

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

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

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**DEBTORS' MOTION FOR ENTRY OF AN ORDER (I) APPROVING CONTINUATION OF SURETY BOND PROGRAM, AND (II) GRANTING RELATED RELIEF**

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The above-captioned debtors and debtors in possession (collectively, the “Debtors”) file this motion (this “Motion”) for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”), (I) authorizing the Debtors to continue, renew, and supplement their Surety Bond Program (as defined herein) on an uninterrupted basis in the ordinary course of business, and (II) granting related relief. In support of this Motion, the Debtors respectfully state as follows.

**Jurisdiction**

1. The United States Bankruptcy Court for the Northern District of Illinois (the “Court”) has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Venue is proper under 28 U.S.C. §§ 1408 and 1409.

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<sup>1</sup> 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>.

3. The statutory bases for the relief requested in this Motion are sections 105 and 363 of title 11 of the United States Code (the “Bankruptcy Code”).

### **Relief Requested**

4. The Debtors request entry of an order (a) authorizing, but not directing, the Debtors to continue, renew, and supplement their Surety Bond Program on an uninterrupted basis, and (b) granting related relief.

### **Background**<sup>2</sup>

5. Caesars Entertainment Operating Company, Inc. (“CEOC”), together with its Debtor and non-Debtor subsidiaries, provides casino entertainment services and owns, operates, or manages 38 gaming and resort properties in 14 states and five countries, operating primarily under the Caesars<sup>®</sup>, Harrahs<sup>®</sup>, and Horseshoe<sup>®</sup> brand names. The Debtors represent the largest, majority-owned operating subsidiary of Caesars Entertainment Corporation (“CEC”), a publicly traded company that is the world’s most diversified casino-entertainment provider. CEC, through its ownership and economic interests in CEOC, Caesars Entertainment Resort Properties (“CERP”), and Caesars Growth Partners (“CGP”), owns, operates, or manages 50 casinos in 14 U.S. states and 5 countries, covering 3 million square feet of gaming space, 42,000 hotel rooms, 45 million customer loyalty program participants, and 68,000 employees.

6. The Debtors employ approximately 32,000 people through geographically diverse operations throughout the United States, including seven regional casino properties located in the Midwest (across Illinois, Indiana, Iowa, and Missouri); six regional casino properties located in the Southeast (throughout Louisiana, Mississippi, and North Carolina); four casinos located in

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<sup>2</sup> The facts and circumstances supporting this Motion are set forth in the *Declaration of Randall S. Eisenberg, Chief Restructuring Officer of Caesars Entertainment Operating Company, Inc., in Support of First Day Pleadings* (the “First Day Declaration”), filed contemporaneously herewith.

Arizona, California, Maryland, and Pennsylvania; four casinos located in Nevada, including the world famous Caesars Palace at the heart of the Las Vegas Strip; and two casinos located in Atlantic City, New Jersey. On a consolidated basis, CEOC and its subsidiaries reported approximately \$993 million of Adjusted EBITDA on net revenues of approximately \$5.4 billion for the twelve months ending September 30, 2014.

7. On the date hereof (the “Petition Date”), each of the Debtors filed a petition with this Court under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Concurrently with the filing of this Motion, the Debtors requested procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). No party has requested the appointment of a trustee or examiner in these chapter 11 cases, and no committees have been appointed or designated.

#### **The Debtors’ Surety Bond Program**

8. In the ordinary course of business, certain third parties—often governmental units or other public agencies—require the Debtors to post surety bonds to secure their payment or performance of certain obligations (the “Surety Bond Program”). These obligations relate to, among other things, (a) workers’ compensation obligations, (b) taxes, (c) gaming regulations and licenses, (d) litigation costs, (e) utilities, and (h) construction. A schedule of the current surety bonds maintained by the Debtors is attached hereto as **Exhibit B** and incorporated herein by reference.<sup>3</sup> Often, statutes or ordinances require the Debtors to post surety bonds to secure such obligations. See, e.g., La. Rev. Stat. § 2713.D (requiring all licensed gaming facilities to “secure and maintain a bond from a surety company . . . that ensures specific performance under the

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<sup>3</sup> The Debtors request authority to honor obligations and renew all surety bonds, as applicable, notwithstanding if the Debtors inadvertently fail to include a particular surety bond on **Exhibit B** hereto.

provisions of [Louisiana's gaming regulations]."). As such, failure to provide, maintain, or timely replace their surety bonds may prevent the Debtors from undertaking essential functions related to their operations.

