UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	Chapter 11
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et al.,[1]	Case No. 15-01145 (ABG)
Debtors.	(Jointly Administered)
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et al.,	Chapter 11
Plaintiffs,	Adversary Case No. 15-00149
v.	**Hr'g Date: July 29, 2015, at 9:30 a.m. (CT)**
BOKF, N.A., WILMINGTON SAVINGS FUND SOCIETY, FSB, MEEHANCOMBS GLOBAL CREDIT OPPORTUNITIES MASTER FUND, LP, RELATIVE VALUE-LONG/SHORT DEBT PORTFOLIO, A SERIES OF UNDERLYING FUNDS TRUST, SB 4 CF LLC, CFIP ULTRA MASTER FUND, LTD., TRILOGY PORTFOLIO COMPANY, LLC, and FREDERICK BARTON DANNER,	
Defendants.	

NOTICE OF DEBTORS' EMERGENCY MOTION FOR CERTIFICATION OF DIRECT APPEAL TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT PURSUANT TO 28 U.S.C. § 158(d)

[1] The last four digits of Caesars Entertainment Operating Company, Inc.'s tax identification number are 1623. A complete list of the Debtors and the last four digits of their federal tax identification numbers may be obtained at https://cases.primeclerk.com/CEOC.

PLEASE TAKE NOTICE that on the **29th day of July, 2015, at 9:30 a.m. (prevailing Central Time)** or as soon thereafter as counsel may be heard, the Debtors shall appear before the Honorable A. Benjamin Goldgar or any other judge who may be sitting in his place and stead, in the Courtroom 642 in the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, Illinois 60604, and present the attached *Debtors' Emergency Motion for Certification of Direct Appeal to the United States Court of Appeals for the Seventh Circuit Pursuant to 28 U.S.C. § 158(d)* (the "Motion"). The Court has given the Debtors permission to file the Motion for a hearing on July 29, 2015. See [Adv. Pro. No. 15-00149, Dkt. No. 163].

PLEASE TAKE FURTHER NOTICE that copies of the Motion as well as copies of all documents filed in these chapter 11 cases are available free of charge by visiting https://cases.primeclerk.com/CEOC or by calling (855) 842-4123 within the United States or Canada or, outside of the United States or Canada, by calling +1 (646) 795-6969. You may also obtain copies of any pleadings by visiting the Court's website at www.ilnb.uscourts.gov in accordance with the procedures and fees set forth therein.

Dated: July 24, 2015
Chicago, Illinois

/s/ David R. Seligman, P.C.

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UNITED STATES BANKRUPTCY COURT
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INTRODUCTION

1. Section 105(a) of the Bankruptcy Code broadly provides for the bankruptcy court to issue "*any* order . . . that is necessary or appropriate" to protect its jurisdiction and carry out the provisions of Title 11. (emphasis added). Recognizing that the Debtors' motion presented a "familiar"—indeed, "textbook"—pattern for which Section 105(a) relief is frequently granted in other circuits (and has previously been granted by lower courts in this circuit), the Court nonetheless denied relief here based on the conclusion that "the Seventh Circuit has a different textbook." Op. 28. The Court found that "the Seventh Circuit [has] restricted the section 105(a) remedy to a particular set of 'limited circumstances,'" and held that, as a matter of law, "[u]nless the debtor's estate has a claim against the non-debtor, and unless that claim is based on the same acts and would be paid from the same assets as the third party's claim against the non-debtor, no relief is possible." Op. 21, 28. In so doing, the Court denied the Debtors all relief, thereby enabling *certain creditors* to proceed with guaranty claims for *multiple billions of dollars* against the Debtors' parent—claims that, if successful, will be debilitating to any plan of reorganization because they will prevent the parent from contributing anything meaningful to the reorganization for equitable distribution to *all* the Debtors' creditors. Yet, as this Court acknowledged, that would have been enough to permit Section 105(a) relief under the law of other circuits.

