GRANT & EISENHOFER P.A.
485 Lexington Avenue, 29th Floor
New York, New York 10017
Tel: 646-722-8500
Fax: 646-722-8501

GARDY & NOTIS, LLP
Tower 56
126 East 56th Street, 8th Floor
New York, New York 10022
Tel: 212-905-0509
Fax: 212-905-0508

September 28, 2015

BY ECF AND HAND DELIVERY

The Hon. Shira A. Scheindlin
United States District Judge
United States District Court
Southern District of New York
500 Pearl Street, Room 1620
New York, New York 10007-1312

Re: *Frederick Barton Danner v. Caesars Entertainment Corp., et. al*,
Case No. 1:14-cv-7973-SAS

Dear Judge Scheindlin:

We represent Plaintiff and the proposed class in the above-referenced action, and write pursuant to Rule IV(A) of the Court's Individual Rules and Procedures to respectfully request a pre-motion conference with respect to Plaintiff's intention to file a motion for class certification.

Plaintiff seeks certification pursuant to Fed. R. Civ. P. 23(a) and 23(b)(2) of a class (the "Class") defined as all persons who beneficially held the 6.5% Senior Notes due 2016 (the "2016 Notes") issued by Caesars Entertainment Operating Company, Inc. ("CEOC") and guaranteed by Caesars Entertainment Corporation (the "CEC") during the period August 11, 2014 (the day prior to the August Transaction) to the present (the Class Period").

As the Court is aware, Plaintiff is the beneficial holder of the 2016 Notes[1] issued by Caesars Entertainment Operating Company, Inc. ("CEOC"), and guaranteed by Caesars Entertainment Corporation ("CEC"). Plaintiff alleges that the August 2014 Transaction illegally removed the guarantee issued by the asset-rich parent company, CEC, leaving Plaintiff and the other 2016 noteholders with a worthless right to collect principal and interest for the issuer, CEOC, a company that is a debtor-in-possession under title 11 of the United States Code subject to claims for approximately $17 billion of senior secured debt. Plaintiff alleges that the release

[1] Unless otherwise defined herein, capitalized terms have the meaning accorded them in the Amended Class Action Complaint.

of the guarantee effected a non-consensual change to Plaintiff's payment rights and impaired Plaintiff's practical ability to recover payment in violation of the section 316 of the Trust Indenture Act of 1939 (the "TIA") and the governing indenture.

This case is perfectly suited for class treatment. The requirements of Rule 23(a) are satisfied here. First, numerosity is easily established as the number of potential Class members exceeds the 40 members the Second Circuit has held presumptively satisfies the numerosity requirement of Rule 23(a)(1).[2] Second, the questions of law and fact upon which liability depends are common to all members of the Class, because liability depends on CEC's violations of the TIA and contractual terms applicable to all 2016 Notes.[3] Third, Plaintiff's claims are typical of other Class members, because Plaintiff's claims arise from the same course of conduct by CEC. Additionally, Plaintiff, "being a bondholder, has claims typical of those of the class by virtue of being subject to the same contractual terms."[4] Fourth, Plaintiff has adequately, fairly, and vigorously protected the interests of the Class throughout this litigation and in the bankruptcy cases filed with respect to CEOC, as well as in the appeal arising out of the bankruptcy cases.[5] There is no reason to doubt that he cannot act as a proper representative. Moreover, because all Class members were injured by the same wrongful conduct, Plaintiff's interests in obtaining the best results possible are directly aligned with the Class, and he has chosen counsel who are well qualified, experienced and able to prosecute the Class claims. Finally, members of the Class can readily be ascertained through third-party records and other documents evidencing ownership of the 2016 Notes.

The requirements of Rule 23(b)(2) are also satisfied. Class certification is appropriate under Rule 23(b)(2) because CEC has engaged in conduct applying to the Class generally, and the declaratory relief sought by Plaintiff would benefit all members of the Class.[6] Indeed, Plaintiff seeks declaratory judgment that the August 22, 2014 supplemental indentures that sought to strip the parent guarantee on the 2016 Notes are ineffective, and that CEOC's filing of a voluntary Chapter 11 bankruptcy filing caused the automatic acceleration of all amounts of principal and interest due and owing 2016 noteholders under the indenture for the 2016 Notes.

A class certification motion is appropriate at this time. CEC has deposed Plaintiff, and all other class-related discovery is or will shortly be completed. CEC rejected Plaintiff's request

---

[2] *See Consolidated Rail Corp. v. Town of Hyde Park*, 47 F.3d 473, 483 (2d Cir. 1995).

[3] *H.W. Urban GmbH v. Republic of Argentina*, No. 02 Civ. 5699 (TPG), 2004 WL 307293, at *2 (S.D.N.Y. Feb. 17, 2004).

[4] *Id.*

[5] *See In re Caesars Entertainment Operating Company, Inc., alleged debtor*, Case No. 15-10047 (Bankr. D. Del.); *In re Caesars Entertainment Operating Company, Inc., et al.*, Case No. 15-01145 (ABG) (Bankr. N.D. Ill.); *In re Caesars Entertainment Operating Company, Inc., et al., Plaintiffs-Appellants, v. BOKF, N.A., et al., Defendants-Appellees*, Case No. 1:15-cv-06504 (N.D. Ill.).

[6] *See, e.g., Douglin v. GreatBanc Trust Co.*, Inc., ___ F. Supp. 3d ___, 2015 WL 3526248, at *6 (S.D.N.Y. June 30, 2015) (certifying class under Rule 23(b)(2) in an ERISA case, noting "the monetary aspect of the case does not involve any claims for relief unique to any class member.").

to stipulate to certification of the Class. On September 24, 2015, CEC's counsel stated in an email that "CEC is not prepared at this juncture to stipulate to class certification."

For all the foregoing reasons, Plaintiff respectfully requests that the Court schedule a pre-motion conference on October 7, 2015 (seven business days from today and a date on which the parties are already scheduled to be before the Court) or such other time at the Court's earliest availability.

Respectfully submitted,

GRANT & EISENHOFER P.A.

By: */s/ Gordon Z. Novod*
Gordon Z. Novod, Esq.

GARDY & NOTIS, LLP

By: */s/ Meagan A. Farmer*
Meagan Farmer, Esq.

cc: All Counsel of Record (via ECF)