9. The issuance of a surety bond shifts the risk of the Debtors' nonperformance or nonpayment from the Debtors to the surety. Unlike an insurance policy, if a surety incurs a loss on a surety bond, the surety has the right to recover the full amount of that loss from the principal. The premiums for the surety bonds generally are determined on an annual basis and are paid by the Debtors when the surety issues the bond and annually upon each renewal. During the 12-month period spanning December 2013 to November 2014, premiums for the Debtors' surety bonds totaled approximately \$267,575. The Debtors' outstanding surety bonds were issued by several different sureties, including: (a) Safeco Insurance Company of America (nine surety bonds totaling approximately \$1.2 million); (b) Liberty Mutual Insurance Company (one surety bond totaling approximately \$160,000); (c) Romulus Risk and Insurance Inc. (seven surety bonds totaling approximately \$9.7 million); (d) Western Surety Company (one surety bond totaling approximately \$25,000); (e) Fidelity and Deposit Company of Maryland (together with affiliates, "Zurich") (48 surety bonds totaling approximately \$18.3 million); (f) The Ohio Casualty Insurance Company (one surety bond totaling approximately \$6,000); (g) Travelers Casualty and Surety Company of America (two surety bonds totaling approximately \$756,000); and (h) Lexon Insurance Company (eight surety bonds totaling approximately \$846,000) (collectively, the "Sureties").

10. As of the Petition Date, the Debtors have approximately \$31.1 million in outstanding surety bonds. The Debtors’ outstanding surety bonds secure their performance and obligations in the following general categories and for the following approximate amounts:

<b>Number of Bonds</b>	<b>Nature of Bond</b>	<b>Approximate Aggregate Bond Amount (in thousands)</b>
<b>8</b>	<b>Workers’ Compensation</b>	<b>\$2,851</b>
<b>21</b>	<b>Statutorily Required Tax Bonds</b>	<b>\$3,503</b>
<b>12</b>	<b>Statutorily Required Gaming Bonds</b>	<b>\$15,873</b>
<b>16</b>	<b>Contractor / Construction Performance and Payment Bonds</b>	<b>\$1,634</b>
<b>3</b>	<b>Utility Bonds</b>	<b>\$3,517</b>
<b>2</b>	<b>Litigation-Related Bonds</b>	<b>\$198</b>
<b>15</b>	<b>Various Operationally Required Bonds</b>	<b>\$3,481</b>
<b>77</b>	<b>Total</b>	<b>\$31,056</b>

11. To continue their business operations during the reorganization process, the Debtors must retain the ability to provide financial assurances to state governments, regulatory agencies, and other third parties. This, in turn, requires that the Debtors maintain the existing Surety Bond Program, including paying any and all premiums as they come due, renewing or potentially acquiring additional bonding capacity as needed in the ordinary course of their business, and execution of other agreements in connection with the Surety Bond Program. As of the Petition Date, the Debtors believe that they do not have any outstanding obligations, and that they have the ability to fulfill continuing obligations, under the Surety Bond Program.

**Basis for Relief**

**I. The Surety Bond Program Is Maintained in the Ordinary Course of the Debtors’ Business.**

12. Section 363(c)(1) of the Bankruptcy Code provides that a chapter 11 debtor in possession “may enter into transactions . . . [or] may use property of the estate in the ordinary course of business without notice or a hearing.” 11 U.S.C. § 363(c)(1).