2. This Court's conclusion that the Seventh Circuit is an outlier in its legal interpretation of the relief available under Section 105(a) requires immediate review by the Seventh Circuit itself. Given the acknowledged inter-circuit legal conflict, it is self-evident that the appealed "order … involves a question of law requiring resolution of conflicting decisions." 28 U.S.C. § 158(d)(2)(A)(ii). Under these circumstances, the Court not only may but "*shall*" certify the appeal for direct review by the Seventh Circuit. *Id*. § 158(d)(2)(B) ("*shall* make the

certification") (emphasis added). Indeed, the Court can and should certify the appeal *sua sponte*. *Id*.; *see* Fed. R. Bankr. P. 8006(d). Moreover, the issue of whether, "[i]n the Seventh Circuit, the section 105(a) injunction is a more limited remedy than in other circuits," Op. 19, plainly "involves a matter of public importance," 28 U.S.C. § 158(d)(2)(A)(i), both in the context of this multi-billion dollar bankruptcy involving tens of thousands of employees, retirees, and entities that do business with the Debtors, and more broadly. Given what is at stake—the Debtors' ability to recover *any* meaningful financial contribution from their parent on estate claims and pass that along to the Debtors' creditors in accordance with the absolute priority rule—a direct appeal would materially advance the progress of these Chapter 11 cases. *Id*. at § 158(d)(2)(A)(iii). Thus, for any (and all) of these reasons, the Court should promptly certify the Debtors' appeal for direct review by the Seventh Circuit.

BACKGROUND

3. The facts relevant to this appeal are largely recited in this Court's July 22, 2015 Order (Doc. Nos. 158, 159), and are summarized in pertinent part here.[2] The Debtors possess two principal assets around which to reorganize: an operating business and estate claims against Caesars Entertainment Corp. ("CEC"), the non-debtor parent of the Debtors. June 3, 2015 Hr'g. Tr. 35:14–36:2, 43:20–45:3 (Millstein). To fulfill their duty to maximize the value of the estate, the Debtors must recover on estate claims that the Debtors' Special Governance Committee has concluded are worth at least $1.5 billion. For their part, "Defendants agree that CEC is liable to the bankruptcy estate for the billions of dollars of fraudulent conveyances it orchestrated through

[2] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Court's July 22, 2015 Order (Doc. No. 158).

'controversial' prepetition transactions now under investigation by the Examiner." Defs.' Joint Br. (Adv. Doc. No. 132) ¶ 37.

4. CEC agreed to make a substantial financial contribution to the Debtors' restructuring in settlement of claims that the Debtors have against CEC. However, litigation by Defendants—a subset of the Debtors' creditors—threatens to render CEC insolvent and deprive the Debtors from recovering *any* assets from CEC. Indeed, it is undisputed that both the Debtors' estate claims and these creditors' guaranty claims seek to recover from the same limited pool of assets from the same entity (CEC). *See* June 3, 2015 Hr'g. Tr. 69:24–70:7, 128:25–129:15, 143:24–144:4 (Millstein); June 4, 2015 Hr'g. Tr. 308:9–13 (Lyon). It is likewise undisputed that CEC lacks the ability to both satisfy the guaranty claims and make any contribution to the estate on account of the estate's claims. *See* June 3, 2015 Hr'g. Tr. 49:17–51:22 (Millstein), 207:11–208:2 (Zelin); DX 78.

5. There can be no dispute that continuation of the Defendants' guaranty litigation against CEC will "affect the allocation of property among creditors." The very objective of the litigation against CEC is for certain creditors to jump to the front of the creditor line by pursuing their claims outside of the bankruptcy process against the same assets that the Debtors concluded were wrongly removed from their estate as part of the same overall plan or scheme. *See* June 3, 2015 Hr'g. Tr. 69:24–71:13, 128:25–129:15 (Millstein).

