

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

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In re:)	Chapter 11
)	
CAESARS ENTERTAINMENT)	Case No. 15-01145 (ABG)
OPERATING COMPANY, INC. et al.,¹)	(Jointly Administered)
)	
Debtors.)	Hon. A. Benjamin Goldgar
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NOTICE OF THE THIRD APPLICATION OF ALVAREZ & MARSAL GLOBAL FORENSIC AND DISPUTE SERVICES, LLC, FINANCIAL ADVISOR TO THE EXAMINER, FOR INTERIM ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM OCTOBER 1, 2015 THROUGH JANUARY 31, 2016

PLEASE TAKE NOTICE that on **May 18, 2016 at 1:30 PM CT**, or at a date and time to be determined by this Court, Alvarez & Marsal Global Forensic and Dispute Services, LLC (“A&M”), shall appear before the Honorable A. Benjamin Goldgar or any other judge who may be sitting in his place and stead, in a courtroom to be determined in the Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, Illinois 60604, and present the attached *Third Application of Alvarez & Marsal Global Forensic and Dispute Services, LLC, Financial Advisor to the Examiner, for Interim Allowance of Compensation and Reimbursement of Expenses for the Period from October 1, 2015 Through January 31, 2016* (the “Application”).

PLEASE TAKE FURTHER NOTICE that on or before **May 4, 2016 at 4:00 PM CT**, any objection to the Application must be filed with the Court and served on: (a) the Debtors, One Caesars Palace Drive, Las Vegas, Nevada 89109, Attn: Timothy J. Lambert; (b) counsel for the Debtors, Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn: David R. Seligman, P.C. and Ryan Preston Dahl, Esq.; and Kirkland & Ellis LLP, 601 Lexington Avenue,

¹ A complete list of the Debtors and the last four digits of their federal tax identification numbers is available at <https://cases.primeclerk.com/CEOC>.

New York, New York 10022, Attn: Nicole L. Greenblatt, Esq. and Christopher T. Greco, Esq.; (c) counsel for the Creditors' Committee, Proskauer Rose LLP, Eleven Times Square, New York, New York 10036, Attn: Martin Bienenstock, Esq., Judi Liu, Esq., Phil Abelson, Esq., and Vincent Indelicato, Esq.; and 70 West Madison Street, Suite 3800, Chicago, Illinois 60602, Attn: Jeffrey J. Marwil, Esq., Paul V. Possinger, Esq., and Mark K. Thomas, Esq.; (d) counsel for the Second Lien Committee, Jones Day, 555 South Flower Street, Fiftieth Floor, Los Angeles, California, 90071, Attn: Bruce Bennett, Esq. and Sidney Levinson, Esq.; (e) counsel for the First Lien Note Group, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036, Attn: Kenneth H. Eckstein, Esq. and Daniel M. Eggermann, Esq.; (f) counsel for the First Lien Lender Group, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, Attn: Kristopher M. Hansen, Esq. and Jonathan D. Canfield, Esq.; (g) counsel for the indenture trustee under the First Lien Notes Indenture, Katten Muchin Rosenman LLP, 575 Madison Avenue, New York, New York 10022, Attn: Craig A. Barbarosh, Esq. and Karen B. Dine, Esq.; (h) counsel for the Ad Hoc Group of Holders of 10.75% Guaranteed Notes and 10.75% Notes Trustee, White & Case LLP, Southeast Financial Center, Suite 4900, 200 South Biscayne Blvd., Miami, Florida 33131, Attn: Thomas E. Lauria, Esq.; (i) counsel for the Ad Hoc Group of 5.75% and 6.50% Notes, Drinker Biddle & Reath LLP, 1177 Avenue of the Americas, 41st Floor, New York, New York 10036, Attn: James H. Millar, Esq. and Kristin K. Going, Esq.; and (j) the U.S. Trustee, 219 S. Dearborn Street, Suite 873, Chicago, Illinois 60604, Attn: Denise Ann DeLaurent; (k) counsel to the Examiner, Winston & Strawn LLP, 35 W. Wacker Drive, Chicago, Illinois 60601, Attn: Daniel McGuire and Gregory Gartland; and Winston & Strawn LLP, 200 Park Avenue, New York, New York 10166, Attn: Richard Reinthaler, David Neier and Carrie Hardman; and (l) any party that has requested notice pursuant to Rule 2002 of the Federal Rules of Bankruptcy Procedure, which may be found at <https://cases.primeclerk.com/CEOC>.

PLEASE TAKE FURTHER NOTICE that copies of the Application 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.

Respectfully submitted,

Dated: March 30, 2016
Chicago, Illinois

WINSTON & STRAWN LLP

By: /s/ Daniel J. McGuire

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Counsel to the Examiner

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
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In re:) Chapter 11
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CAESARS ENTERTAINMENT) **Case No. 15-01145 (ABG)**
OPERATING COMPANY, INC. *et al.*,¹) (Jointly Administered)
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Debtors.) Hon. A. Benjamin Goldgar
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COVERSHEET FOR APPLICATION FOR PROFESSIONAL COMPENSATION
(IN CASES UNDER CHAPTERS 7, 11, AND 12)

Name of applicant: Alvarez & Marsal Global Forensic and Dispute Services, LLC ("A&M")

Authorized to provide professional services to: Richard J. Davis, the Examiner of Caesars Entertainment Operating Company, Inc., et al.