13. The Bankruptcy Code does not define the “ordinary course of business.” In re Commercial Mortg. and Fin. Co., 414 B.R. 389, 393 (Bankr. N.D. Ill. 2009). Courts in this district apply the “reasonable expectations” test to determine whether a specific transaction is in the ordinary course of business. Id. (citing In re Garofalo’s Finer Foods, Inc., 186 B.R. 414, 424 (Bankr. N.D. Ill. 1995)). Under the reasonable expectations test, the court must analyze a debtor’s prepetition conduct as a means to inform and develop expectations of its postpetition conduct while considering the changing circumstances inherent in a debtor’s efforts to operate its business under chapter 11. Id. at 425. The test seeks to discern “any significant alterations” in a debtor’s prepetition and postpetition activities. Id. at 393–94. A fundamental characteristic of an “ordinary” postpetition business transaction is its similarity to a prepetition business practice. Id. at 394.

14. Here, the Debtors seek only to continue their existing Surety Bond Program. The Debtors intend to honor their obligations and perform under the Surety Bond Program in the ordinary course of business postpetition in the same manner they have operated historically. This includes maintaining existing surety bonds, renewing bonds as they expire and paying applicable premiums, maintaining collateral deposits, and posting additional collateral as required from time to time under the Surety Bond Program. Therefore, participation in the Surety Bond Program after the Petition Date is in the ordinary course of business and, in accordance with section 363(c)(1) of the Bankruptcy Code, does not require notice and a hearing.

**II. Continuing the Surety Bond Program Is a Sound Exercise of Business Judgment.**

15. Although the Debtors believe continuing the Surety Bond Program is permitted in the ordinary course of business, the Debtors further believe continuation of their Surety Bond Program constitutes a sound exercise of their business judgment and is supported by section 363(b) of the Bankruptcy Code.

16. Section 363(b) of the Bankruptcy Code provides, in relevant part, that a debtor in possession “after notice and a hearing, may use, . . . other than in the ordinary course of business, property of the estate.” A debtor may use, sell, or lease property of the estate where a sound business purpose justifies such actions. Fulton State Bank v. Schipper (In re Schipper), 933 F.2d 513, 515 (7th Cir. 1991) (noting that the criteria for approval of a transaction under section 363(b) is whether the debtor has “an articulated business justification”); see also Comm. of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.), 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986) (“Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to debtor’s conduct.”). Specifically, once a debtor articulates a valid business justification for a particular form of relief, the court reviews the debtor’s request under the business judgment rule. See Commercial Mortg. and Fin. Co., 414 B.R. at 394 (noting that a debtor in possession “has the discretionary authority to exercise his business judgment in operating the debtor’s business similar to the discretionary authority to exercise business judgment given to an officer or director of a corporation”).

17. The business judgment rule presumes that in making a business decision the directors of a corporation acted on an informed basis, in good faith, and in the honest belief that the action taken was in the best interests of the company. See In re Abbott Labs. Derivative S’holders Litig., 325 F.3d 795, 807 (7th Cir. 2003). Consequently, a debtor’s business decision “should be approved by the court unless it is shown to be ‘so manifestly unreasonable that it could not be based upon sound business judgment, but only on bad faith, whim, or caprice.’” In re Aerovox, Inc., 269 B.R. 74, 80 (Bankr. D. Mass. 2001) (quoting In re Logical Software, Inc., 66 B.R. 683, 686 (Bankr. D. Mass. 1986) (citations omitted)).

18. To the extent that the Debtors' participation in the Surety Bond Program might fall outside the ordinary course of business, the Court should authorize, but not direct, the Debtors to continue their Surety Bond Program under section 363(b)(1) of the Bankruptcy Code. This includes the maintenance of existing bonds, replacement of bonds as they expire and payment of applicable premiums, maintaining collateral deposits, and posting additional collateral from time to time as required by the Surety Bond Program. The Debtors have determined, in their sound business judgment, that the Surety Bond Program is a reasonable and effective method by which the Debtors can satisfy certain financial assurances that third parties require of the Debtors. Further, in many instances statutes, contracts, or regulations require such surety bonds.

