

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

_____))
In re:) Chapter 11
))
CAESARS ENTERTAINMENT OPERATING) Case No. 15-01145 (ABG)
COMPANY, INC., et al.,¹))
))
Debtors.) (Jointly Administered)
_____)

ORDER ESTABLISHING CERTAIN
BRIEFING DATES AND DEADLINES AS SET FORTH IN THE
STANDSTILL AGREEMENT WITH THE NRF AND THE NRF TRUSTEES *Re: No. 644*

Upon the certification of counsel to the above-captioned debtors and debtors in possession (collectively, the “Debtors”) regarding that certain Standstill Agreement between certain of the Debtors, the National Retirement Fund (the “NRF”), and the Board of Trustees of the NRF (the “NRF Trustees”), attached hereto as **Exhibit 1** (the “Standstill Agreement”),² and the related briefing schedule in connection with (a) the *Debtors’ Motion for Entry of an Order (I) Enforcing the Automatic Stay, (II) Voiding Actions Taken in Violation of the Automatic Stay, (III) for Contempt and Sanctions Against the NRF and the NRF Trustees, and (IV) Granting Related Relief* [Case No. 15-01145 (ABG), Docket No. 627] (the “362 Motion”), (b) the adversary proceeding commenced against the NRF and the NRF Trustees by the Debtors (the “Adversary Proceeding”) by the filing of the *Adversary Complaint for Declaratory Relief* [Adv. Pro. Docket No. 1] (as amended, the “Adversary Complaint”), and (c) the *Debtors’ Motion for Entry of an Order (A) Extending the Automatic Stay to Enjoin Certain Payments and Legal*

¹ A complete list of the Debtors and the last four digits of their federal tax identification numbers may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.primeclerk.com/CEOC>.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Standstill Agreement.

Processes, and (B) Granting Related Relief [Adv. Pro. Docket No. 8] (the “105 Motion,” and together with the 362 Motion, the Adversary Proceeding, and the New Motion (as defined below), the “Pending Proceedings”); and after due deliberation; it is HEREBY ORDERED THAT:

1. The Debtors must file a new motion related to the relief sought in Count I of the Adversary Complaint on or before March 27, 2015 (the “New Motion”).
2. The NRF and the NRF Trustees must move to dispose, deny, and/or dismiss, on matters of law, the Pending Proceedings (the “Dispositive Motions”), by serving by hand or electronic mail a notice of motion with supporting papers, by April 13, 2015 by 4:00 p.m., prevailing Central Time. The NRF and the NRF Trustees reserve their right to limit the Dispositive Motions to the relief requested in the 105 Motion, the 362 Motion, and the New Motion. If the NRF and the NRF Trustees do not move to dismiss Count I of the Adversary Complaint on April 13, 2015, they must answer the Adversary Complaint on or before April 13, 2015.
3. The Debtors must file an opposition, if any, to the Dispositive Motions by May 11, 2015 by 4:00 p.m., prevailing Central Time. The Debtors reserve all rights with respect to the Dispositive Motions, including the right to argue, in their opposition, that the Dispositive Motions addresses factual issues that cannot be resolved without discovery.
4. The NRF and the NRF Trustees must file a reply, if any, in support of the Dispositive Motions by May 21, 2015 by 4:00 p.m., prevailing Central Time.
5. A status hearing is set for May 27, 2015 at 1:30 p.m. To the extent the Court desires argument on the Dispositive Motion(s), it will alert the parties in advance.

6. All deadlines for the NRF and the NRF Trustees to object to or oppose the 362 Motion, the 105 Motion, and the New Motion and answer or otherwise respond to the Adversary Complaint are stayed pending this Court's ruling on the Dispositive Motion.

7. If any of the relief requested in the Pending Proceedings survive the Dispositive Motion, the Parties must meet and confer in good faith in accordance with the Standstill Agreement to agree upon and present to this Court for approval a discovery schedule and a briefing schedule with respect to the surviving pleading(s) and/or motion(s).