Date of retention: Order entered May 7, 2015 *nunc pro tunc* to April 14, 2015

Period for which compensation and reimbursement is sought: October 1, 2015 through January 31, 2016

Amount of compensation sought as actual, reasonable and necessary: \$9,165,894.90

Amount of expense reimbursement sought as actual, reasonable and necessary: \$241,243.59

This is an: Interim Application X Final Application

This is A&M's third interim fee application in this case.

¹ A complete list of the Debtors and the last four digits of their federal tax identification numbers is available at <https://cases.primeclerk.com/CEOC>.

**Summary of Hours Billed by Professionals and Paraprofessionals
for the Period October 1, 2015 through January 31, 2016**

Professional	Position/Title	Department	Hourly Billing Rate (October)	Total Billed Hours (October)	Hourly Billing Rate (November - January) ²	Total Billed Hours (November - January)	Total Compensation
Thomas Jones	Managing Director	Forensic Analysis Team	\$ 950.00	30.1	\$ 985.00	44.4	\$ 72,329.00
Edward McDonough	Managing Director	Forensic Analysis Team	\$ 775.00	112.2	\$ 805.00	681.3	\$ 635,401.50
Laureen Ryan	Managing Director	Forensic Analysis Team	\$ 775.00	284.1	\$ 805.00	884.0	\$ 931,797.50
Neil Beaton	Managing Director	Forensic Analysis Team	\$ 700.00	-	\$ 725.00	32.3	\$ 23,417.50
Christopher Howe	Managing Director	Forensic Analysis Team	\$ -	-	\$ 700.00	182.1	\$ 127,470.00
Daniel Baron	Managing Director	Forensic Analysis Team	\$ 600.00	177.9	\$ 650.00	519.0	\$ 444,090.00
Gregory Gotthardt	Managing Director	Forensic Analysis Team	\$ -	-	\$ 645.00	73.4	\$ 47,343.00
Arik Van Zandt	Managing Director	Forensic Analysis Team	\$ 575.00	11.5	\$ 625.00	160.5	\$ 106,925.00
Stephanie DeYoung	Senior Director	Forensic Analysis Team	\$ -	-	\$ 650.00	9.8	\$ 6,370.00
Jeffrey Schwarz	Senior Director	Forensic Analysis Team	\$ -	-	\$ 650.00	77.7	\$ 50,505.00
Karen Engstrom	Senior Director	Forensic Analysis Team	\$ 600.00	219.6	\$ 625.00	663.3	\$ 546,322.50
Andrea Gonzalez	Senior Director	Forensic Analysis Team	\$ -	-	\$ 625.00	168.0	\$ 105,000.00
Teresa Kilpatrick	Senior Director	Forensic Analysis Team	\$ 600.00	151.3	\$ 625.00	555.3	\$ 437,842.50
Paul Smith	Senior Director	Forensic Analysis Team	\$ 600.00	209.4	\$ 625.00	724.8	\$ 578,640.00
Michael Shanahan	Senior Director	Forensic Analysis Team	\$ 500.00	217.7	\$ 560.00	644.0	\$ 469,490.00
Ganimet Bardhi	Director	Forensic Analysis Team	\$ 500.00	220.3	\$ 520.00	608.1	\$ 426,362.00
Bradford Beake	Director	Forensic Analysis Team	\$ 500.00	218.9	\$ 520.00	565.3	\$ 403,406.00
James Brennan	Director	Forensic Analysis Team	\$ 500.00	227.5	\$ 520.00	622.9	\$ 437,658.00
Christian Cooper	Director	Forensic Analysis Team	\$ 500.00	141.8	\$ 520.00	266.2	\$ 209,324.00
James Harrington	Director	Forensic Analysis Team	\$ 500.00	143.2	\$ 520.00	120.8	\$ 134,416.00
Amita Kancherla	Director	Forensic Analysis Team	\$ 500.00	174.2	\$ 520.00	423.8	\$ 307,476.00
John Sawyer	Director	Forensic Analysis Team	\$ -	-	\$ 520.00	54.3	\$ 28,236.00
Veronica Williams	Director	Forensic Analysis Team	\$ 500.00	220.5	\$ 520.00	566.6	\$ 404,882.00
Gayla Langlois	Director	Forensic Analysis Team	\$ -	-	\$ 485.00	6.5	\$ 3,152.50
Stephen Peterson	Director	Forensic Analysis Team	\$ -	-	\$ 465.00	74.6	\$ 34,689.00
Shruti Arya	Manager	Forensic Analysis Team	\$ 450.00	179.9	\$ 470.00	433.4	\$ 284,653.00
