

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

In re:

TRUMP ENTERTAINMENT
RESORTS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 14-12103 (KG)

(Jointly Administered)

Ref. Docket No. 134

**ORDER GRANTING DEBTORS' MOTION FOR ENTRY
OF ORDER (I) REJECTING COLLECTIVE BARGAINING
AGREEMENT BETWEEN TRUMP TAJ MAHAL ASSOCIATES, LLC
AND UNITE HERE LOCAL 54 PURSUANT TO 11 U.S.C. § 1113(C) AND
(II) IMPLEMENTING TERMS OF DEBTORS' PROPOSAL UNDER 11 U.S.C. § 1113(B)**

Upon the motion (the "Motion")² of the debtors and debtors in possession, Trump Entertainment Resorts, Inc., Trump Entertainment Resorts Holdings, L.P., Trump Plaza Associates, LLC, Trump Marina Associates, LLC, Trump Taj Mahal Associates, LLC, Trump Entertainment Resorts Development Company, LLC, TER Management Co., LLC, TER Development Co., LLC, and TERH LP Inc. (collectively, the "Debtors") for entry of an order (this "Order"): (i) rejecting collective bargaining agreement ("CBA") with UNITE HERE Local 54 ("Local 54"); and (ii) implementing the terms of the Debtors' proposal under 11 U.S.C. § 1113(b); and good and sufficient notice of the hearing on the Motion having been provided; and the Court having held an evidentiary hearing on October 2 and 14, 2014, and after due

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Trump Entertainment Resorts, Inc. (8402), Trump Entertainment Resorts Holdings, L.P. (8407), Trump Plaza Associates, LLC (1643), Trump Marina Associates, LLC (8426), Trump Taj Mahal Associates, LLC (6368), Trump Entertainment Resorts Development Company, LLC (2230), TER Development Co., LLC (0425) and TERH LP Inc. (1184). The mailing address for each of the Debtors is 1000 Boardwalk at Virginia Avenue, Atlantic City, NJ 08401.

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

deliberation and consideration, and for good and sufficient cause appearing therefor,

IT IS HEREBY FOUND as follows:³

A. This Court has jurisdiction to consider and adjudicate the Motion under section 1113 of the Bankruptcy Code;

B. Subsequent to the filing of the Debtors' Chapter 11 Cases, and prior to the filing of the Motion, the Debtors have made a Proposal to the authorized representative of the employees covered by the CBA, based on the most complete and reliable information available at the time of such Proposal, which provides for those necessary modifications in the employee benefits and protections that are necessary to permit the reorganization of the Debtors and assures that all creditors, the Debtors and all of the affected parties are treated fairly and equitably;

C. The Debtors have provided the representative of the employees with such relevant information as is necessary to evaluate the Proposal;

D. The Debtors' Proposal satisfies the requirements of 11 U.S.C. § 1113(c)(1);

E. The authorized representative of the employees has refused to accept such Proposal without good cause; and

F. The balance of the equities clearly favors rejection of the CBA.

G. During the period beginning on the date of the making of the Proposal and ending on the date of the hearing to consider this Motion, the Debtors have met, at reasonable times, with the authorized representative of the employees to confer in good faith in attempting to reach mutually satisfactory modifications of the CBA.

³ To the extent that any findings of fact are determined to be conclusions of law, such findings of fact shall be adopted as such; and to the extent that any conclusions of law are determined to be findings of fact, such conclusions of law shall be adopted as such.

IT IS HEREBY ORDERED as follows and for the reasons more fully set forth in an Opinion which the Court will issue within three (3) business days:

1. The Motion is GRANTED.
2. The Debtors are authorized to reject the CBA with Local 54 pursuant to 11 U.S.C. § 1113(c) *nunc pro tunc* to the filing of the Motion, September 26, 2014.
3. The Debtors are authorized to implement the terms and conditions of the Proposal attached hereto as Exhibit A.
4. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
5. This Court shall retain exclusive jurisdiction over any and all matters arising from, in connection with or related to the interpretation or implementation of this Order.