19. Continuing the Surety Bond Program is necessary in order to maintain the Debtors' current terms and existing relationships with their Sureties. Based on the Debtors' current circumstances, it is not likely that the Debtors could renew, or obtain replacement of, existing bonds on terms more favorable than those currently offered by the Sureties. Moreover, the process of establishing a new surety bond program would significantly burden the Debtors, and the Debtors could likely not replace all of the surety bonds in time to avoid defaults or other consequences of the applicable obligations.

20. The Debtors' failure to provide, maintain, or to timely replace their surety bonds could jeopardize the Debtors' ability to conduct their operations. Based on the foregoing, the Debtors' participation in the Surety Bond Program, including making premium payments or providing additional collateral, should be authorized under section 363(b) of the Bankruptcy Code to the extent such participation is deemed outside the ordinary course of the Debtors' business.



**III. Cause Exists to Authorize the Debtors' Financial Institutions to Honor Checks and Electronic Fund Transfers.**

21. The Debtors have sufficient funds to pay the amounts described herein in the ordinary course of business by virtue of expected cash flows from ongoing business operations and anticipated access to cash collateral. In addition, under the Debtors' existing cash management system, the Debtors can readily identify checks or wire transfer requests as relating to an authorized payment in respect of the relief requested hereunder. Accordingly, the Debtors believe that checks or wire transfer requests, other than those relating to authorized payments, will not be honored inadvertently. Therefore, the Debtors respectfully request that the Court authorize and direct all applicable financial institutions, when requested by the Debtors, to receive, process, honor, and pay any and all checks or wire transfer requests in respect of the relief requested in this Motion.

**The Requirements of Bankruptcy Rule 6003 Are Satisfied**

22. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Petition Date "to the extent that relief is necessary to avoid immediate and irreparable harm." For the reasons discussed above, authorizing the Debtors to continue the Policies and granting the other relief requested in this Motion is integral to the Debtors' ability to transition their operations into these chapter 11 cases. Failure to receive such authorization and other relief during the first 21 days of these chapter 11 cases would severely disrupt the Debtors' operations at this critical juncture. For the reasons discussed in this Motion, the relief requested is necessary in order for the Debtors to operate their business in the ordinary course, to preserve the ongoing value of their operations, and to maximize the value of their estates for the benefit of all stakeholders. Accordingly, the Debtors submit that they have satisfied the "immediate and

irreparable harm” standard of Bankruptcy Rule 6003 to support granting the relief requested in this Motion.

**Reservation of Rights**

23. Nothing contained in this Motion is intended, or should be construed, as (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 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.

**Waiver of Bankruptcy Rule 6004(a) and 6004(h)**

24. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested in this Motion satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

**Notice**

25. The Debtors have provided notice of this Motion to: (a) the Office of the United States Trustee for the Northern District of Illinois; (b) the entities listed on the Consolidated List of Creditors Holding the 50 Largest Unsecured Claims; (c) the administrative agent for the Debtors’ credit facility; (d) the indenture trustees for each of the Debtors’ secured and unsecured notes; (e) counsel to certain holders of claims against the Debtors regarding each of the foregoing referenced in clauses (c) and (d); (f) the state attorneys general for states in which the Debtors conduct business; (g) the Office of the United States Attorney for the Northern District of Illinois; (h) the Internal Revenue Service; (i) the Securities and Exchange Commission; (j) the

gaming commissions for each of the states in which the Debtors operate or manage a casino; (k) counsel to CEC; and (l) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

**No Prior Request**

26. No prior request for the relief sought in the Motion has been made to this or any other court.

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WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached to this Motion as **Exhibit A**, granting the relief requested herein and granting other relief as is just and proper.

Dated: January 15, 2015  
Chicago, Illinois

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

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*Proposed Counsel to the Debtors  
and Debtors in Possession*

**EXHIBIT A**

**Proposed Order**

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

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

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

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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

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<sup>1</sup> 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.