Natalie Lewis	Manager	Forensic Analysis Team	\$ 450.00	252.4	\$ 470.00	505.9	\$ 351,353.00
Rachel Schmidt	Manager	Forensic Analysis Team	\$ 450.00	207.5	\$ 470.00	474.3	\$ 316,296.00
Min Zheng	Manager	Forensic Analysis Team	\$ 450.00	-	\$ 470.00	58.3	\$ 27,401.00
David Medway	Manager	Forensic Analysis Team	\$ 400.00	236.2	\$ 445.00	640.9	\$ 379,680.50
Mike Vitale	Manager	Forensic Analysis Team	\$ -	-	\$ 445.00	58.9	\$ 26,210.50
Sean Wilson	Senior Associate	Forensic Analysis Team	\$ -	-	\$ 430.00	41.9	\$ 18,017.00
Andrew Davis	Senior Associate	Forensic Analysis Team	\$ -	-	\$ 420.00	24.8	\$ 10,416.00
Leslie Lambert	Senior Associate	Forensic Analysis Team	\$ 400.00	180.6	\$ 420.00	455.5	\$ 263,550.00
Seth Leibert	Senior Associate	Forensic Analysis Team	\$ 400.00	56.5	\$ 420.00	535.7	\$ 247,594.00
Rachel Mimms	Senior Associate	Forensic Analysis Team	\$ 400.00	179.1	\$ 420.00	279.9	\$ 189,198.00
Miranda Rickert	Senior Associate	Forensic Analysis Team	\$ 400.00	24.3	\$ 420.00	104.7	\$ 53,694.00
William Swofford	Senior Associate	Forensic Analysis Team	\$ 400.00	226.5	\$ 420.00	490.0	\$ 296,400.00
Panagiotis Pantazis	Senior Associate	Forensic Analysis Team	\$ 375.00	23.3	\$ 420.00	146.8	\$ 70,393.50
Lynnann Whitbeck	Senior Associate	Forensic Analysis Team	\$ 375.00	-	\$ 420.00	56.8	\$ 23,856.00
Jeffrey Gunsel	Associate	Forensic Analysis Team	\$ -	-	\$ 406.00	91.7	\$ 37,230.20
Alden Katagihara	Associate	Forensic Analysis Team	\$ -	-	\$ 360.00	6.2	\$ 2,232.00
Thomas Koch	Associate	Forensic Analysis Team	\$ 305.00	177.7	\$ 320.00	458.9	\$ 201,046.50
Kevin Sullivan	Associate	Forensic Analysis Team	\$ 305.00	220.5	\$ -	-	\$ 67,252.50
Christine Li	Analyst	Forensic Analysis Team	\$ 275.00	-	\$ 285.00	3.0	\$ 855.00
Cecilia Saggio	Paraprofessional	Forensic Analysis Team	\$ 175.00	54.9	\$ 185.00	126.4	\$ 32,991.50
Anand Gandhi	Managing Director	Forensic Technology Team	\$ 650.00	20.4	\$ 670.00	55.1	\$ 50,177.00
Michael Robinson	Manager	Forensic Technology Team	\$ 425.00	9.0	\$ 440.00	12.1	\$ 9,149.00
Thanh Phan	Senior Associate	Forensic Technology Team	\$ 375.00	79.7	\$ 390.00	275.5	\$ 137,332.50
Tony Keophilavanh	Analyst	Forensic Technology Team	\$ 185.00	16.8	\$ 190.00	232.5	\$ 47,283.00
Raymundo Rivas	Analyst	Forensic Technology Team	\$ 185.00	86.9	\$ 190.00	178.2	\$ 49,934.50
Curtis Stecke	Associate	Forensic Technology Team	\$ 185.00	37.0	\$ 190.00	56.3	\$ 17,542.00
Totals							\$ 10,184,283.20
Total Reflecting Discount (10%)³							\$ 9,165,894.90

² Pursuant to the Order Authorizing the Retention and Employment of Alvarez & Marsal Global Forensic and Dispute Services, LLC as Financial Advisor to the Examiner, nunc pro tunc to April 14, 2015 ("A&M Retention Order") [Docket No. 1476], notice was provided of the rate increase effective November 1, 2015. Such rate increases (prior to the discount) are considered for all of A&M's clients, and not just in this matter, in accordance with its fiscal year end of October 31st. (See Notice of Revised Hourly Rates of Alvarez & Marsal Global and Forensic Dispute Services, LLC [Docket No. 2710]).

³ Pursuant to the terms set forth in the Application for Authorization to Employ and Retain Alvarez & Marsal Global Forensic and Dispute Services, LLC as Financial Advisor to the Examiner, nunc pro tunc to April 14, 2015 [Docket No. 1345], which were approved as set forth in the A&M Retention Order, such fees reflect a 10% discount.