6. Nor can there be a dispute that the guaranty litigation threatens the Debtors' reorganization. Litigation threatening the Debtors' ability to recover on one of their principal estate assets diminishes their ability to efficiently reorganize and maximize creditor recoveries. As part of a Restructuring Support Agreement ("RSA"), the Debtors have negotiated a substantial contribution from CEC on account of estate claims. June 3, 2015 Hr'g. Tr. 36:3–14,

40:10–14 (Millstein). Although Debtors believe the RSA framework is the right blueprint for a value maximizing plan, the Debtors' ability to formulate *any* plan of reorganization heavily depends on their ability to recover against CEC on account of estate claims. *Id*. at 44:16–45:3 (Millstein). However, CEC has publicly disclosed that "were a court to find in favor of the claimants in any of these Noteholder Disputes, such determination could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Accordingly, we have concluded that the material uncertainty related to certain of the Litigation proceeding against CEC raises substantial doubt about the Company's ability to continue as a going concern . . . ." PX 34 (CEC 10-Q, May 11, 2015) at 8 (emphasis added). Simply put, an adverse decision in the guaranty litigation would materially diminish CEC's ability to help fund and otherwise support the Debtors' restructuring, rendering moot the Debtors' chapter 11 plan (predicated on the RSA) currently on file, and thus materially impeding the Debtors' own chapter 11 cases. And a district court in New York is on track to issue a potentially-dispositive decision in two of the guaranty lawsuits, as early as the first half of August.

7. Thus, the only question is whether the Debtors are entitled to seek Section 105(a) relief to temporarily enjoin the guaranty litigation, or whether they are foreclosed from such relief because the guaranty litigation does not arise from precisely the "same acts" as those giving rise to the Debtors' claims against CEC.

QUESTION PRESENTED FOR CERTIFICATION

8. Whether, as in other circuits, a bankruptcy court may issue an order pursuant to 11 U.S.C. § 105(a) to enjoin an action against a non-debtor that may affect the amount of property in the debtor's bankruptcy estate or the allocation of property among the debtor's creditors, or whether such an injunction can be granted by a court in the Seventh Circuit only if

the action arises out of the "same acts" that give rise to claims the bankruptcy estate has against the non-debtor.

RELIEF SOUGHT

9. The Debtors respectfully request that the Court certify their appeal of this Court's July 22, 2015 Order (Doc. Nos. 158, 159) for direct appeal to the United States Court of Appeals for the Seventh Circuit pursuant to 28 U.S.C. § 158(d)(2).

REASONS SUPPORTING CERTIFICATION

10. Under 28 U.S.C. § 158(d)(2), this Court not only may—*but shall*—certify this appeal for direct review by the United States Court of Appeals for the Seventh Circuit. *See* 28 U.S.C. § 158(d)(2)(B); Fed. R. Bankr. P. 8006(f)(2). That statute provides for direct review of a bankruptcy court order by the court of appeals where the appeal (i) involves a question of law requiring resolution of conflicting decisions, (ii) involves a matter of public importance, *or* (iii) may materially advance the progress of the bankruptcy. *See* 28 U.S.C. § 158(d)(2)(A)(i)–(iii); *see also In re OCA, Inc.*, 552 F.3d 413, 418 (5th Cir. 2008). This appeal involves all three of those enumerated circumstances—any one of which makes certification mandatory, not discretionary. *See* 28 U.S.C. § 158(d)(2)(B) (stating that if a court "determines that a circumstance specified in" 28 U.S.C. § 158(d)(2)(A)(i)–(iii) exists, then the court "*shall* make the certification") (emphasis added); *see also In re Qimonda AG*, 470 B.R. 374, 383 (E.D. Va. 2012); *In re Dutkiewicz*, 403 B.R. 472, 474–75 (6th Cir. B.A.P. 2009).

I. This Appeal Presents a Pure Question of Law Requiring Resolution of Conflicting Decisions

11. One of "[t]he twin purposes" underlying 28 U.S.C. § 158(d)(2) is "to generate binding appellate precedent in bankruptcy, whose caselaw has been plagued by indeterminacy." *In re Pacific Lumber Co.*, 584 F.3d 229, 241 (5th Cir. 2009). Congress, like the Judicial

Conference and many others, was concerned about "the paucity of *settled* bankruptcy-law precedent" at the appellate level and the need to resolve conflicting lines of jurisprudence. *Weber v. United States*, 484 F.3d 154, 158 (2d Cir. 2007) ("Congress intended [§ 158(d)(2)(A)] to facilitate [the circuit courts'] provision of guidance on pure questions of law.") (emphasis added). That concern is squarely presented here, where this Court concluded that the case law in the Seventh Circuit interpreting the scope of a bankruptcy court's power under 11 U.S.C. § 105(a) is starkly divergent from the law in other circuits.