Dated: 30 MAR 2015
Chicago, Illinois



The Honorable A. Benjamin Goldgar
United States Bankruptcy Judge

Exhibit 1

Standstill Agreement

EXECUTION VERSION

STANDSTILL AGREEMENT

This Standstill Agreement (this "Agreement"), dated as of March 20, 2015 (the "Effective Date"), is among Bally's Park Place, Inc. d/b/a Bally's Hotel and Casino, a debtor and a debtor-in-possession ("Bally's Atlantic City"), Boardwalk Regency Corporation d/b/a Caesars Atlantic City, a debtor and a debtor-in-possession ("Caesars Atlantic City"), Caesars Entertainment Corporation ("CEC"), Caesars Entertainment Operating Company, Inc., a debtor and debtor-in-possession ("CEOC"), Caesars Entertainment Resort Properties, LLC ("CERP"), Chester Downs & Marina, LLC d/b/a Harrah's Philadelphia ("Chester"), Harrah's Atlantic City Operating Company, Inc. d/b/a Harrah's Atlantic City Casino and Hotel ("Harrah's Atlantic City"), and Parball Corporation d/b/a Las Vegas Laundry, a debtor and a debtor-in-possession ("Las Vegas Laundry," and together with Bally's Atlantic City, Caesars Atlantic City, CEC, CEOC, CERP, Chester, and Harrah's Atlantic City, the "Caesars Controlled Group"), on the one side, and the National Retirement Fund (the "NRF") and the Board of Trustees of the NRF (the "NRF Trustees"), on the other side. The members of the Caesars Controlled Group, the NRF, and the NRF Trustees are referred to in this Agreement as the "Parties" and each as a "Party."

Recitals

WHEREAS, each of CEOC, Bally's Atlantic City, Caesars Atlantic City, and Las Vegas Laundry (collectively, the "Debtors," and each, a "Debtor") is a debtor and a debtor-in-possession in jointly administered Chapter 11 proceedings pending in the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division (the "Bankruptcy Court"), which cases have been assigned to the Honorable A. Benjamin Goldgar, United States Bankruptcy Judge and are captioned In re Caesars Entertainment Operating Company, Inc., et al., Case No. 15-01145 (ABG) (Bankr. N.D. Ill.) (the "Chapter 11 Cases");

WHEREAS, the NRF and the NRF Trustees sent the Notice attached as Exhibit A on January 12, 2015 and sent the Notice attached as Exhibit B on January 13, 2015;

WHEREAS, on February 13, 2015, the NRF and the NRF Trustees sent CEC and CERP a letter informing them of the NRF's determination and assessment of withdrawal liability (the "Assessment Letter");

WHEREAS, on Friday March 6, 2015, the Debtors (A) filed in the Chapter 11 Cases the *Debtors' Motion for Entry of an Order (I) Enforcing the Automatic Stay, (II) Voiding Actions Taken in Violation of the Automatic Stay, (III) for Contempt and Sanctions Against the NRF and the NRF Trustees, and (IV) Granting Related Relief* [Docket No. 627] (the "362 Motion") and (B) commenced an adversary proceeding in the Chapter 11 Cases, captioned Caesars Entertainment Operating Company, Inc., et al. v. The Board of Trustees of the National Retirement Fund, Adv. Pro. No. 15-00131 (ABG) (Bankr. N.D. Ill.) (the "Adversary Proceeding"), by filing the (i) *Adversary Complaint for Declaratory Relief* [Adv. Pro. Docket No. 1], as amended, (the "Complaint") and (ii) *Debtors' Application to Set Hearing on Emergency Motion* [Adv. Pro. Docket No. 3], which sought to set an emergency hearing for the *Debtors' Emergency Motion for Entry of an Order (A) Extending the Automatic Stay to Enjoin*

Certain Payments and Legal Processes, and (B) Granting Related Relief (the "Emergency Motion"));

WHEREAS, on Monday March 9, 2015, the Bankruptcy Court entered the *Order Denying Application to Set Hearing on Emergency Motion* [Adv. Pro. Docket No. 5], declining to set an emergency hearing on the Emergency Motion;

WHEREAS, on Wednesday March 11, 2015, the Debtors filed in the Adversary Proceeding the *Debtors' Motion for Entry of an Order (A) Extending the Automatic Stay to Enjoin Certain Payments and Legal Processes, and (B) Granting Related Relief (the "105 Motion")*);

WHEREAS, by March 27, 2015, the Debtors in the Adversary Proceeding will file a new motion seeking the same relief as sought in Count I of the Adversary Complaint (the "New Motion," and together with the 105 Motion, the 362 Motion and the Adversary Proceeding, the "Pending Proceedings").