**Summary of Compensation by Category for the Period
October 1, 2015 through January 31, 2016**

Project Category (Examples)	Total Hours	Total Fees
Fee/Employment Applications (B160)	386.0	\$ 153,085.50
Bankruptcy Litigation Matters (B180L)	19,176.1	\$ 10,031,197.70
Totals	19,562.1	\$ 10,184,283.20
Total Reflecting Discount (10%)		\$ 9,165,894.90

**Summary of Reimbursable Expenses
for the Period October 1, 2015 through January 31, 2016**

Reimbursable Expenses	Amount
Copies/Printing	\$ 3,729.50
Delivery Services/Couriers	\$ 925.86
Local meals	\$ 25.49
Local travel - Transportation	\$ 873.70
Online research - Undeveloped Land	\$ 140.00
Other (WIFI charges during travel)	\$ 641.78
Out-of-town travel - Hotel	\$ 116,713.63
Out-of-town travel - Meals	\$ 16,584.79
Out-of-town travel - Transportation	\$ 79,672.96
Relativity User Charges	\$ 21,750.00
Telephone	\$ 185.88
Total	\$ 241,243.59



Dated: March 30, 2016

Lauren M. Ryan
 Alvarez & Marsal Global Forensic and Dispute Services, LLC
 600 Madison Avenue
 New York, NY 10022
 Telephone: (212) 763-9568
Financial Advisor to the Examiner

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

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In re:)	Chapter 11
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CAESARS ENTERTAINMENT)	Case No. 15-01145 (ABG)
OPERATING COMPANY, INC. et al.,¹)	(Jointly Administered)
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Debtors.)	Hon. A. Benjamin Goldgar
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**THIRD APPLICATION OF ALVAREZ & MARSAL GLOBAL FORENSIC
AND DISPUTE SERVICES, LLC, FINANCIAL ADVISOR TO THE
EXAMINER, FOR INTERIM ALLOWANCE OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM OCTOBER 1, 2015 THROUGH JANUARY 31, 2016**

Alvarez & Marsal Global Forensic and Dispute Services, LLC (“A&M”), Global Financial Advisor to Richard J. Davis, Esq. (the “Examiner”), the Examiner of Caesars Entertainment Operating Company, Inc., *et al.* and certain of its affiliates (collectively, the “Debtors”), in the above-captioned chapter 11 case, pursuant to, *inter alia*, section 105 of title 11 of the United States Code, 11 U.S.C. §§101 *et seq.* (the “Bankruptcy Code”),² Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 5082-1 of the Local Rules of Bankruptcy Procedure for the United States Bankruptcy Court for the Northern District of Illinois (the “Local Rules”), and the *Order Establishing Procedures for Interim Compensation*

¹ A complete list of the Debtors and the last four digits of their federal tax identification numbers is available at <https://cases.primeclerk.com/CEOC>.

² Pursuant to this Court’s determination on the record at the hearing held in this case on September 28, 2015, the Examiner’s professionals are not subject to the standard of review set forth in section 330 of the Bankruptcy Code but are instead considered expenses of the Examiner. *See* September 28, 2015 Hearing Tr. 66:17-67:20. The Court further indicated it would continue to consider these applications on an interim basis. *See id.* at 67:4-6.

and Reimbursement of Expenses for Professionals entered by this Court on March 4, 2015, [Docket No. 587] (the “Interim Compensation Order”) hereby submits this second interim application (the “Application”) for allowance of compensation for services rendered and reimbursement of expenses incurred for the period October 1, 2015, through and including January 31, 2016 (the “Application Period”), and respectfully requests that the Court enter an order, in substantially the form submitted herewith, awarding A&M: (a) compensation of \$9,165,894.90 for professional services rendered and (b) reimbursement of \$241,243.59 for ordinary and necessary expenses incurred during the Application Period. In support of the Application, A&M respectfully states the following:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b) (2).

PRELIMINARY STATEMENT

2. A&M is an internationally recognized company that specializes in, among other areas, providing analytical, investigative, valuation and expert services to parties that are navigating complex accounting and financial issues, disputes or regulatory probes.

3. A&M has advised the Examiner with respect to a number of matters during the Application Period including, without limitation, strategy relating to the Investigation (defined below). A&M has worked together in a coordinated effort with the Examiner’s other professionals and the professionals of the key parties in interest in the Debtors’ cases in furtherance of the Investigation.

4. Most of the fees and expenses incurred by A&M during the Application Period

involve, *inter alia*, (a) analyzing documents produced by various parties during discovery relating to the analysis of fairness opinions, the value of assets involved in the various transactions being investigated, and the various lending transactions under review, (b) review of financial statements, (c) development of questions for the interviews, (d) attending and participating in interviews, (e) working sessions with the Examiner and counsel, (f) attending meetings with professionals representing parties of interest, (g) targeted document review, (h) analysis of cash flow projections, preliminary valuation solvency, intercompany transactions and debt, and (i) drafting various sections and appendices of the examiner's report. To this end, A&M believes it has conferred a benefit to the Examiner, and ultimately the Debtors' estates, and is entitled to receive interim allowance and payment of the amounts requested herein.