Dated: \_\_\_\_\_, 2015  
Chicago, Illinois

\_\_\_\_\_  
United States Bankruptcy Judge

**EXHIBIT B**

**Surety Bonds**

Nature of Bond	Issuing Carrier	Principal	Obligee	Surety Bond Number
Utility Deposit Bond	Fidelity and Deposit Company of Maryland	Horseshoe Entertainment	American Electric Power / Southwest Electric Company	8912422
Right of Way Work in Connection with Construction of a Parking Garage	Fidelity and Deposit Company of Maryland	Showboat Atlantic City Operating Company, LLC	City of Atlantic City	8039028
Utility Deposit Bond	Fidelity and Deposit Company of Maryland	Showboat Atlantic City Operating Company, LLC	City of Atlantic City	8250249
Handbill Bond (Merchantile License)	Fidelity and Deposit Company of Maryland	Bally's Park Place, Inc.	City of Atlantic City	8547716
License and Permit Contunous Bond; Parking Garage	Fidelity and Deposit Company of Maryland	Boardwalk Regency Corporation	City of Atlantic City	8758917
Handbill Bond (Merchantile License)	Fidelity and Deposit Company of Maryland	Boardwalk Regency Corporation	State of Nevada Department of Business & Industry, Division of Insurance	08822574
Workers' Compensation Obligations	Fidelity and Deposit Company of Maryland	Southern Illinois Riverboat/Casino Cruises, Inc.	City of Metropolis	8250264
Liquor Sales	Fidelity and Deposit Company of Maryland	Southern Illinois Riverboat/Casino Cruises, Inc.	City of Metropolis	8822571
Restaurant and Bar Liquor Sales License	Fidelity and Deposit Company of Maryland	Southern Illinois Riverboat/Casino Cruises, Inc.	City of Metropolis	08822552

Nature of Bond	Issuing Carrier	Principal	Obligee	Surety Bond Number
Maintenance Bond	Fidelity and Deposit Company of Maryland	Harrah's North Kansas City LLC	City of North Kansas	30596786
Bond Securing Payment to Payment Processor	Lexon Insurance Company	Caesars Entertainment Operating Company, Inc.	Comdata Network	1092343
Utility Deposit Bond	Safeco Insurance Company of America	BL Development Corp.	Entergy Mississippi Incorporated	6042791
Bond for Gas Service	Safeco Insurance Company of America	Grand Casinos of Biloxi, LLC	Entex	6014528
Tobacco Products Tax Bond	The Ohio Casualty Insurance Company	Southern Illinois Riverboat/Casino Cruises, Inc.	Illinois Department of Revenue	3390670
Workers' Compensation	Travelers Casualty and Surety Company of America	Harvey's BR Management Co., Inc.	Iowa Department of Commerce	103689163
Workers' Compensation	Travelers Casualty and Surety Company of America	Harvey's Iowa Mgmt. Co.	Iowa Department of Commerce	103689164
Gaming Bond	Fidelity and Deposit Company of Maryland	Grand Casinos of Biloxi, LLC	Mississippi State Tax Commission	8912429
Bond of Nevada Retailer	Romulus Risk And Insurance Co, Inc	Harveys Tahoe Management Company, Inc.	Nevada Department of Taxation	1005

Nature of Bond	Issuing Carrier	Principal	Obligee	Surety Bond Number
Tax Bond	Romulus Risk And Insurance Co, Inc	Hole In The Wall, LLC	Nevada Department of Taxation	1007
Tax Bond	Romulus Risk And Insurance Co, Inc	Consolidated Supplies, Services and Systems	Nevada Department of Taxation	1010
Bond for Nevada Retailer	Romulus Risk And Insurance Co, Inc	Caesars World Merchandising, Inc.	Nevada Department of Taxation	1012
Nevada State Contractors Board License Bond - Class C-1 Plumbing and Heating	Fidelity and Deposit Company of Maryland	Desert Palace, Inc.	Nevada State Contractor's Board	8912391
Nevada State Contractors Board License	Fidelity and Deposit Company of Maryland	Harrah's Reno Holding Company, Inc.	Nevada State Contractor's Board	09033633
Utility Bond	Fidelity and Deposit Company of Maryland	Bally's Las Vegas Manager, LLC	State of Nevada, Department of Energy	09099577
Race book and sports pool	Romulus Risk And Insurance Co, Inc	Caesars Entertainment Operating Company, Inc.	Nevada State Gaming Control Board	1047
Workers' Compensation Bond	Safeco Insurance Company of America	Horseshoe Entertainment	Reliance Insurance Company	5958602-001
Supersedeas Bond	Liberty Mutual Insurance Co.	Horseshoe Entertainment	Shellie R. Futch	024049033