Agreement

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

1. **Briefing Schedule On Dispositive Motions.**

a. The NRF and the NRF Trustees shall move to dispose, deny and/or dismiss, on matters of law, the Pending Proceedings (the "Dispositive Motions"), by serving by hand or electronic mail a notice of motion with supporting papers, by April 13, 2015 by 5 p.m. (ET). The NRF and the NRF Trustees reserve their right to limit the Dispositive Motions to the relief requested in the 105 Motion, the 362 Motion and the New Motion.

b. The Debtors shall file an opposition, if any, to the Dispositive Motions by May 11, 2015 by 5 p.m. (ET). The Debtors reserve all rights with respect to the Dispositive Motions, including the right to argue, in their opposition, that the Dispositive Motions addresses factual issues that cannot be resolved without discovery.

c. The NRF and the NRF Trustees shall file a reply, if any, in support of the Dispositive Motions by May 21, 2015 by 5 p.m. (ET).

d. The Parties shall request that the hearing on the Dispositive Motions shall be on a date set by the Bankruptcy Court on or about May 27, 2015, or as soon thereafter as the Bankruptcy Court's schedule permits.

2. **Briefing Schedule On The Pending Proceedings.**

a. All deadlines for the NRF and the NRF Trustees to object or oppose the 362 Motion, the 105 Motion, the *Debtors' Motion to Expedite the Briefing Scheduled on*

Debtors' Stay Motions [Docket No. 10] and the *Debtors' Motion to Expedite the Briefing Scheduled on Debtors' Stay Motions* [Adv. Pro. Docket No. 668] and answer or otherwise respond to the Adversary Complaint are stayed pending the Bankruptcy Court's ruling on the Dispositive Motions, except that if the NRF and the NRF Trustees do not move to dismiss Count I of the Adversary Complaint, as amended, on April 13, 2015, they shall answer the Adversary Complaint on April 13, 2015.

b. If any of the relief requested in the Pending Proceedings survive the Dispositive Motions, the Parties shall meet and confer in good faith to agree upon and present to the Bankruptcy Court for its approval a discovery schedule and a briefing schedule with respect to the surviving pleading and/or motions.

c. The Parties reserve their right to seek assistance from the Bankruptcy Court if they cannot agree on a schedule for such discovery or briefing.

3. **Payment Dates and Request for Review Date.**

a. The date for the remittance of the first installment payment, if any, which the NRF contends is due on March 15, 2015, pursuant to 29 U.S.C. § 1399(c)(2) and the Assessment Letter (the "First Installment Payment"), is extended to thirty (30) calendar days after the date on which the Bankruptcy Court enters an order or orders (i) denying the 362 Motion, (ii) denying the 105 Motion and (iii) denying the New Motion, or otherwise denying the relief requested pursuant to such motions (each, an "Order"), unless the obligations to make Installment Payments (as defined herein) are stayed, voided or expunged by a court of competent jurisdiction.¹ Failure to make the First Installment Payment pursuant to this Paragraph 3.a. will permit NRF and the NRF Trustees to choose to terminate this Agreement by written election, on five days' notice, subject to cure within that five day period, and/or seek whatever other relief may be appropriate. Any such termination shall have no retroactive effect.

b. The date for remittance of each subsequent Installment Payment, if any, that the NRF contends are due on dates after March 15, 2015 but prior to the date on which the Bankruptcy Court enters an Order (as defined herein), pursuant to 29 U.S.C. § 1399(c)(2) and the Assessment Letter (the "Installment Payments" and each an "Installment Payment"), is extended to 90 days after the date set for payment, if any, for the First Installment Payment, as set forth in Section 3(a) above. Installment Payments identified in the Assessment Letter as due on dates after the date on which the Bankruptcy Court enters an Order (as defined herein) shall be due and payable on the dates specified in the Assessment Letter."² Failure to make the Installment Payments

¹ For the avoidance of doubt, neither the NRF nor the NRF Trustees intend to impose or suggest any obligation of payment on the Debtors by virtue of or pursuant to Paragraph 3.a. The Parties reserve all rights with respect to this issue. Interest on the First Installment Payment shall be determined pursuant to the NRF's policies regarding interest on outstanding withdrawal liability payments, subject to the Caesars Controlled Group's right to contest, under ERISA or other applicable non-bankruptcy law, whether interest is owed, the principal amount owed, and the rate thereof.