5. Copies of A&M's Monthly Fee Statements (defined below) covering the Application Period, which include detailed itemization of the services rendered and expenses incurred by A&M during the Application Period are attached hereto as **Exhibits A, B, C and D**.³ A&M has received no objections to the compensation and expenses sought in its Monthly Fee Statements.⁴

BACKGROUND

6. On January 15, 2015, the Debtors filed their voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern

³ Exhibits A, B, C and D contain detailed itemization that has been redacted. Such detailed itemization was also provided to the Independent Member of the Fee Committee (as each is defined below) on a redacted and unredacted basis, pursuant to a certain Confidentiality Agreement, dated as of June 27, 2015.

⁴A&M incorporates by reference the statements of Laureen Ryan set forth in the *Notice of Application for Authorization to Employ and Retain Alvarez & Marsal Global Forensic and Dispute Servicers, LLC as Financial Advisor to the Examiner, nunc pro tunc to April 14, 2015* [Docket No. 1345-2] concerning, among other things, its billing practices and rates with respect

District of Illinois.

7. On March 12, 2015, the Court entered the *Order Granting in Part and Denying in Part Motions to Appoint Examiner* [Docket No. 675] (the “Examiner Order”) directing the United States Trustee (the “UST”) to appoint an examiner, among other things.

8. In accordance with the Examiner Order, the UST filed a motion seeking the appointment of Richard J. Davis as the Examiner [Docket No. 946] (the “Examiner Motion”), which was approved by Court order dated March 25, 2015 [Docket No. 992].

9. Pursuant to Paragraph 3 of the Examiner Order, the Examiner is directed to investigate (a) the “Challenged Transactions” as defined and described in the *Notice of Debtor’s Motion for Entry of an Order (I) Appointing an Examiner and (II) Granting Related Relief* [Docket No. 363]; (b) the “Insider Transactions” as defined and described in the proposed order accompanying the *Notice of Motion of the Official Committee of Second Priority Noteholders for Appointment of Examiner with Access to and Authority to Disclose Privileged Materials* [Docket No. 367]; (c) any other transactions involving the Debtors, to the extent those transactions suggest potential claims belonging to the estates, including causes of action against any current officers or directors of the Debtors, any former officers or directors of the Debtors, or any affiliates of the Debtors; and (d) any apparent self-dealing or conflicts of interest involving the Debtors or their affiliates (collectively, the “Investigation”).

10. On April 29, 2015, the Examiner filed its Notice and Application for Authorization to Employ and Retain *Alvarez & Marsal Global Forensic and Dispute Services, LLC* as Financial Advisor to the Examiner *nunc pro tunc* to April 14, 2015 [Docket No. 1345] (the “A&M Retention Application”).

to the financial advisory services rendered to the Examiner.

11. On May 7, 2015, the Court entered an order authorizing the Examiner to retain A&M as its financial advisor [Docket No. 1476] (the “Retention Order”).

12. On July 15, 2015, A&M filed its *First Interim Application of Alvarez & Marsal Global Forensic and Dispute Services, LLP, Financial Advisor to the Examiner, for Interim Allowance of Compensation and Reimbursement of Expenses Under 11 U.S.C. §§ 330 and 331 for the Period from March 25, 2015 Through May 31, 2015* [Docket No. 1898], seeking interim compensation for the period of March 25 through May 31, 2015 (the “First Interim Fee Application”).

13. On August 31, 2015, the Debtors filed the *First Report of the Fee Committee* [Docket No. 2140] (the “First Fee Committee Report”) on behalf of the Fee Committee, recommending that the Court approve certain voluntary reductions and otherwise approve the First Interim Fee Application.

14. On September 29, 2015, the Court entered the *Order Granting Interim Fee Application of Alvarez & Marsal Global Forensic and Dispute Services, LLC, Financial Advisor to the Examiner, for the Period From March 25, 2015 Through May 31, 2015* [Docket No. 2357], approving the First Interim Fee Application, as set forth therein. A&M received payments on the hold back of \$191,424.44 on October 14, 2015.

15. On November 16, 2015, A&M filed its *Second Interim Application of Alvarez & Marsal Global Forensic and Dispute Services, LLP, Financial Advisor to the Examiner, for Interim Allowance of Compensation and Reimbursement of Expenses Under 11 U.S.C. §§ 330 and 331 for the Period from June 1, 2015 Through September 30, 2015* [Docket No. 2588], seeking interim compensation for the period of June 1 through September 30, 2015 (the “Second Interim Fee Application”).

16. On December 18, 2015, the Debtors filed the *Second Report of the Fee Committee* [Docket No. 2750] (the “Second Fee Committee Report”) on behalf of the Fee Committee, recommending that the Court approve certain voluntary reductions and otherwise approve the Second Interim Fee Application.