12. This Court recognized that Section 105(a) permits a bankruptcy court to protect its own jurisdiction by enjoining the prosecution of a third party's action against a non-debtor in another court. Op. 20 (collecting cases). And it recognized that "courts have often issued section 105(a) injunctions to halt actions of the kind and under the circumstances the debtors describe." Op. 27 (collecting cases). As the Court observed, "[i]n some cases, the mere possibility that the action could impair the non-debtor's financial support of the debtor's reorganization was enough to warrant relief." Op. 28. The Court, however, concluded that the Seventh Circuit was uniquely different in its approach to Section 105(a) relief, using a different "textbook," such that "[i]n the Seventh Circuit, the section 105(a) injunction is a more limited remedy than in other circuits." Op. 19. Specifically, the Court held that the Seventh Circuit only authorizes a Section 105(a) injunction of third party litigation against non-debtors if the "same acts" at issue in that litigation give rise to claims the bankruptcy estate has against the non-debtor.[3]

[3] Debtors respectfully submit that Seventh Circuit does not mandate such a "same acts" requirement; rather, the Seventh Circuit merely requires that third party litigation claims against non-debtors must be so "related to" the estate's claims such that, if not temporarily enjoined, they would derail the estate's efforts to recover for creditors as a whole. *See In re Teknek*, 563 F.3d at 648 (citing *Fisher*, 155 F.3d at 882). Indeed, other courts within the

13. The recognition of a circuit conflict requires certification. That is the quintessential conflict of decisions that requires resolution. *Accord* Supreme Court Rule 10(a). And, if this Court is correct in its interpretation of Seventh Circuit law, only the Seventh Circuit (or ultimately the Supreme Court) can resolve that conflict.[4] Requiring the Debtors to appeal to the district court on such a pure question of law, when given the stakes in this matter, there will almost certainly be an inevitable appeal to the Seventh Circuit, would not only be a tremendous waste of judicial and party resources, but it would be contrary to 28 U.S.C. § 158(d)(2) which not only permits, but *requires* certification when a court identifies a question of law requiring resolution of conflicting decisions. That alone warrants certification of this appeal for direct review by the Seventh Circuit.

Seventh Circuit after *Teknek* have granted Section 105(a) injunctive relief without requiring—let alone even discussing any requirement—that the third-party litigation involve the "same acts." *See, e.g.*, *Harris N.A. v. Gander Partners LLC*, 442 B.R. 883 (N.D. Ill. 2011) (affirming bankruptcy court's injunction of third party litigation against guarantor of debtor's obligation; subsequently vacated once preliminary injunction expired and parties did not ask to extend injunction). That is not surprising because, as this Court recognized, *Fisher* and *Teknek* are not entirely clear. June 3, 2015 Hr'g. Tr. 219:1–15. That Seventh Circuit precedent can be subject to such a division of interpretations is itself yet another reason that certification should be granted.

[4] Indeed, if the Court's interpretation of Seventh Circuit precedent is correct, that likely places the Seventh Circuit directly at odds with the Supreme Court's own Section 105 jurisprudence. *See Celotex Corp. v. Edwards*, 514 U.S. 300, 307–308, 316 (1995). In *Celotex*, the Supreme Court held that the bankruptcy court had proper jurisdiction to issue a Section 105 injunction against judgment creditors' attempts to execute on surety bonds posted by an insurance company in favor of the debtor. There is nothing indicating that the claims of the judgment creditors (i.e., asbestos personal injury claims against the debtor) in *Celotex* arose out of the same acts as the "claims" of the debtors against the insurance company surety (i.e., monies owed to the debtor under an insurance coverage dispute). 514 U.S. at 302. Nor is there any indication by the Supreme Court that such a "same acts" requirement is a prerequisite for the issuance of a Section 105 injunction.