<b>Nature of Bond</b>	<b>Issuing Carrier</b>	<b>Principal</b>	<b>Obligee</b>	<b>Surety Bond Number</b>
Riverboat Gambling License Bond	Fidelity and Deposit Company of Maryland	Des Plaines Development Limited Partnership	State of Illinois	9033580
Riverboat Gambling License Bond	Fidelity and Deposit Company of Maryland	Southern Illinois Riverboat/Casino Cruises, Inc.	State of Illinois Gaming Commission	8250239
Construction Bond	Fidelity and Deposit Company of Maryland	Roman Entertainment Corporation Of Indiana	State of Indiana	9033671
Gaming Bond	Fidelity and Deposit Company of Maryland	Harveys BR Management Company, Inc.	State of Iowa Racing & Gaming Commission	08912426
Gaming Bond	Fidelity and Deposit Company of Maryland	Harveys BR Management Company, Inc.	State of Iowa Racing & Gaming Commission	08912430
Gaming Bond	Fidelity and Deposit Company of Maryland	Horseshoe Entertainment	State of Louisiana	8912424
Gaming Bond	Fidelity and Deposit Company of Maryland	Horseshoe Entertainment	State of Louisiana, Department of Revenue	8692678
Bond for Retailer of Alcoholic Beverages	Safeco Insurance Company of America	Grand Casinos of Biloxi, LLC	State of Mississippi	6014543
Bond for Retailer of Alcoholic Beverages	Safeco Insurance Company of America	Grand Casinos of Biloxi, LLC	State of Mississippi	6014545

<b>Nature of Bond</b>	<b>Issuing Carrier</b>	<b>Principal</b>	<b>Obligee</b>	<b>Surety Bond Number</b>
Bond for Retailer of Alcoholic Beverages	Safeco Insurance Company of America	Grand Casinos of Biloxi, LLC	State of Mississippi	6050139
Gaming Bond	Fidelity and Deposit Company of Maryland	Robinson Property Group Corp.	State of Mississippi	8547886
Tax Bond	Fidelity and Deposit Company of Maryland	Robinson Property Group Corp.	State of Mississippi	8753909
Workers' Compensation Bond	Fidelity and Deposit Company of Maryland	Robinson Property Group Corp.	State of Mississippi	8753910
Retailer of Alcoholic Beverages	Fidelity and Deposit Company of Maryland	Tunica Roadhouse Corporation	State of Mississippi	08912380
Retailer of Alcoholic Beverages	Fidelity and Deposit Company of Maryland	Grand Casinos of Biloxi, LLC	State of Mississippi	09033572
Retailer of Alcoholic Beverages	Fidelity and Deposit Company of Maryland	Tunica Roadhouse Corporation	State of Mississippi	09033573
Retailer of Alcoholic Beverages	Fidelity and Deposit Company of Maryland	Tunica Roadhouse Corporation	State of Mississippi	09033574
License Agent Bond	Fidelity and Deposit Company of Maryland	Robinson Property Group Corp.	State of Mississippi Department of Wildlife, Fisheries, and Parks	8822561