17. On January 11, 2016, the Court entered the *Order Granting Interim Fee Application of Alvarez & Marsal Global Forensic and Dispute Services, LLC, Financial Advisor to the Examiner, for the Period From June 1, 2015 Through October 30, 2015* [Docket No. 2955], approving the Second Interim Fee Application, as set forth therein. A&M received payments on the hold back of \$1,306,096.53 on January 21, 2016.

COMPLIANCE WITH FEE GUIDELINES AND FEE EXAMINER PROTOCOL

18. This Application has been prepared in accordance with the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. §330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013* generated by the UST (the “UST Guidelines”).

19. On April 27, 2015, the Court entered the Order Appointing a Fee Committee (the “Fee Committee Order”) [Docket No. 1319]. Among other things, the Fee Committee Order provides for the appointment of the Fee Committee (as defined therein) which includes one independent member, Professor Nancy Rapoport (the “Independent Member”), who was also appointed pursuant thereto.

20. On June 10, 2015, the Independent Member filed a notice containing the Fee Committee’s protocol for the review of all fee applications for Retained Professionals (as defined therein) [Docket No. 1763] (as amended and supplemented from time to time, including without limitation by Docket Nos. 1798 and 1826, the “Fee Committee’s Protocol”). This Application

has been prepared in accordance with the Fee Committee's Protocol.

INTERIM COMPENSATION PROCEDURES

21. Pursuant to the Interim Compensation Order, A&M and other professionals retained in this case were authorized to serve upon the parties identified therein (the "Notice Parties") monthly fee statements (the "Monthly Fee Statements"). The Notice Parties have fourteen (14) business days from the date of service of the Monthly Fee Statement to object to the amounts requested therein. If no objection was filed prior to expiration of the objection period, the Debtor was authorized to pay the respective professionals eighty percent (80%) of the fees and one hundred percent (100%) of the expenses sought in the Monthly Fee Statement.

22. In addition to the Monthly Fee Statements, the Interim Compensation Order directed professionals to seek interim allowance and payment of compensation (including the 20% held back from Monthly Fee Statements) and expense reimbursement at 120-day intervals (each an "Interim Fee Period") by filing with the Bankruptcy Court and serving on the Notice Parties an application for approval and allowance of all compensation and reimbursement of expenses relating to services rendered and expenses incurred during the preceding Interim Fee Period.

23. Upon discussion between the key parties in interest in this case, including the UST, the Fee Committee, and the professionals subject to the Interim Compensation Order, professionals are to file requests related to the first Interim Fee Period by July 15, 2015.

RELIEF REQUESTED

24. A&M, as Financial Advisor to the Examiner, makes this Application for compensation and reimbursement of expenses for the Application Period. A&M's retention was approved, *nunc pro tunc* to April 14, 2015. See Retention Order at ¶10.

25. All services rendered and expenses incurred for which compensation or reimbursement is requested were performed or incurred for or on behalf of the Examiner. The

services described in this Application are actual, necessary expenses.

26. Pursuant to the Interim Compensation Order and the Monthly Fee Statements filed to date, A&M has received aggregate interim payments in the amount of \$7,332,715.92 in fees incurred during the Application Period and \$241,243.59 in expenses incurred during the Application Period, for a total of \$7,573,959.51 (the "Interim Payments").

Seventh Monthly Fee Statement

27. On November 25, 2015, A&M served its seventh Monthly Fee Statement (attached hereto as Exhibit A, the "Seventh Monthly Fee Statement") for the period from October 1, 2015 through and including October 31, 2015, seeking payment of fees in the amount of \$2,197,725.00 (reflective of a 10% discount of \$243,573.00) and reimbursement of expenses in the amount of \$93,973.52. A&M received no objection to the Seventh Monthly Fee Statement. Accordingly, pursuant to the Interim Compensation Order, the Debtor paid eighty percent (80%) of fees requested totaling \$1,758,180.00 and one hundred percent (100%) of the expense reimbursement requested totaling \$93,973.52.

Eighth Monthly Fee Statement

28. On January 7, 2016, A&M served its Eighth Monthly Fee Statement (attached hereto as Exhibit B, the "Eighth Monthly Fee Statement") for the period from November 1, 2015 through and including November 30, 2015, seeking payment of fees in the amount of \$2,115,168.95 (reflective of a 10% discount of \$235,187.05) and reimbursement of expenses in the amount of \$69,206.74. A&M received no objection to the Eighth Monthly Fee Statement. Accordingly, pursuant to the Interim Compensation Order, the Debtor paid eighty percent (80%) of fees requested totaling \$1,692,135.16 and one hundred percent (100%) of the expense reimbursement requested totaling \$69,206.74.

Ninth Monthly Fee Statement

29. On February 1, 2016, A&M served its Ninth Monthly Fee Statement (attached hereto as Exhibit C, the "Ninth Monthly Fee Statement") for the period from December 1, 2015 through and including December 31, 2015, seeking payment of fees in the amount of \$2,238,076.55 (reflective of a 10% discount of \$248,856.25) and reimbursement of expenses in the amount of \$36,991.65. A&M received no objection to the Ninth Monthly Fee Statement. Accordingly, pursuant to the Interim Compensation Order, the Debtor paid eighty percent (80%) of fees requested totaling \$1,790,461.24 and one hundred percent (100%) of the expense reimbursement requested totaling \$36,991.65.