II. This Appeal Raises Issues of Public Importance

14. The public importance of the issues in this appeal is a second, independent reason for certifying it for direct review. *See* 28 U.S.C. § 158(d)(2)(A)(i). An appeal may "involve a matter of public importance" either because "it involves important legal issues ***or*** important practical ramifications." *Qimonda*, 470 B.R. at 386; *see also Pacific Lumber*, 584 F.3d at 241; *In re Turner*, 574 F.3d 349, 351 (7th Cir. 2009) (noting that bankruptcy court correctly certified appeal of calculation of mortgage payment under chapter 13 plan because "the issue is indeed important. In the wake of the bursting of the housing bubble . . . many mortgagors . . . cannot meet their mortgage obligations . . . ."). This appeal involves both.

15. First, the legal issue here is of tremendous importance. It goes to the heart of the bankruptcy system created by Congress, and the respective roles of different courts in our constitutional order. Bankruptcy is intended to provide a breathing spell during which debtors and creditors are given an opportunity to reach consensual resolution. It ensures that all creditors are treated fairly, in accordance with the absolute priority rule, and cannot engage in competitive self-help measures that ultimately destroy the value of the estate. It is "hornbook law" that to facilitate these goals bankruptcy courts must have the power to protect their jurisdiction, avoid the impairment of estate assets, and enjoin "'[a]ctions and conduct excepted from the automatic stay . . . under § 105(a).'" *In re Western Real Estate Fund, Inc.*, 922 F.2d 592, 599 (10th Cir. 1990) (quoting 2 Collier on Bankruptcy ¶ 105.02 at 105–6 (15th ed. 1990)).

16. The important question presented by this appeal is whether that power is muscular, as most courts to address the question have concluded, or narrowly "limited," as this Court interpreted Seventh Circuit precedent to hold. Op. 19. That issue has broad ramifications

for bankruptcy cases throughout the Seventh Circuit and the willingness of parties to even seek bankruptcy protection within the Seventh Circuit.

17. Second, the practical ramifications of this bankruptcy case cannot be overstated. This is one of the largest bankruptcies in history, implicating not just billions of dollars, but the livelihoods of some 68,000 employees and thousands of retirees, affecting the economies of thirty-eight communities across the United States. Op. 6; *see* 1 Collier on Bankruptcy ¶ 5.06[4][b] (an order may involve matters of public importance "if it could impact a large number of jobs or other vital interests in a community"). Indeed, the Seventh Circuit found an important public interest justifying certification in a chapter 13 plan's calculation of interest on a mortgage merely because the late-2000's housing bubble had burst. *See Turner*, 574 F.3d at 351. The same financial crisis ultimately sowed the seeds of the Debtors' own financial distress.

18. Moreover, "[p]romoting a successful reorganization is one of the most important public interests." *In re Gander Partners*, 432 B.R. 781, 789 (Bankr. N.D. Ill. 2010) (quoting *In re Integrated Health Servs., Inc*., 281 B.R. 231, 239 (Bankr. D. Del. 2002)). The ability of the Debtors to enjoin litigation against their parent, and thereby preserve a fundamental contribution to, and the foundation of, their restructuring, is thus of significant practical importance in the context of this specific bankruptcy case.

19. Given what is at stake—including a financing transaction committing in excess of a *billion* dollars—these issues "deserve[] certification and the opportunity for direct appeal." *Pacific Lumber*, 584 F.3d at 242; *see also id*. at 241 (holding one purpose for direct review is "to expedite appeals in significant cases").

III. This Appeal Will Materially Advance The Progress of The Bankruptcy Cases

20. The Court should also certify this appeal for direct review for yet another, wholly independent reason: Certification will materially advance the progress of these bankruptcy cases.[5]