<b>Nature of Bond</b>	<b>Issuing Carrier</b>	<b>Principal</b>	<b>Obligee</b>	<b>Surety Bond Number</b>
Alcoholic Beverage Bond	Fidelity and Deposit Company of Maryland	Robinson Property Group Corp.	State of Mississippi Beverage Control	8753926
Gaming Bond	Safeco Insurance Company of America	Tunica Roadhouse Corporation	State of Mississippi Gaming Commission	6050232
Workers' Compensation Bond	Fidelity and Deposit Company of Maryland	Harrah's North Kansas City LLC	State of Missouri	8039449
Gaming Bond	Fidelity and Deposit Company of Maryland	Harrah's North Kansas City LLC	State of Missouri, Department of Gaming	8036427
Gaming Bond	Fidelity and Deposit Company of Maryland	Harrah's North Kansas City LLC	State of Missouri, Department of Gaming	30596792
Security of the Payment of Taxes	Romulus Risk And Insurance Co, Inc	Caesars Entertainment Golf Inc.	State of Nevada	1018
Contractor License Bond	Safeco Insurance Company of America	Desert Palace, Inc.	State of Nevada	6042716
Money Orders Bond	Safeco Insurance Company of America	Desert Palace, Inc.	State of Nevada	6042719
Contractors Tax Bond	Fidelity and Deposit Company of Maryland	Desert Palace, Inc.	State of Nevada	8037564



<b>Nature of Bond</b>	<b>Issuing Carrier</b>	<b>Principal</b>	<b>Obligee</b>	<b>Surety Bond Number</b>
General Building Contractors License Bond	Fidelity and Deposit Company of Maryland	Desert Palace, Inc.	State of Nevada	8912218
Nevada State Contractors Board Bond, Class C-2	Fidelity and Deposit Company of Maryland	Desert Palace, Inc.	State of Nevada	8973463
Occupational License Bond	Fidelity and Deposit Company of Maryland	Harveys Tahoe Management Company, Inc.	State of Nevada	30395143
Cigarette Licenses and Taxes Bond	Fidelity and Deposit Company of Maryland	Harrah's Reno Holding Company, Inc.	State of Nevada	30395144
Operational License and Permit	Fidelity and Deposit Company of Maryland	Harrah's Reno Holding Company, Inc.	State of Nevada	30596790
Professional Club License Bond	Fidelity and Deposit Company of Maryland	Harveys Tahoe Management Company, Inc.	State of Nevada	30264526
Health Club Bond	Lexon Insurance Company	Bally's Park Place, Inc.	State of New Jersey City of AC	1112262
Tenant Compliance / Improvement Bond	Lexon Insurance Company	Caesars Entertainment Operating Company, Inc.	Machabee Office Environments	1096687
Tenant Compliance / Improvement Bond	Lexon Insurance Company	Caesars Entertainment Operating Company, Inc.	Spec Electric, LLC	1096688

<b>Nature of Bond</b>	<b>Issuing Carrier</b>	<b>Principal</b>	<b>Obligee</b>	<b>Surety Bond Number</b>
Tenant Compliance / Improvement Bond	Lexon Insurance Company	Caesars Entertainment Operating Company, Inc.	Well Equipment, Inc.	1096689
Tenant Compliance / Improvement Bond	Lexon Insurance Company	Caesars Entertainment Operating Company, Inc.	Nevada Contract Carpet, Inc.	1096690
Tenant Compliance / Improvement Bond	Lexon Insurance Company	Caesars Entertainment Operating Company, Inc.	IHI Movers	1096691
Tenant Compliance / Improvement Bond	Lexon Insurance Company	Caesars Entertainment Operating Company, Inc.	IT Resources	1096692
Supersedeas Bond	Fidelity and Deposit Company of Maryland	Des Plaines Development Limited Partnership	Toni Ferguson	09099553
Charter Operator Bond	Fidelity and Deposit Company of Maryland	Caesars Entertainment Operating Company, Inc.	U.S. Department of Transportation	8250253
Public Charter Operator's Surety Bond	Fidelity and Deposit Company of Maryland	Grand Casinos of Biloxi, LLC	U.S. Department of Transportation	8715223
Workers' Compensation Obligations	Fidelity and Deposit Company of Maryland	Caesars Entertainment Operating Company, Inc.	State of Louisiana	9099556