Tenth Monthly Fee Statement

30. On March 2, 2016, A&M served its Tenth Monthly Fee Statement (attached hereto as Exhibit D, the "Tenth Monthly Fee Statement") for the period from January 1, 2016 through and including January 31, 2016, seeking payment of fees in the amount of \$2,614,924.40 (reflective of a 10% discount of \$290,772.00) and reimbursement of expenses in the amount of \$41,071.68. A&M received no objection to the Tenth Monthly Fee Statement. Accordingly, pursuant to the Interim Compensation Order, the Debtor paid eighty percent (80%) of fees requested totaling \$2,091,939.52 and one hundred percent (100%) of the expense reimbursement requested totaling \$41,071.68.

**SUMMARY OF A&M MONTHLY FEE STATEMENTS (net of a 10% reduction)
FROM OCTOBER 1, 2015 THROUGH JANUARY 31, 2016**

Date Circulated to Notice Parties	Period	Requested		Total Compensation	
		Fees	Expenses	Fees (80%)	Expenses
11/25/2015	10/01/15 - 10/31/15	2,197,725.00	93,973.52	1,758,180.00	93,973.52
1/7/2016	11/01/15 - 11/30/15	2,115,168.95	69,206.74	1,692,135.16	69,206.74
2/1/2016	12/01/15 - 12/31/15	2,238,076.55	36,991.65	1,790,461.24	36,991.65
3/2/2016	1/01/16 - 1/31/16	2,614,924.40	41,071.68	2,091,939.52	41,071.68
Total		\$ 9,165,894.90	\$ 241,243.59	\$ 7,332,715.92	\$ 241,243.59

SUMMARY OF SERVICES DURING THE APPLICATION PERIOD

31. As set forth in the detailed records attached to each Monthly Fee Statement, fees incurred by A&M during the Application Period, net of a 10% reduction, total \$9,165,894.90. The blended hourly rate for A&M’s professionals during the Application Period is \$468.55 which amount is derived by dividing the total amount of fees billed by the total number of hours expended.

32. A&M professionals have devoted substantial time to numerous complex legal matters in this case. Recitation of each and every task performed by A&M during the Application Period would be burdensome and unnecessary. Therefore, the services rendered by A&M during the Application Period are grouped into specific categories as defined and described below. Within the detail records attached to each Monthly Fee Statement, the professionals who rendered services relating to each category are identified, along with the number of hours for each individual and the total compensation sought for each category. The following table summarizes A&M billing project categories, the number of hours billed with respect to each such category and the total fees requested for services rendered relating to such category:

Billing Category	Hours	Fees	Fees Reflecting 10% Discount
Fee Applications/Retention	386.0	\$153,085.50	\$137,813.87
Bankruptcy Litigation	19,176.1	\$10,031,197.70	\$9,028,081.03
Total	19,562.1	\$10,184,283.20	\$9,165,894.90

A. Fee/Employment Applications (Total Hours: 386.0; Total Fees: \$137,813.87)

33. During the Application Period, A&M expended 386.0 hours having a value of \$137,813.87 at a blended hourly rate of approximately \$357.03 in connection with this category. Services rendered by A&M in this category include, among other things, the following: (a) Preparation of Monthly Fee Statements; (b) Preparation of Second Interim Fee Application; and (c) Responding to the Fee Examiner’s inquiries.

B. Bankruptcy Litigation Matters (Total Hours: 19,176.1; Total Fees: \$9,028,081.03)

34. During the Application Period, A&M expended 19,176.10 hours having a value of \$9,028,081.03 at a blended hourly rate of approximately \$470.80 in connection with this category. Services rendered by A&M in this category include, among other things, the following: (a) continued diligence of the various transactions to be investigated by the Examiner; (b) meetings with key parties’ professionals, the Examiner and counsel; (c) preparation and participation in formal and informal interviews; (d) analysis of fairness opinions, the financial condition of the Debtors, valuation and other related analysis; and (e) reviewing, drafting and/or editing portions of the Examiner’s Report and related attachments.

C. ACTUAL AND NECESSARY EXPENSES

35. As set forth in Exhibit A, B, C and D hereto, A&M has incurred a total of \$241,243.59 in actual, necessary expenses in providing professional service to the Examiner during the Application Period. The expenses and disbursements for which A&M seeks reimbursement are those customarily charged to non-bankruptcy clients.

VOLUNTARY REDUCTIONS AND ADJUSTMENTS

36. As is set forth in the A&M Retention Application, A&M agreed to a 10% downward adjustment of all of its fees. Only the Examiner's retained professionals have agreed to these discounts in these Chapter 11 Cases. Such 10% downward adjustment amounts to a total \$1,018,388.30 discount during the Application Period. Such reductions are reflected in the net amount sought in this Application.