21. Courts generally have certified appeals when their resolution may materially advance the bankruptcy case in one of two different ways. First, the resolution will affect creditor recoveries. *See, e.g.*, *In re Motors Liquidation Co.*, 486 B.R. 596, 647–48 (Bankr. S.D.N.Y. 2013), *rev'd on other grounds*, 777 F.3d 100 (2d Cir. 2015) (certifying appeal of judgment determining whether claim was secured or not because outcome of controversy would have material impact on secured and unsecured creditor distributions); *In re MPF Holding U.S. LLC*, 444 B.R. 719, 727–28 (Bankr. S.D. Tex. 2011) (certifying appeal of dismissal of post-confirmation litigation trustee's preference action; noting that $25 million amount in controversy meant likely appeal to circuit court anyway, outcome will probably determine whether or not unsecured creditors receive a recovery, and parties agreed to certification); *In re Viking Offshore (USA) Inc.*, 405 B.R. 434, 443 (Bankr. S.D. Tex. 2009) (resolution of ownership of property dispute with debtor will materially advance both the adversary proceeding and the underlying case; absent property dispute resolution, debtor could not sell property nor generate substantial funds for the repayment of creditors).

22. Second, the resolution will hasten confirmation and ultimate distributions to creditors. *See, e.g.*, *Motors Liquidation Co.*, 486 B.R. at 647 (likelihood of second appeal to

[5] Although the Debtors believe that certification will materially advance their bankruptcy cases, that is even more than the statute requires. Specifically, Section 158(d)(2)(A)(iii) states that the bankruptcy court shall certify an appeal merely if the appeal "may" materially advance the progress of the bankruptcy case. 28 U.S.C. § 158(d)(2)(A)(iii).

circuit court would have foreseeable adverse effect on the timing and finality of creditor distributions); *In re Pliler*, 487 B.R. 682, 704 (Bankr. E.D.N.C. 2013) (certifying appeal directly to circuit court, among other things, would result in only one appeal and thus reduce delay of chapter 13 plan confirmation and resulting distributions to creditors.); *In re SemCrude, L.P.*, 407 B.R. 82, 111 (Bankr. D. Del. 2009) (certifying judgment in declaratory action determining priorities among various creditors; bankruptcy court notes that appeal to circuit court is likely in any event, and a single appeal would advance the bankruptcy cases because the debtors had filed a plan and have expressed an intention to seek confirmation by a particular date). As one court has noted, an immediate appeal will materially advance progress of a bankruptcy case even just by "settling whether the debtors may proceed with their proposed chapter 11 plan, 'or whether they must instead pursue reorganization through one or more alternative plans.'" *In re River Road Hotel Partners, LLC*, Case No. 09 B 30029 at p. 4 (Bankr. N.D. Ill. Nov. 4, 2010) (Black, J.) (citations omitted).

23. Here, both "material advancement" fact patterns are present at this pivotal moment in these chapter 11 cases. Whether the billions of dollars of guaranty claims are allowed to proceed directly and immediately against the funding source for the Debtors' plan most certainly will affect distributions to creditors and the timing of confirmation of a plan. Specifically, the Debtors have negotiated an RSA (and filed a resultant plan of reorganization) that is premised on substantial contributions by CEC, both directly and in the form of credit support for a value-maximizing REIT structure and securities that will be distributed to creditors under a plan, pursuant to a set of milestones. The Debtors' first lien noteholders support this framework and negotiations continue with other stakeholders to build further consensus and to adjust plan milestones accordingly. *Cf. Air Line Stewards & Stewardesses Ass'n, Local 550 v.*

Trans World Airlines, Inc., 630 F.2d 1164, 1166 (7th Cir. 1980) ("Federal courts look with great favor upon the voluntary resolution of litigation through settlement."); *In re Beltran*, 2010 WL 3338533, at *3 (Bankr. N.D. Ill. Aug. 25, 2010) ("Consensual resolution of litigation has been favored in the law from time immemorial."). In fact, the Debtors recently entered into another restructuring support agreement with a substantial amount of second lien noteholder support with a new set of milestones. CEC, Current Report (Form 8-K) (July 21, 2015). And ultimately there is no dispute that any reorganization of these Debtors will require a substantial financial contribution from CEC, either voluntarily or through litigation, because estate causes of action against CEC are one of the estate's primary assets.

