

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:)	
)	Chapter 11
)	
CAESARS ENTERTAINMENT OPERATING)	Case No. 15-01145 (ABG)
COMPANY, INC., <u>et al.</u> , ¹)	
)	
Debtors.)	(Joint Administration Requested)
)	
)	Re: Docket No. ___

**ORDER (I) APPROVING CONTINUATION OF SURETY
BOND PROGRAM, AND (II) GRANTING RELATED RELIEF**

Upon the motion (the "Motion") of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order") (I) authorizing the Debtors to continue, renew, and supplement the Surety Bond Program, including the maintenance and posting of collateral as may be required by the Surety Bond Program, and (II) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and the Court having found that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding under 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and the Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing on the Motion under the circumstances; and the

¹ The last four digits of Caesars Entertainment Operating Company, Inc.'s tax identification number are 1623. Due to the large number of Debtors in these chapter 11 cases, for which the Debtors have requested joint administration, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://cases.primeclerk.com/CEOC>.

Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein. Capitalized terms used but not otherwise defined in this Order have the meanings given to them in the Motion.

2. The Debtors are authorized, but not directed, to maintain, renew, and supplement their Surety Bond Program without interruption, including, but not limited to, the maintenance of cash collateral.

3. The Debtors are authorized, but not directed, to pay all obligations relating to their Surety Bond Program, including, but not limited to, the payment of premiums.

4. The Debtors are authorized, but not directed, to renew or obtain new surety bonds or execute other agreements in connection with their Surety Bond Program and to provide cash collateral in connection therewith.

5. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved by this Order are authorized and directed to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Order.

6. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored

as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any claims related to the Surety Bond Program.

7. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity of any prepetition claim against a Debtor entity; (b) a waiver of the Debtors' right to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Order or the Motion; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (f) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable law.

8. Notwithstanding anything to the contrary herein but subject to paragraph 10 of this Order, the Debtors are authorized and directed to fulfill all obligations relating to their Surety Bond Program to the extent such obligations are to Zurich, including, but not limited to, the maintenance of cash collateral and the payment of premiums; and any claim (as defined in section 101(5) of the Bankruptcy Code) arising in favor of Zurich against one or more of the Debtors on account of any loss (after taking into account collateral provided to Zurich as part of the existing Surety Bond Program, with such collateral proportionate in dollar amount to all applicable surety bonds provided by Zurich to the Debtors and their non-Debtor affiliates if such collateral is provided on account of both Debtor and non-Debtor surety obligations) shall be afforded administrative priority under sections 503(b) and 507(a)(2) of the Bankruptcy Code.

9. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored

as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with any obligations related to the Surety Bond Program.

10. Notwithstanding anything to the contrary contained herein, the relief granted in this Order and any payment to be made hereunder shall be subject to the terms of any orders granting the use of cash collateral approved by this Court in these chapter 11 cases (including with respect to any budgets governing or relating to such use), and to the extent there is any inconsistency between the terms of such cash collateral orders and any action taken or proposed to be taken hereunder, the terms of such cash collateral orders shall control.

11. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).


12. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules for the United States Bankruptcy Court for the Northern District are satisfied by such notice.

13. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

14. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

~~15. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.~~ *aE*

Dated: 15 JAN 2015
Chicago, Illinois


United States Bankruptcy Judge