37. In the exercise of billing discretion, A&M voluntarily wrote off \$16,472.28 in expenses during the Application Period. Such reductions are reflected in the net amount sought in this Application.

38. As a result of the foregoing downward adjustments and voluntary reductions, A&M request reflects reductions that total \$1,018,388.30 in fees and \$16,472.28 in expenses accrued during the Application Period.

COMPENSATION SOUGHT IS REASONABLE AND APPROPRIATE

39. The amounts requested herein for compensation and expense reimbursement are fair and reasonable given (a) the complexity of these cases; (b) the time expended; (c) the nature and extent of the services rendered; (d) the value of A&M services; and (e) the costs of comparable services other than in a case under this title.

40. A&M rendered thorough, complete and sophisticated advice to the Examiner on a wide range of issues. A&M has made every effort to minimize its costs while providing the highest quality of financial advisory services. In addition, tasks were delegated to an associate where appropriate. A&M submits that its services to the Examiner have conferred a significant benefit to the estates in a cost-effective manner.

41. A&M financial advisory services and expenses incurred during the Application Period constitute only those necessary expenses that were incurred for the benefit of the

Examiner and, ultimately, the Debtors' estates. A&M has properly requested reimbursement of only actual, necessary and appropriate legal expenses.

42. No agreement or undertaking exists between A&M and/or any third person for the sharing or division of compensation. All of the services for which compensation is requested in this Application were rendered at the request of and solely on behalf of the Examiner.

43. A&M submits that the compensation requested is for actual and necessary services and expenses, and is reasonable, based upon the nature, extent and value of such services, the time spent thereon, and the costs of comparable services in a case under the Bankruptcy Code.

NOTICE AND APPLICATION

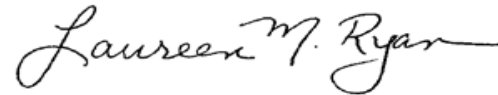
44. Notice of this Application has been served upon the Notice Parties, as that term is defined and described in the Interim Compensation Order. In light of the nature of the relief requested herein, A&M submits that no further or other notice is required.

WHEREFORE, Alvarez & Marsal Global Forensic and Dispute Services, LLC respectfully requests that the Court enter an order, substantially in the form of the attached proposed order: (a) granting this Application; (b) approving compensation to A&M in the amount of \$9,165,894.90 for actual, necessary and reasonable professional services rendered on behalf of the Examiner during the Application Period; (c) approving reimbursement of expenses to A&M in the amount of \$241,243.59 for actual, necessary and reasonable expenses incurred on behalf of the Examiner; (d) directing the Debtors pay to A&M the difference between the amount allowed hereunder and the amounts previously paid to A&M; and (e) granting such other and further relief the Court deems just and proper.

[signature page to follow]

Dated: March 30, 2016
New York, NY

Respectfully submitted,



By: _____

Laureen M. Ryan
Alvarez & Marsal Global Forensic and Dispute
Services, LLC
600 Madison Avenue
New York, NY 10022
Telephone: (212) 763-9568
Financial Advisor to the Examiner

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

_____)	
In re:)	Chapter 11
)	
CAESARS ENTERTAINMENT)	Case No. 15-01145 (ABG)
OPERATING COMPANY, INC. <i>et al.</i> , ¹)	(Jointly Administered)
)	
Debtors.)	Hon. A. Benjamin Goldgar
)	
.....)	

**ORDER GRANTING THIRD APPLICATION OF ALVAREZ & MARSAL
GLOBAL FORENSIC AND DISPUTE SERVICES, LLC, FINANCIAL ADVISOR
TO THE EXAMINER, FOR INTERIM ALLOWANCE OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM OCTOBER 1, 2015 THROUGH JANUARY 31, 2016**

Upon consideration of the *Third Application of Alvarez & Marsal Global Forensic and Dispute Services, LLC, Financial Advisor to the Examiner, for Interim Allowance of Compensation and Reimbursement of Expenses for the Period from October 1, 2015 Through January 31, 2016* (the "Application")², and the Court being fully advised in the premises and a hearing having been held before the Court to consider the Application (the "Hearing"), and after due deliberation thereon, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Application is GRANTED on an interim basis as set forth herein.
2. A&M’s fees in the amount of \$9,165,894.90 on account of services rendered to the Examiner during the Application Period are allowed on an interim basis.

¹ A complete list of the Debtors and the last four digits of their federal tax identification numbers is available at <https://cases.primeclerk.com/CEOC>.

² Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Application.

3. A&M expense reimbursement in the amount of \$241,243.59 on account of expenses incurred in connection with services rendered to the Examiner during the Application Period is allowed on an interim basis.

4. The Debtor is authorized and directed to promptly pay to A&M fees and expense reimbursement in the aggregate amount not to exceed \$9,407,138.49 less the amounts previously paid to A&M as Interim Payments. Such payment remains subject to entry of a final order.

Dated:

Honorable A. Benjamin Goldgar
United States Bankruptcy Judge