Dated: October 17, 2014


KEVIN GROSS
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

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PROPOSAL THE FOLLOWING PROPOSAL IS MADE ON BEHALF OF TRUMP ENTERTAINMENT RESORTS, INC. AND TRUMP TAJ MAHAL ASSOCIATES, LLC (THE "DEBTOR") WITH RESPECT TO MODIFIED TERMS TO BE INCLUDED IN A NEW COLLECTIVE BARGAINING AGREEMENT ("CBA") FOR A FOUR-YEAR TERM BETWEEN TRUMP TAJ MAHAL ASSOCIATES, LLC AND UNITE HERE LOCAL 54. THE DEBTOR RESERVES THE RIGHT TO MODIFY, DELETE FROM OR ADD PROPOSALS AT ANY TIME.

ARTICLE 3—CONTROL, DISCHARGE AND SENIORITY

The Debtor proposes to expand its right to direct and control employees, such as by consolidating jobs, by determining and re-determining job content and determining the assignment of work, in order to allow for a more flexible use of staff and generate cost-savings.

Article 3.7(a): House seniority is an employee's length of continuous service in years, months and days from his/her first day paid in the bargaining unit by the Debtor."

Article 3.7(b): Classification seniority is an employee's length of continuous service within the department (as defined by the Debtor), in years, months and days from his/her first day paid in his/her present classification within his/her respective department/outlet.

ARTICLE 6—MEAL AND LOCKER FACILITY

The Debtor proposes to eliminate paid meal times. Rather than a paid meal time, the Debtor proposes that all employees working on a shift of six (6) hours or more will be provided with an unpaid, uninterrupted thirty (30) minute meal period. Accordingly, the Debtor would also require that employees clock out prior to the commencement of their assigned unpaid break and clock in upon the conclusion of their break and return to work. This modification would ensure that amounts paid will match actual work performed.

ARTICLE 11—HOLIDAYS

The Debtor proposes to reduce the amount of pay employees receive for working on a holiday. Rather than receiving straight pay (or in some cases, 1.5 times regular pay) for hours actually worked plus holiday pay, the employee would only receive a more market-standard time-and-a-half for hours actually worked on the holiday, thereby matching the amount paid to work actually performed. Employees would still receive holiday pay, at straight time, for the portion of the employee's usual shift which the employee does not work due to the holiday.

ARTICLE 12—HOURS OF WORK

The Debtor proposes to eliminate the guarantee that employees will be paid for a full shift if they are sent home at the direction of the employer after the completion of more than half their shift. Instead, the Debtor proposes that employees who are sent home at the direction of the employer prior to the completion of their full shift shall be guaranteed pay for half of their scheduled shift or the hours actually worked, whichever is greater. This would more closely link the amount paid to the time worked.

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ARTICLE 15—H&W AND PENSION & SEVERANCE

The Debtor proposes to withdraw from the Health and Welfare Fund and, instead, substitute with health care coverage under the 2010 Patient Protection and Affordable Care Act (commonly referred to as “Obamacare”). Full-time employees, however, would receive additional compensation of \$2,000 per year which will enable them to offset and, in some cases, completely defray the cost of obtaining health insurance now available to them and their families under Obamacare. Notably, it is intended that non-union employees (including management) would receive identical treatment in this regard.

The Debtor further proposes to cease making contributions to, and permanently withdraw from, the Pension Fund (National Retirement Fund) and, instead institute an employer sponsored 401(k) plan with the employer matching employee contributions up to 1% of each employee’s compensation per year. This modification would result in substantial cost-savings to the Debtor and enable the Debtor to attract new capital.

Also, in line with market standards, the Debtor also proposes to eliminate future contributions to the Severance Fund, which in turn will result in cost-savings to the Debtor.

ARTICLE 20—MISCELLANEOUS PROVISIONS

The Debtor further proposes to expand the exception for utilizing subcontractors, as set forth in set forth in Article 20.8, to include restaurants owned, operated by and/or affiliated with national restaurateurs. This modification will enable the Debtor to contract with national restaurateurs to open destination restaurants and attract new customers.

The Debtor also proposes to increase the minimum number of rooms a housekeeper will clean in a day from fourteen (14) to sixteen (16). This modification, which is in line with market standards, will enable internal efficiencies and result in cost-savings to the Debtor.

ARTICLE 22—TERM OF CONTRACT

The Debtor proposes to enter into a Four (4) year agreement such that the benefits of the proposed modifications are realized over a necessary period of time.

Miscellaneous:

Conforming changes to the dates contained in the Survival of Article provisions of Attachment 5 and the Wage Progression Examples of Attachment 11 upon entering into a new Collective Bargaining Agreement.

Any Union proposal not specifically addressed by the Debtor in this Proposal is hereby rejected.