² For the avoidance of doubt, neither the NRF nor the NRF Trustees intend to impose or suggest any obligation of payment on the Debtors by virtue of or pursuant to Paragraph 3.b. The Parties reserve all rights with respect to

pursuant to this Paragraph 3.b. will permit NRF and the NRF Trustees to choose to terminate this Agreement by written election, on five days' notice, subject to cure within that five day period, and/or seek whatever other relief may be appropriate. Any such termination shall have no retroactive effect.

c. The last day on which any member of the Caesars Controlled Group may request review of the assessment made in the Assessment Letter pursuant to 29 U.S.C. § 1399(b)(2)(A) shall be ninety (90) calendar days after the date on which an Order (as defined herein) has been entered (the "Request Date"), unless any such Order is stayed, reversed, or vacated, and all other dates respecting such request for review shall be calculated based on the Request Date.

d. Prior to the First Installment Payment, the Caesars Controlled Group shall remit monthly payments to the NRF at the rate and on the same terms that the Caesars Controlled Group would have been obligated to remit contributions to the NRF had an alleged withdrawal not occurred (the "Monthly Interim Payments"). The portion of each of the Monthly Interim Payments equal to the amount the Caesars Controlled Group is obligated to contribute may be allocated and applied to the alleged Adjustable Plan of the NRF for that month and to the Legacy Plan of the NRF in the NRF's discretion. Failure to make any of the Monthly Interim Payments pursuant to this Paragraph 3.d. will permit NRF and the NRF Trustees to choose to terminate this Agreement by written election, on five days' notice, subject to cure within that period, and/or seek whatever other relief may be appropriate. Any such termination shall have no retroactive effect. The Caesars Controlled Group reserves the right to challenge, upon the Bankruptcy Court's entry of an Order (as defined herein), the NRF's allocation and application of the Monthly Interim Payments under the Employee Retirement Income Security Act of 1974, *as amended*, 29 U.S.C. § 1001, *et seq.*, or other applicable non-bankruptcy law.

4. Miscellaneous.

a. Except as set forth in this Agreement, each of the Parties' respective rights, defenses, and claims are fully reserved, and this Agreement shall not in any way prejudice such rights, defenses, and claims.

b. Service of any of the papers referred to in Sections 2 and 3 of this Agreement may be made by transmitting them by hand or email to counsel of record for the adverse Party in the Pending Proceedings.

c. This Agreement may be modified or amended only by a written instrument executed by each of the Parties.

this issue. Interest on the Installment Payments shall be determined pursuant to the NRF's policies regarding interest on outstanding withdrawal liability payments, subject to the Caesars Controlled Group's right to contest, under ERISA or other applicable non-bankruptcy law, whether interest is owed, the principal amount owed, and the rate thereof.

d. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to conflict of law principles.

e. This Agreement constitutes the entire agreement of the Parties regarding the matters set forth in this Agreement. There is no agreement, covenant, or condition of this Agreement that is not expressly stated in this Agreement.

f. Each of the Parties represents and warrants to the others that the person executing this Agreement on its behalf is duly authorized to execute and deliver this Agreement and that it has taken all necessary action to authorize such execution, delivery, and performance of this Agreement.

g. This Agreement may be executed in any number of counterparts and by original or facsimile signature, each of which shall be deemed to be an original instrument and all of which together shall be deemed one and the same instrument.

h. Nothing in this Agreement shall be construed to limit the rights of the Parties in, or the powers of the courts in, the actions captioned Caesars Entertainment Corporation v. Pension Plan of the National Retirement Fund, et al., Civil Action No. 15-CV-00138, in the United States District Court for the Southern District of New York, The National Retirement Fund, et al. v. Caesars Entertainment Corporation, et al., Civil Action No. 15-CV-02048, in the United States District Court for the Southern District of New York, and Wilhelm, et al. v. Noel Beasley, et al., Civil Action No. 2:15-cv-00245, in the United States District Court for the District of Nevada.


i. Nothing in this Agreement shall be construed as an admission by any of the Parties of any factual or legal matter or a concession that any of the requested relief referred to herein is appropriate or available as a matter of law.

j. The Parties to the Pending Proceedings shall promptly seek entry of an order from the Bankruptcy Court approving this Agreement or any modification of this Agreement required by the Bankruptcy Court and agreed to in writing by the Parties, and shall reasonably cooperate with each other in furtherance of obtaining such order.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed as of the Effective Date.