24. And yet the testimony is undisputed that, if not enjoined, the guaranty actions jeopardize the RSA and place CEC in substantial risk of itself filing for bankruptcy. That would be highly value-destructive for all parties. June 3, 2015 Hr'g. Tr. 56:23–57:21, 65:15–68:8 (Millstein). A CEC bankruptcy would, at a minimum, greatly disrupt the Debtors' reorganization efforts, delay and substantially impair CEC's ability to make any significant contribution to the Debtors' estate, and likely unleash years of value-destructive litigation. *Id.*; *see also id.* at 107:21–108:11 (Millstein), 212:4–214:4 (Zelin). There can be no doubt that whatever recoveries exist to particular classes of creditors under the Debtors' plan currently on file—which is premised on a consensual resolution of estate claims with CEC—the amounts and timing of those recoveries will be dramatically different if certain creditors are able to proceed directly against CEC and its assets.

25. In short, an injunction that preserves, at least in the interim, CEC's ability to participate in the Debtors' restructuring, provides a path forward to consensual resolution of these bankruptcy cases on a measured timeline. *Cf. Celotex*, 514 U.S. at 310 (finding "at least"

related to jurisdiction to enjoin proceedings that threatened a settlement that "may well be the linchpin of [the] Debtor's formulation of a feasible plan."). The alternative would substantially delay any hope for prompt resolution, dramatically change total creditor and inter-class recoveries, increase professional costs and leave this Court to sort out one of the great "messes of our time." June 3, 2015 Hr'g. Tr. at 56:23–57:9, 59:8–14 (Millstein).

26. The Debtors and their creditors, thus, face the prospect of a much more protracted and much more uncertain bankruptcy case absent Section 105(a) relief than they face if the requested relief were granted. Because resolution of this appeal could, thus, materially progress resolution of this bankruptcy case, the Court should promptly certify this appeal for direct review by the Seventh Circuit.

CONCLUSION

27. For the foregoing reasons, the Debtors respectfully request that the Court promptly certify their appeal of this Court's July 22, 2015 Order (Doc. Nos. 158, 159) for direct appeal to the United States Court of Appeals for the Seventh Circuit pursuant to 28 U.S.C. § 158(d)(2).

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Dated: July 24, 2015
Chicago, Illinois

/s/ David R. Seligman, P.C.

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Exhibit A

Proposed Order

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:	Chapter 11
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et al.,[1]	Case No. 15-01145 (ABG)
Debtors.	(Jointly Administered)
CAESARS ENTERTAINMENT OPERATING COMPANY, INC., et al.,	Chapter 11
Plaintiffs,	Adversary Case No. 15-00149
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BOKF, N.A., WILMINGTON SAVINGS FUND SOCIETY, FSB, MEEHANCOMBS GLOBAL CREDIT OPPORTUNITIES MASTER FUND, LP, RELATIVE VALUE-LONG/SHORT DEBT PORTFOLIO, A SERIES OF UNDERLYING FUNDS TRUST, SB 4 CF LLC, CFIP ULTRA MASTER FUND, LTD., TRILOGY PORTFOLIO COMPANY, LLC, and FREDERICK BARTON DANNER,	
Defendants.	

ORDER CERTIFYING APPEAL TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT PURSUANT TO 28 U.S.C. § 158(d)

Upon the motion (the "Motion") of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order certifying their appeal of the Court's *Order Denying in Part and Denying in Part as Moot Debtors' Motion to Stay, or in the Alternative, for Injunctive Relief* [Docket No. 159] directly to the United States Court of Appeals

[1] The last four digits of Caesars Entertainment Operating Company, Inc.'s tax identification number are 1623. A complete list of the Debtors and the last four digits of their federal tax identification numbers may be obtained at https://cases.primeclerk.com/CEOC.

for the Seventh Circuit pursuant to 28 U.S.C. § 158(d)(2), all as more fully set forth in the Motion; and after due deliberation, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. The Court certifies that at least one of the circumstances specified in 28 U.S.C. § 158(d)(2)(A)(i)–(iii) exists.

3. The Appeal will be transmitted directly to the United States Court of Appeals for the Seventh Circuit for determination pursuant to 28 U.S.C. § 158(d)(2)(A).

Dated: _____, 2015
Chicago, Illinois

The Honorable A. Benjamin Goldgar
United States Bankruptcy Judge