENTERTAINMENT RESORTS, INC.  
on behalf of itself and its affiliated Debtors.

\_\_\_\_\_  
Name:

Title:

BETFAIR INTERACTIVE US LLC

  
\_\_\_\_\_  
Name: John Hudman  
Title: SVP + General Counsel