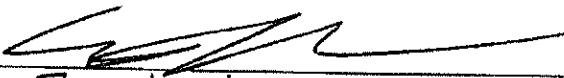
CAESARS ENTERTAINMENT CORPORATION:

By: 
Name: Eric Hession
Title: EVP & CFO

CAESARS ENTERTAINMENT OPERATING COMPANY, INC.

By: _____
Name:
Title:

CAESARS ENTERTAINMENT RESORT PROPERTIES, LLC:

By: 
Name: Eric Hession
Title: Treasurer

BALLY'S PARK PLACE, INC. D/B/A BALLY'S HOTEL AND CASINO:

By: _____
Name:
Title:

BOARDWALK REGENCY CORPORATION D/B/A CAESARS ATLANTIC CITY:

By: _____
Name:
Title:

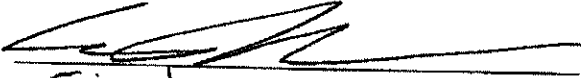
**PARBALL CORPORATION D/B/A LAS
VEGAS LAUNDRY:**

By: _____
Name:
Title:

**CHESTER DOWNS & MARINA, LLC D/B/A
HARRAH'S PHILADELPHIA:**

By: _____
Name:
Title:

**HARRAH'S ATLANTIC CITY OPERATING
COMPANY, INC. D/B/A HARRAH'S
ATLANTIC CITY CASINO AND HOTEL:**


By: 
Name: Eric Hession
Title: Director & Treasurer

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed as of the Effective Date.

CAESARS ENTERTAINMENT CORPORATION:

By: _____
Name:
Title:

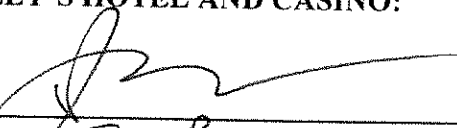
CAESARS ENTERTAINMENT OPERATING COMPANY, INC.

By: 
Name: John Payne
Title: CEO & President


CAESARS ENTERTAINMENT RESORT PROPERTIES, LLC:

By: _____
Name:
Title:


BALLY'S PARK PLACE, INC. D/B/A BALLY'S HOTEL AND CASINO:

By: 
Name: John Payne
Title: Director & President


BOARDWALK REGENCY CORPORATION D/B/A CAESARS ATLANTIC CITY:

By: 
Name: John Payne
Title: Director & President

PARBALL CORPORATION D/B/A LAS VEGAS LAUNDRY:

By: 
Name: John Payne
Title: Director & President

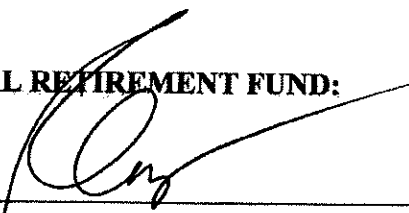
CHESTER DOWNS & MARINA, LLC D/B/A HARRAH'S PHILADELPHIA:

By: 
Name: John Payne
Title: President

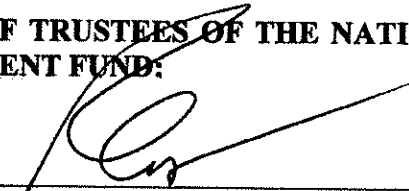
HARRAH'S ATLANTIC CITY OPERATING COMPANY, INC. D/B/A HARRAH'S ATLANTIC CITY CASINO AND HOTEL:

By: _____
Name:
Title:

NATIONAL RETIREMENT FUND:

By: 
Name: Richard Rust
Title: Fund Manager

**BOARD OF TRUSTEES OF THE NATIONAL
RETIREMENT FUND:**

By: 
Name: Richard Rust
Title: Fund Manager